

Act No. 117  
Public Acts of 1997  
Approved by the Governor\*  
October 2, 1997  
Filed with the Secretary of State  
October 2, 1997  
EFFECTIVE DATE: October 2, 1997

\*Item Vetoes

Sec. 318.

Entire Section. (Page 10)

Sec. 712.

The words: "and the Beaver Island Transportation Authority". (Page 17)

**STATE OF MICHIGAN  
89TH LEGISLATURE  
REGULAR SESSION OF 1997**

Introduced by Senators Hoffman and DeGrow

# ENROLLED SENATE BILL No. 174

AN ACT to make appropriations for the state transportation department and certain transportation purposes for the fiscal year ending September 30, 1998; to provide for the imposition of fees; to create certain work groups and committees; to provide for reports; to create certain funds; to prescribe requirements for certain railroad facilities; to prescribe certain powers and duties of certain state departments and officials, local units of government, committees, and work groups; and to provide for the expenditure of the appropriations.

*The People of the State of Michigan enact:*

Sec. 101. There is appropriated for the state transportation department and certain state purposes designated in this act for the fiscal year ending September 30, 1998, from the following funds:

**STATE TRANSPORTATION DEPARTMENT**

**APPROPRIATION SUMMARY:**

Full-time equated unclassified positions .....	6.0		
Full-time equated classified positions .....	3,223.0		
GROSS APPROPRIATION .....		\$	2,428,611,500
Interdepartmental grant revenues:			
Total interdepartmental grants and intradepartmental transfers .....			0
ADJUSTED GROSS APPROPRIATION .....		\$	2,428,611,500
Federal revenues:			
Total federal revenues .....			531,817,800
Special revenue funds:			
Total local revenues .....			5,600,000
Total private revenues .....			0
Total other state restricted revenues .....			1,891,193,700
State general fund/general purpose .....		\$	0

**DEBT SERVICE**

State trunkline .....		\$	46,578,400
Trunkline bonds, series 1989A-EDF (\$100,000,000) .....			11,483,200
Critical bridge .....			3,000,000

	For Fiscal Year Ending Sept. 30, 1998
Blue water bridge.....	\$ 2,385,900
Comprehensive transportation.....	23,129,300
GROSS APPROPRIATION.....	\$ 86,576,800
Appropriated from:	
Special revenue funds:	
Comprehensive transportation fund .....	23,129,300
Michigan transportation fund .....	14,483,200
State trunkline fund .....	46,578,400
Blue water bridge fund.....	2,385,900
State general fund/general purpose .....	\$ 0
<b>INTERDEPARTMENT AND STATUTORY CONTRACTS</b>	
Michigan transportation fund (MTF)	
MTF grant to department of civil service .....	\$ 724,500
MTF grant to department of environmental quality .....	777,700
MTF grant to department of management and budget .....	336,800
MTF grant to department of state.....	44,808,700
MTF grant to department of state police .....	610,800
MTF grant to department of treasury .....	6,868,900
MTF grant to legislative auditor general .....	162,500
State trunkline fund (STF)	
STF grant to department of attorney general.....	2,276,100
STF grant to department of civil service .....	3,668,300
STF grant to department of management and budget .....	693,900
STF grant to department of natural resources .....	35,500
STF grant to department of state police .....	5,863,000
STF grant to department of treasury .....	18,800
STF grant to legislative auditor general .....	341,000
State aeronautics fund (SAF)	
SAF grant to department of attorney general .....	116,400
SAF grant to department of civil service .....	54,700
SAF grant to department of management and budget.....	28,900
SAF grant to department of treasury.....	59,300
SAF grant to legislative auditor general.....	15,700
Comprehensive transportation fund (CTF)	
CTF grant to department of attorney general .....	120,600
CTF grant to department of civil service .....	109,400
CTF grant to department of management and budget.....	39,000
CTF grant to department of treasury.....	7,500
CTF grant to legislative auditor general.....	48,500
GROSS APPROPRIATION.....	\$ 67,786,500
Appropriated from:	
Special revenue funds:	
Comprehensive transportation fund .....	325,000
Michigan transportation fund .....	54,289,900
State aeronautics fund .....	275,000
State trunkline fund .....	12,896,600
State general fund/general purpose .....	\$ 0
<b>EXECUTIVE DIRECTION</b>	
Full-time equated unclassified positions .....	6.0
Full-time equated classified positions .....	33.3
Unclassified salaries .....	\$ 455,900
Commission audit—33.3 FTE positions.....	2,938,900
GROSS APPROPRIATION.....	\$ 3,394,800
Appropriated from:	
Special revenue funds:	
State trunkline fund .....	3,394,800
State general fund/general purpose .....	\$ 0

For Fiscal Year  
Ending Sept. 30,  
1998

ADMINISTRATIVE SERVICES

Full-time equated classified positions .....	116.7	
Administration and data center—70.2 FTE positions .....		\$ 12,032,700
Building occupancy charges - property management .....		4,319,400
Human resources—41.5 FTE positions .....		3,462,700
Economic development administration—5.0 FTE positions .....		537,800
Transportation service centers .....		3,000,000
Rent .....		1,940,000
Worker's compensation .....		2,436,300
GROSS APPROPRIATION .....		\$ 27,728,900
Appropriated from:		
Special revenue funds:		
General fund restricted purpose .....		130,000
State aeronautics fund .....		722,700
Comprehensive transportation fund .....		1,388,400
Michigan transportation fund .....		401,000
State trunkline fund .....		25,086,800
State general fund/general purpose .....		\$ 0

BUREAU OF FINANCE AND ADMINISTRATION

Full-time equated classified positions .....	218.6	
Administration—218.6 FTE positions .....		\$ 20,930,600
Equipment rental .....		(5,022,700)
GROSS APPROPRIATION .....		\$ 15,907,900
Appropriated from:		
Special revenue funds:		
Michigan transportation fund .....		461,800
State trunkline fund .....		15,446,100
State general fund/general purpose .....		\$ 0

BUREAU OF TRANSPORTATION PLANNING

Full-time equated classified positions .....	187.0	
Administration—187.0 FTE positions .....		\$ 16,040,600
Grants to regional planning councils .....		488,800
GROSS APPROPRIATION .....		\$ 16,529,400
Appropriated from:		
Federal revenues:		
DOT-FHWA, highway research, planning, and construction .....		7,275,000
Special revenue funds:		
State aeronautics fund .....		226,700
Comprehensive transportation fund .....		1,618,500
Michigan transportation fund .....		4,290,900
State trunkline fund .....		3,118,300
State general fund/general purpose .....		\$ 0

BUREAU OF HIGHWAYS

Full-time equated classified positions .....	1,714.3	
Engineering operations—836.3 FTE positions .....		\$ 33,446,400
Maintenance operations—85.0 FTE positions .....		8,964,700
Program services—793.0 FTE positions .....		38,539,000
Testing services .....		(12,000,000)
GROSS APPROPRIATION .....		\$ 68,950,100
Appropriated from:		
Federal revenues:		
DOT-FHWA, highway research, planning, and construction .....		2,000,000
DOT-NHTSA, state and community highway safety .....		146,800
Special revenue funds:		
Michigan transportation fund .....		1,989,200

	For Fiscal Year Ending Sept. 30, 1998
State trunkline fund .....	\$ 64,814,100
State general fund/general purpose .....	\$ 0
<b>HIGHWAY MAINTENANCE</b>	
Full-time equated classified positions .....	758.1
State operations—758.1 FTE positions .....	\$ 74,194,300
Equipment rental.....	(10,334,800)
Sign and signal .....	(1,500,000)
Contract operations.....	114,128,300
<b>GROSS APPROPRIATION.....</b>	<b>\$ 176,487,800</b>
Appropriated from:	
Special revenue funds:	
State trunkline fund .....	176,487,800
State general fund/general purpose .....	\$ 0
<b>ROAD AND BRIDGE PROGRAMS</b>	
State trunkline federal aid and road and bridge construction .....	\$ 695,853,400
Local federal aid and road and bridge construction.....	105,000,000
Grants to local programs.....	33,000,000
Rail grade crossing.....	3,000,000
Critical bridge program.....	5,250,000
County road commissions.....	523,631,700
Cities and villages.....	291,948,200
<b>GROSS APPROPRIATION.....</b>	<b>\$ 1,657,683,300</b>
Appropriated from:	
Federal revenues:	
DOT-FHWA, highway research, planning, and construction.....	491,250,000
Special revenue funds:	
Local funds.....	5,000,000
Comprehensive transportation fund .....	25,000,000
State restricted funds .....	7,335,500
Michigan transportation fund .....	841,354,900
State trunkline fund .....	287,742,900
State general fund/general purpose .....	\$ 0
<b>BLUE WATER BRIDGE</b>	
Full-time equated classified positions .....	32.0
Blue water bridge operations—32.0 FTE positions.....	\$ 9,953,600
<b>GROSS APPROPRIATION.....</b>	<b>\$ 9,953,600</b>
Appropriated from:	
Special revenue funds:	
Blue water bridge fund.....	9,953,600
State general fund/general purpose .....	\$ 0
<b>TRANSPORTATION ECONOMIC DEVELOPMENT FUND</b>	
Forest roads .....	\$ 5,000,000
Rural county urban system .....	2,500,000
Target industries/economic redevelopment .....	14,885,400
Urban county congestion.....	11,434,300
Rural county primary .....	11,434,300
<b>GROSS APPROPRIATION.....</b>	<b>\$ 45,254,000</b>
Appropriated from:	
Special revenue funds:	
General fund restricted purpose .....	12,870,000
Michigan transportation fund .....	28,424,000
State trunkline fund .....	3,960,000
State general fund/general purpose .....	\$ 0

BUREAU OF AERONAUTICS

Full-time equated classified positions .....	57.0	
Administration—57.0 FTE positions .....		\$ 7,570,000
Air service program .....		1,000,000
GROSS APPROPRIATION.....		<u>\$ 8,570,000</u>
Appropriated from:		
Special revenue funds:		
State aeronautics fund .....		8,570,000
State general fund/general purpose .....		<u>\$ 0</u>

BUREAU OF URBAN AND PUBLIC TRANSPORTATION

Full-time equated classified positions .....	106.0	
Administration—106.0 FTE positions .....		\$ 8,349,900
GROSS APPROPRIATION.....		<u>\$ 8,349,900</u>
Appropriated from:		
Special revenue funds:		
Comprehensive transportation fund .....		7,159,400
Michigan transportation fund .....		1,190,500
State general fund/general purpose .....		<u>\$ 0</u>

BUS TRANSIT DIVISION; STATUTORY OPERATING

Local bus operating.....		\$ 162,134,800
Nonurban operating/capital .....		6,746,000
GROSS APPROPRIATION.....		<u>\$ 168,880,800</u>
Appropriated from:		
Federal revenues:		
DOT, federal transit act .....		6,546,000
Special revenue funds:		
Local funds.....		200,000
Comprehensive transportation fund .....		162,134,800
State general fund/general purpose .....		<u>\$ 0</u>

INTERCITY PASSENGER AND FREIGHT

Freight property management.....		\$ 2,000,000
Detroit/Wayne County port authority.....		301,800
Intercity bus equipment.....		1,800,000
Rail passenger service .....		5,000,000
Freight preservation and development .....		5,500,000
Rail infrastructure loan program.....		3,300,000
Intercity bus service development .....		2,100,000
Marine passenger services.....		1,453,500
Terminal development .....		1,500,000
Intercity passenger and freight discretionary .....		5,342,500
GROSS APPROPRIATION.....		<u>\$ 28,297,800</u>
Appropriated from:		
Federal revenues:		
DOT, federal transit act .....		1,000,000
DOT-FRA, local rail service assistance.....		2,000,000
DOT-FRA, rail passenger/HSGT .....		3,000,000
Special revenue funds:		
Local funds.....		100,000
Rail preservation fund .....		1,000,000
Rail infrastructure fund.....		300,000
Intercity bus equipment fund.....		300,000
Comprehensive transportation fund .....		20,597,800
State general fund/general purpose .....		<u>\$ 0</u>

For Fiscal Year  
Ending Sept. 30,  
1998

**PUBLIC TRANSPORTATION DEVELOPMENT**

Specialized services .....	\$	3,600,100
Municipal credit program.....		2,000,000
Bus capital.....		29,500,000
Ride sharing .....		330,700
Van pooling .....		145,000
Bus property management .....		175,000
Service development and new technology .....		3,400,000
Planning grants.....		150,000
Audit settlements .....		200,000
Region service coordination.....		3,000,000
Work first initiative .....		2,050,000
Public transportation development discretionary .....		1,044,600
<b>GROSS APPROPRIATION.....</b>	<b>\$</b>	<b>45,595,400</b>
Appropriated from:		
Federal revenues:		
DOT, federal transit act .....		18,600,000
Special revenue funds:		
Local funds.....		300,000
Comprehensive transportation fund .....		26,695,400
State general fund/general purpose .....	\$	0

**EARLY RETIREMENT**

Early retirement savings .....	\$	(7,335,500)
<b>GROSS APPROPRIATION.....</b>	<b>\$</b>	<b>(7,335,500)</b>
Appropriated from:		
Special revenue funds:		
State restricted funds .....		(7,335,500)
State general fund/general purpose .....	\$	0

**GENERAL SECTIONS**

Sec. 201. (1) In accordance with the provisions of section 30 of article IX of the state constitution of 1963, total state spending from state sources for fiscal year 1997-1998 is estimated at \$1,891,193,700.00 and state sources paid to local units of government for fiscal year 1997-1998 are estimated at \$1,066,658,200.00. The itemized list below identifies appropriations from which spending to units of local government will occur:

**DEPARTMENT OF TRANSPORTATION**

Local grant program.....	\$	33,000,000
Economic development fund.....		30,368,600
Grants to cities and villages .....		291,948,200
Grants to county road commissions.....		523,631,700
Critical bridge program.....		5,250,000
Grants to regional planning councils.....		488,800
Local bus operating.....		162,134,800
Bus capital.....		12,000,000
Marine passenger service.....		1,453,500
Detroit/Wayne County port authority.....		301,800
Local ride sharing operating grants.....		330,700
Planning grants .....		150,000
Municipal credit program.....		2,000,000
Specialized services .....		3,600,100
Total payments to local units of government.....	\$	1,066,658,200

(2) If it appears to the principal executive officer of a department or branch that state spending to local units of government will be less than the amount that was projected to be expended under subsection (1), the principal

executive officer shall immediately give notice of the approximate shortfall to the department of management and budget, the senate and house appropriations committees, and the senate and house fiscal agencies.

Sec. 202. The expenditures and funding sources authorized under this act are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this act:

- (a) "CTF" means comprehensive transportation fund.
- (b) "Department" means the department of transportation.
- (c) "DOT" means the United States department of transportation.
- (d) "DOT-FHWA" means DOT, federal highway administration.
- (e) "DOT-FRA" means DOT, federal railroad administration.
- (f) "DOT-FRA, rail passenger/HSGT" means DOT, federal railroad administration, high-speed ground transportation.
- (g) "DOT-NHTSA" means DOT, national highway traffic safety administration.
- (h) "EDF" means economic development fund.
- (i) "FTE" means full-time equated.
- (j) "IDG" means interdepartmental grant.
- (k) "MDTR" means Michigan department of treasury.
- (l) "MTF" means Michigan transportation fund.
- (m) "RIF" means recreation improvement fund.
- (n) "SAF" means state aeronautics fund.
- (o) "SEDF" means state economic development fund.
- (p) "STF" means state trunkline fund.

Sec. 205. (1) Beginning October 1, 1997, there is a hiring freeze imposed on the state classified civil service. State departments and agencies are prohibited from hiring any new full-time state classified civil service employees or prohibited from filling any vacant state classified civil service positions. This hiring freeze does not apply to internal transfers of classified employees from 1 position to another within a department or to positions that are funded with 80% or more federal or restricted funds.

(2) The director of the department of management and budget shall grant exceptions to this hiring freeze when the director believes that the hiring freeze will result in the state department or agency being unable to deliver basic services. The director of the department of management and budget shall report by the fifteenth of each month to the chairpersons of the senate and house appropriations committees the number of exclusions to the hiring freeze approved during the previous month and the justification for the exclusion.

Sec. 206. The department of civil service shall bill departments and agencies at the end of the first fiscal quarter for the 1% charges authorized by section 5 of article XI of the state constitution of 1963. Payments shall be made for the total amount of the billing by the end of the second fiscal quarter.

Sec. 207. (1) In addition to the funds appropriated in section 101, there is appropriated an amount not to exceed \$240,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in section 101, there is appropriated an amount not to exceed \$40,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(3) In addition to the funds appropriated in section 101, there is appropriated an amount not to exceed \$1,000,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(4) In addition to the funds appropriated in section 101, there is appropriated an amount not to exceed \$1,000,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 208. (1) All new rail passenger platforms constructed in this state after the effective date of this act shall be in full compliance with published standards for rail passenger platforms of the American railway engineering association.

(2) The design of all new rail passenger facilities constructed in this state after the effective date of this act shall take into consideration the published standards for rail passenger facilities of the American railway engineering association.

Sec. 209. An agency, department, or other entity receiving funds under section 101 shall not conduct or sponsor any activity that causes a motor vehicle to be stopped on any highway or freeway in this state for the purpose of disseminating literature including but not limited to a survey.

Sec. 210. The department shall not implement an affirmative action plan unless it has been submitted to the Michigan civil rights commission for approval in accordance with section 210 of the Elliott-Larsen civil rights act, 1976 PA 453, MCL 37.2210, and the Michigan civil rights commission has approved the plan.

Sec. 211. The negative appropriation in section 101 for early retirement compensation savings represents savings from the state's 1997 early retirement program. Not later than October 15, 1997, the department and the state budget director shall request legislative transfers under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393, to apply the retirement costs and salary and fringe benefits savings to the appropriated line items affected by the early retirement of state employees.

Sec. 212. (1) The department shall submit to the department of management and budget, the house and senate appropriations committees, the house and senate fiscal agencies, and the house and senate standing committees having jurisdiction over technology issues, periodic reports on the department's efforts to change the department's computer software and hardware as necessary to perform properly in the year 2000 and beyond. These reports shall identify actual progress in comparison to the department's approved work plan for these efforts.

(2) The department may present progress billings to the department of management and budget for the costs incurred in changing computer software and hardware as necessary to perform properly in the year 2000 and beyond. At the time progress billings are presented for reimbursement, the department shall identify and forward as appropriate the funding sources that should support the work performed.

Sec. 214. The funds appropriated in section 101 as grants to regional planning councils shall not be used to make products or provide services in a manner that will result in unfair competition with products or services available from the private sector. Regional planning councils that use funds in violation of this section shall forfeit all regional planning council grants appropriated in section 101.

Sec. 217. The department shall receive and retain copies of all reports funded from section 101 appropriations.

Sec. 219. The department may participate in a study for the design of a Wixom/Beck road interchange along the I-96 corridor.

## **DEPARTMENTAL SECTIONS**

Sec. 301. The department may establish a fee schedule and collect fees sufficient to cover the costs to issue the permits that the department is authorized by law to issue upon request, and for which fees are not otherwise stipulated by law. A bridge authority shall hold 3 public hearings on a change in any toll charged by the authority at least 30 days before the toll change will become effective. Two of the hearings shall be held within 5 miles of the bridge over which the bridge authority has jurisdiction. One hearing shall be held in Lansing.

Sec. 302. The department shall prepare an official transportation map that shall be distributed without charge. Each legislator shall receive a quantity of maps as determined by the legislative council, but each senator shall receive 2 times the number of maps of each representative.

Sec. 303. On request, the state treasurer shall provide to a legislator, in writing, a report on the amount of money to be received by each city and village and the county road commission of each county, that is included in whole or in part within the legislator's legislative district.

Sec. 304. If, as a requirement of bidding on a highway project, the department requires a contractor to submit financial or proprietary documentation as to how the bid was calculated, that bid documentation shall be kept confidential and shall not be disclosed other than to a department representative without the contractor's written consent. The department may disclose the bid documentation if necessary to address or defend a claim by a contractor.

Sec. 305. The department may permit space on public passenger transportation properties to be occupied by public or private tenants on a competitive market rate basis. The department may require that revenue from the tenants be placed in an account to be used to pay the costs to maintain and improve the property.

Sec. 306. From the funds appropriated in section 101, the auditor general shall conduct an audit of charges to transportation funds by state departments. The auditor general shall prepare a detailed report, with recommendations and conclusions, including a list of services charged to transportation funds, the appropriateness of those charges, and the cost allocation methodologies used in determining the level of funding, and provide the report, upon request, to any member of the senate and house of representatives and to the senate and house fiscal agencies by January 15, 1998.

Sec. 307. Before January 1 of each year, the department will provide to the legislature a listing by county or by county road commission of all highway construction projects for the fiscal year and a list of expected projects for the ensuing fiscal year.

Sec. 308. Funds appropriated in section 101 shall not be used for the purchase of foreign goods or services, or both, if competitively priced American goods or services, or both, of comparable quality are available. By May 1, 1998, the department shall submit a report to the department of management and budget, the speaker and minority leader of the house of representatives, the majority and minority leaders of the senate, the chairpersons of the house and senate appropriations committees, and the house and senate fiscal agencies on efforts to comply with this section.

Sec. 309. The department shall aggressively pursue compliance with contract specifications for construction and maintenance of state highways. The department shall identify contractors who fail to meet minimum standards and will actively pursue remuneration efforts. Collections shall be deposited into the appropriate fund accounts.

Sec. 310. The department shall continue its efforts to privatize functions that can be efficiently and effectively performed by the private sector. Efforts shall include, but not be limited to, airports, roads, bridges, maintenance, rest areas, and other areas that would result in a savings to the state. The department shall also develop a strategy for privatizing ownership of limited access highways. The department shall provide a written report to the house and senate appropriations subcommittees on transportation by December 31 of each year, listing functions that have been reviewed for privatization and estimated savings.

Sec. 311. The department shall continue its efforts to reduce administrative costs and provide the maximum funding possible for construction projects. The department shall develop a detailed plan to reduce the ratio of administrative costs to construction by a minimum of 1%. The detailed plan shall include, but not be limited to, staffing reductions, privatization, organizational process reengineering and continuous improvement, the development of and integration of the ISTEA transportation management systems, and the development of a comprehensive long-range business plan for the department. The plan shall be submitted to the house and senate appropriations subcommittees on transportation on or before December 31, 1997.

Sec. 312. To promote more effective management of employees within the bureau of highways, the director of the department may temporarily transfer positions between appropriation units within and between the highway engineering and highway maintenance programs to cover functions that the director considers to be critical due to seasonal fluctuations and emergency situations. The department shall report at the end of the fiscal year to the department of management and budget on the temporary cross-divisional transfers of positions pursuant to this section.

Sec. 313. To facilitate an informed and cooperative relationship between the transportation commission and the legislature, the department shall provide in a timely manner copies of the agenda and approved minutes of monthly transportation commission meetings to the members of the house and senate subcommittees on transportation and to the house and senate fiscal agencies.

Sec. 314. The department shall work with the federal government regarding the development of a 4-lane limited access highway connecting south-central Michigan with Ohio.

Sec. 315. The director of each department receiving appropriations in section 101 shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. Each director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services or supplies, or both.

Sec. 316. The department shall not use funds appropriated under section 101 on behalf of a local governmental unit to pay the amount required for that local governmental unit to participate in the federal advance construct program.

Sec. 317. In a bidding process for the funds in section 101, the department shall not establish a pre-bid qualification that bidders have an affirmative action plan unless the plan is required by federal law or court order.

Sec. 318. From funds appropriated in section 101 for state trunkline federal aid and road and bridge construction, the department shall provide funding for the proposed soundwall on I-696 in Southfield, including the proposed extension to Inkster Road as well as the proposed type II soundwall on I-94 between Martin and Little Mack in Roseville.

Sec. 320. (1) The department shall explore all technologies regarding aerial photography of Michigan highways. The department is encouraged to explore new methods that are cost effective and utilize existing technological advancements to enhance the accuracy and effectiveness of highway aerial surveillance.

(2) The department shall submit a report by January 2, 1998 to the house and senate appropriations subcommittees on transportation regarding the status of aerial highway surveillance. The report shall contain the present status of aerial highway requirements and reference any information as to new cost-effective surveillance technologies. The report shall also contain recommendations regarding the department's capability to contract for or properly fund the present and future photogrammetry needs for the state of Michigan.

Sec. 321. At the close of the fiscal year ending September 30, 1998, any unencumbered and unexpended balance in the state trunkline fund shall remain in the state trunkline fund and shall be used for federal aid road and bridge programs pursuant to section 11(1)(d) of 1951 PA 51, MCL 247.661, for projects contained in an annual state transportation program approved by the legislature.

Sec. 324. The department shall ensure that all privatization projects to be continued beyond 36 months demonstrate cost savings in that 36-month period. Any privatization projects that do not demonstrate that they save tax dollars shall not be continued.

## **FEDERAL**

Sec. 401. When the department receives authorization from the federal government to commit transportation funds pursuant to federal appropriations, it shall present to the senate and house appropriations transportation subcommittees and the senate and house fiscal agencies, the federal amounts and categories authorized and the department's recommendation for distribution of these funds. If a recommendation or recommendations are not disapproved within 30 business days by either the senate or house appropriations transportation subcommittees, then the recommendation or recommendations shall be considered as approved. If either the senate or house appropriations transportation subcommittee disapproves the proposed distribution, then the senate and house appropriations transportation subcommittees and the department shall hold a joint meeting on the issue to arrive at a final distribution. If no agreement is reached between the parties, the department's distribution shall stand.

Sec. 402. Of the amount appropriated in section 101, between 23% and 27% of federal aid to highways shall be allocated to federal aid programs administered by the department for local jurisdictions. The funds shall be distributed to eligible local agencies for transportation purposes in a manner consistent with state and federal law. The allocation to programs for local jurisdictions shall be calculated from the overall federal aid made available to this state from the highway account of the federal highway trust fund, minus funds that are specifically allocated at the federal level to local or state jurisdictions and funds allocated by the department to state and local jurisdictions through a competitive process. The federal aid excluded from the calculation of funding to programs for local jurisdictions includes, but is not limited to, congestion mitigation, and air quality funds, transportation enhancement funds, funds distributed at the discretion of the U.S. secretary of transportation, and congressionally designated funds. It is the intent of the legislature that federal aid to highways be distributed in a manner that produces on average a 25% allocation of applicable funds to programs for local jurisdictions.

Sec. 404. Before February, May, August, and November of each year, the department will provide to the house and senate fiscal agencies for use by the legislature a quarterly report outlining both state and local federal aid expenditures on road bridge projects on a year-to-date basis for the current fiscal year. Projects listed in the report shall be sorted by county. For each project, the report shall contain the following information:

- (a) The project's job number and current phase.
- (b) A clear description of the work being undertaken, including the route being worked upon and its location.
- (c) Total federal aid obligations to the project over its life.
- (d) The amount of federal aid obligations for the current fiscal year.

- (e) Total federal aid expended on the project in the current fiscal year to date.
- (f) The date of the initial obligation of federal aid to the project.
- (g) The project's federal highway administration program code.

Sec. 405. No funds appropriated under section 101, shall be used for the trimming, clearing, or removal of brush around or in front of privately owned outdoor advertising.

## **MICHIGAN TRANSPORTATION FUND**

Sec. 501. The money received under the motor carrier act, 1933 PA 254, MCL 475.1 to 479.43, and not appropriated to the department of consumer and industry services or the department of state police, is deposited in the Michigan transportation fund.

Sec. 502. The department of treasury shall perform audits and make investigations of the disposition of all state funds received by county road commissions or county boards of commissioners, as applicable, and cities and villages for transportation purposes to determine compliance with the terms and conditions of 1951 PA 51, MCL 247.651 to 247.675. County road commissions or county boards of commissioners, as applicable, and cities and villages shall make available to the department of treasury the pertinent records for the audit.

Sec. 503. If a county road commission or county board of commissioners, as applicable, or a private contractor has entered into a contract with the department to eliminate or cut roadside weeds and if the weeds were eliminated or cut by a city or township after the city or township had requested the county or contractor to perform its contractual obligation, then the department shall reimburse the city or township and shall deduct that amount from the funds appropriated to the county or paid to the contractor involved. This action shall require prior approval of the department. The department shall consult with the department of agriculture prior to use of plant growth retardant on freeway or highway rights-of-way.

Sec. 504. (1) The funds appropriated in section 101 for the economic development programs shall not lapse at the end of the fiscal year but shall carry forward each fiscal year for the purposes for which appropriated in accordance with 1987 PA 231, MCL 247.901 to 247.913.

(2) Interest earned in the department of transportation economic development fund shall remain in the fund and shall be allocated to the respective programs based on actual interest earned at the end of each fiscal year.

(3) The department of transportation economic development fund may receive and expend federal, local, or private funds or restricted source funds such as interest earnings for projects that are consistent with the programmatic mission of the fund in addition to funds appropriated in section 101.

(4) None of the funds statutorily dedicated to the transportation economic development fund shall be diverted to other projects without the notification and approval of the house and senate appropriations subcommittees on transportation.

Sec. 505. (1) Funds from the Michigan transportation fund (MTF) shall be distributed to the comprehensive transportation fund (CTF), the economic development fund (EDF), the recreational improvement fund (RIF), and the state trunkline fund (STF), in accordance with this act and part 711 (recreation improvement fund) of the natural resources and environmental protection act, 1994 PA 451, MCL 324.71101 to 324.71108, and may only be used as specified in this act, 1951 PA 51, MCL 247.651 to 247.675, and part 711 (recreation improvement fund) of the natural resources and environmental protection act, 1994 PA 451, MCL 324.71101 to 324.71108.

(2) The amounts appropriated and transferred to various state agencies from section 101 shall be expended from the transportation funds pursuant to annual contracts between the department and state agencies providing tax and fee collection and other services applicable to transportation funds. The contracts shall be executed prior to the transfer of these funds. The contracts shall provide, but are not limited to, the following data applicable to each state agency:

- (a) Estimated costs to be recovered from transportation funds.
- (b) Description of services financed with transportation funds.

(3) If the spending authorization accounts also are to be used for financing other than transportation fund services, the contracts shall include detailed cost allocation methods that are appropriate to the type of services being provided and the activities financed and supporting rationale for the portion of costs allocated to transportation funds.

(4) At the close of each fiscal year and before April 1, each state agency shall submit a written report to the department of management and budget stating by spending authorization account the amount of estimated funds

contracted with the department, the amount of funds expended, and the amount of funds returned to the transportation funds. A copy of the report shall be submitted to the auditor general and the report shall be subject to audit by the auditor general.

(5) The department and the state agencies with which the department contracts in the manner provided in subsection (2) shall work together to explore methods of minimizing lapses or shortfalls in grants from transportation funds.

(6) In addition to the reporting requirements in subsection (4), the department of state shall submit a written report to the auditor general, not later than May 30 of each year, stating by spending authorization account the amount of funds contracted with the department of transportation that had been received during the first 6 months of the fiscal year, the amount of funds expended during the first 6 months of the fiscal year, a description of the services and costs that were financed by those funds, and the rationale for the allocation of transportation funds for those services and costs. The report shall be subject to audit by the auditor general. A copy of the report shall be submitted to the department of transportation, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies. If the report is not received by May 30 of each year, the auditor general shall immediately notify the house and senate appropriations subcommittees on transportation and the house and senate fiscal agencies in writing of the department of state's failure to submit the required report.

(7) Notwithstanding any other provision of this section, the department of state shall not receive an increase in funds appropriated or transferred under this act until the cost allocation methodology study provided for in section 510 of 1996 PA 341 is completed and justifies such an increase.

Sec. 506. Of the amount appropriated in section 101 from the Michigan transportation fund to the department of state, \$186,600.00 represents the additional cost of issuing specialized license plates for veterans and national guard members, as included in 1989 PAs 16, 17, 18, and 19, MCL 257.803i, 257.803j, 257.803k, and 257.803l. The department of state shall prepare an annual report on the number of and the additional costs associated with the veteran license plates to the department of transportation and the chairpersons of the house and senate appropriations subcommittees on transportation. Any unspent funds based on these annual reports shall lapse to the Michigan transportation fund and be distributed in accordance with 1951 PA 51, MCL 247.651 to 247.675.

Sec. 507. (1) Of the amount appropriated in section 101 from the Michigan transportation fund to the department of state, \$187,600.00 represents the additional cost of issuing generic license plates for nonprofit fraternal or public service organizations, as included in section 803m of the Michigan vehicle code, 1949 PA 300, MCL 257.803m.

(2) The department of state shall prepare an annual report on the number of, and the additional costs associated with, the generic license plates to the state transportation department, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies.

(3) Any unspent funds based on these annual reports shall lapse to the Michigan transportation fund to be distributed in accordance with 1951 PA 51, MCL 247.651 to 247.675.

Sec. 508. Of the amounts appropriated in section 101 from the Michigan transportation fund to the department of state, \$9,282,000.00 represents the cost of establishing a new commemorative license plate for 1998 pursuant to section 225 of the Michigan vehicle code, 1949 PA 300, MCL 257.225.

## **STATE TRUNKLINE FUND**

Sec. 601. Of the amounts appropriated in section 101 for state trunkline projects, the department shall, where possible, secure warranties for contracted construction work.

Sec. 602. The department shall give funding priority for the funds appropriated in section 101 for state trunkline federal aid and road and bridge construction to projects for which funding has already been programmed and appropriate planning has been conducted. Examples of such projects include the completion of the improvements for M-59 in Macomb County, Gull road (M-43) improvement project in Kalamazoo County and the I-94 business loop in Battle Creek. The department shall make every effort to ensure that such projects are completed in a timely manner.

Sec. 604. From the amounts appropriated in section 101 for highway maintenance, a sufficient amount from the state trunkline fund is appropriated for the purpose of erecting signs and markers co-naming the portion of I-94 lying within both Macomb and St. Clair Counties as the James G. O'Hara freeway provided that repayment of the amount appropriated is pledged to be paid to the department for highway maintenance from private funds within 6 months after the appropriation is made.

Sec 605. The department of transportation shall work with the southeast Michigan council of governments and any community task force groups organized by communities lying along the Telegraph road corridor to conduct the necessary planning and surveying activities necessary to make needed improvements to the Telegraph road corridor.

Sec. 606. Of the amount of state funds appropriated for road and bridge projects under this act, the department, counties, and cities and villages shall, whenever possible, secure warranties for contracted construction work.

Sec. 607. From the funds appropriated in section 101, the department shall provide for the construction of 2 modern, indoor rest facilities. One shall be located along US-2 in Delta County, another shall be constructed along M-28 between Newberry and Marquette.

Sec. 610. Any local road construction project currently under way as the result of cooperation and shared costs between a city and a county shall continue unabated regardless of any funding changes brought on by this act.

### **COMPREHENSIVE TRANSPORTATION FUND**

Sec. 701. Money that is returned to the state as repayment for a loan for intercity bus equipment is not money to be deposited in the comprehensive transportation fund under section 10b of 1951 PA 51, MCL 247.660b, but is money that is deposited in an intercity bus equipment fund for appropriation for the purchase and repair of intercity bus equipment. Proceeds received by the state from the sale of intercity bus equipment are deposited in an intercity bus equipment fund for appropriation for the purchase and repair of intercity bus equipment. Security deposits from the lease of state-owned intercity bus equipment not returned to the lessee of the equipment under terms of the lease agreement are deposited in an intercity bus equipment fund for appropriation for the repair of intercity bus equipment.

Sec. 702. Money that is received by the state as repayment for loans made for rail or water freight capital projects, and as a result of the sale of property or equipment used or projected to be used for rail or water freight projects shall be deposited in the fund created by section 17 of the state transportation preservation act of 1976, 1976 PA 295, MCL 474.67.

Sec. 703. Entities that operate railroads and receive appropriations under section 101 shall expend those appropriations for goods and services of manufacturers, suppliers, and service companies located in this state, whenever practicable, if the goods and services are comparably priced and reasonably available.

Sec. 704. (1) The discretionary accounts in section 101 shall be used for programs and projects as determined by the department. The department shall inform the house and senate appropriations committees of the manner in which the funds in these accounts will be expended not less than 30 days before expenditure.

(2) If a situation arises that is considered to be an emergency by the director of the department, the requirement to inform the house and senate appropriations committees shall be waived. The director shall inform those committees of this action within 5 days of the action.

(3) If the department intends to alter a program after approval, the department shall follow the requirements of subsection (1).

Sec. 704a. The Michigan department of transportation, in cooperation with the Detroit department of transportation, shall create a committee for the purpose of determining the feasibility of converting existing rail lines for service from the Detroit metropolitan airport to downtown Detroit. The committee shall include, but not be limited to, representatives from Wayne County, the suburban mobility authority for regional transportation, southeast Michigan council of governments, and specialists from the private sector.

Sec. 705. (1) The departments of community health and transportation, the office of services to the aging within the department of community health, and the family independence agency shall develop a system to identify and collect the following information annually for each county:

(a) All operational and capital costs of services provided, contracted for, or purchased, to transport clients or program participants within the county, including all other funds received and expended for those purposes by the state department.

(b) Population groups that utilize transportation services by a percentage of the total number of persons who utilize the services.

(c) Services accessed through transportation provided by percentages of the total dollar amount expended for the services.

(d) All funding sources for transportation and amounts from each source.

(e) If known, provide the existence of interagency or countywide transportation planning or coordination, and the extent to which each state department participates.

(2) The information specified in subsection (1) shall be submitted to the department of transportation. The department of transportation shall compile and report the information it has collected and received on or before December 31 of the immediately succeeding state fiscal year to the house and senate appropriations subcommittees on transportation and the department of management and budget.

(3) The report specified in subsection (2) shall include, but not be limited to, all of the following:

(a) Current efforts to coordinate or consolidate transportation services provided by human service agencies.

(b) Areas where coordination or consolidation of transportation services will produce cost savings.

(c) Legislation needed to facilitate the coordination and consolidation of transportation services.

(d) Steps to implement policy to more efficiently coordinate and consolidate transportation services.

(e) The use of the amount appropriated in section 101 to regional service coordination.

Sec. 706. The department shall use funding appropriated in section 101 to effect changes and improvements to rail infrastructure and to develop and implement a high-speed rail program that provides passenger service in Michigan. Efforts shall include improving rail grade crossings, crossing signalization, and state-owned rights-of-way. The department shall also actively pursue available federal funding for high-speed rail projects and explore the feasibility of private development of high-speed rail services. The department shall submit a report to both the house and senate appropriations subcommittees on transportation by March 1 of each year outlining its efforts to develop such a program as well as efforts to obtain funding for this purpose.

Sec. 707. (1) From the funds appropriated in section 101, the department of transportation shall allocate sufficient comprehensive transportation fund revenue to continue 7-day rail passenger service on the Pere Marquette and the International lines.

(2) The department shall work with Amtrak and local interests on increasing marketing efforts to promote awareness of rail passenger service and to increase ridership. The department shall also work with Amtrak to reduce the operating cost and to maximize the revenue of its rail passenger lines in Michigan including, but not limited to, privatization of food services aboard the train and selling of advertising space aboard the train.

Sec. 708. (1) The following rail lines are designated as an essential corridor in Michigan and shall receive priority in matters concerning operation, maintenance, and rehabilitation:

**ANN ARBOR RAILROAD SYSTEM:**

Toledo to north of Ann Arbor (Osmer).

Pittsfield Junction to Saline.

**STATE OF MICHIGAN OWNED RAIL LINES (ACTIVE):**

North of Ann Arbor (Osmer) to Durand, Durand to Owosso via Central Michigan Railway trackage rights, and then Owosso to Ashley to Cadillac to Harlan.

(Tuscola and Saginaw Bay Railway)

Owosso north to St. Charles. (TSB)

Cadillac north to Petoskey via Walton Junction. (TSB)

Walton Junction to Traverse City. (TSB)

Grawn via Traverse City to Williamsburg. (TSB)

(Huron and Eastern Railway)

Millington to Vassar to Munger. (HERC)

Vassar to Caro to Colling. (HERC)

Iron Mountain to Ontonagon via Channing. (Escanaba and Lake Superior Railroad)

(Indiana Northeastern Railroad)

Hillsdale to Indiana State Line via Reading.

Hillsdale to east of Quincy via Jonesville. (INRC)

Jonesville to Litchfield. (INRC)

Linwood to Sallings via West Branch and Grayling. (Lake State Railway)

Riga to west of Adrian. (Adrian and Blissfield Railroad)

Grosvenor to River Raisin. (A&B)

**TUSCOLA AND SAGINAW BAY RAILWAY:**

Middleton to Ashley.

**HURON AND EASTERN RAILWAY:**

Denmark Junction to Harger (Saginaw).  
Saginaw to Bad Axe.  
Bad Axe to Kinde.  
Bad Axe to Croswell.  
Palms to Harbor Beach.  
Poland to Sandusky.  
Saginaw to Brown City.

**NORFOLK SOUTHERN RAILWAY COMPANY:**

Detroit to Ohio State Line via Milan.

**CSX TRANSPORTATION:**

Ohio State Line to Saginaw via Plymouth and Flint.  
Detroit to Grand Rapids via Plymouth and Lansing.  
Grand Rapids to Indiana State Line via Holland and St. Joseph.  
Holland to Montague via Muskegon.  
Holland to Hamilton.  
Berry to Fremont.  
Saginaw to Midland.  
Saginaw to Bay City to Essexville.  
Grand Rapids to Baldwin via Newaygo.  
Baldwin to Ludington via Walhalla.  
Walhalla to Manistee/Filer City.  
Port Huron to Marine City.

**MID-MICHIGAN RAILROAD:**

Paines to Elwell via Alma.  
Elmdale to Greenville.

**COE RAIL, INC.:**

Wixom to east of Walled Lake.

**GRAND TRUNK WESTERN RAILROAD (CN NORTH AMERICA):**

Port Huron to Indiana State Line via Flint, Durand, Lansing, Battle Creek, and Cassopolis.  
Durand to Detroit via Pontiac.  
Dearborn to Ohio State Line via Flat Rock and Dundee.  
Port Huron to Detroit.  
Richmond to Pontiac.  
Pontiac to Lake Orion.  
Detroit to Ohio State Line via Monroe.  
Pavilion to Kalamazoo.

**WISCONSIN CENTRAL LIMITED:**

Canadian International Boundary at Sault Ste. Marie to Wisconsin State Line via Trout Lake and Gladstone.  
Trout Lake to Baraga via Munising Junction and Marquette.  
Munising to Munising Junction.  
Baraga to Arnheim.  
White Pine to Wisconsin State Line via Bergland.

**SAULT STE. MARIE BRIDGE COMPANY:**

Wisconsin State Line at Menominee to Escanaba via Powers.  
Powers to Iron Mountain (Antoine).  
Quinneseec to Wisconsin State Line.  
Escanaba to Ishpeming.

**ESCANABA AND LAKE SUPERIOR RAILROAD:**

At Escanaba.  
Channing to Republic.  
Iron Mountain to Wisconsin State Line.  
At Menominee.

LAKE SUPERIOR AND ISHPEMING RAILROAD:

Marquette to Republic Mine via Eagle Mills and Ishpeming.  
Eagle Mills to Tilden Mine.

LAKE STATE RAILWAY:

Bay City to Linwood.  
Pinconning to Hawks via Tawas City and Alpena.  
Alabaster Junction to Alabaster.  
Alpena to Paxton.  
Posen to Rogers City.  
Sallings to Gaylord.

CENTRAL MICHIGAN RAILWAY:

Bay City to Midland.  
Saginaw to Paines.

CONSOLIDATED RAIL CORPORATION:

Detroit to Kalamazoo via Jackson and Battle Creek.  
Jackson to Lansing.  
Detroit to Toledo.  
Detroit to Carleton.  
Detroit to Utica.  
Jackson to Ackerson Lake.  
Ottawa Lake to Ohio State Line.  
Grand Rapids to Indiana State Line via Kalamazoo.  
White Pigeon Junction to Sturgis.  
Kalamazoo to Portage (Upjohn).  
Plainwell to Otsego.  
Grand Rapids to Kentwood (44 Street).

NATIONAL RAILROAD PASSENGER CORPORATION:

Kalamazoo to Indiana State Line via Niles.

CANADIAN NATIONAL RAILWAYS:

Detroit River Tunnel.  
St. Clair River Tunnel.

DELRAY CONNECTING RAILROAD:

At Detroit.

WEST MICHIGAN RAILWAY:

Hartford to Paw Paw.

BRANCH AND ST. JOSEPH COUNTIES RAIL USERS ASSOCIATION:

Sturgis to east of Quincy.

MICHIGAN SHORE RAILROAD:

At Muskegon.

IRON CLIFFS RAILWAY COMPANY:

At Ishpeming.

(2) Any changes to the essential corridor list in subsection (1), including sales of state-owned rights-of-way, shall be approved by the house and senate appropriations subcommittees on transportation.

(3) After receiving notification from a railroad company pursuant to section 8 of the state transportation preservation act of 1976, 1976 PA 295, MCL 474.58, the department shall immediately notify the house and senate appropriations subcommittees on transportation that the railroad company has filed with the appropriate governmental agencies for abandonment of a line.

Sec. 709. (1) The appropriation in section 101 for van pooling shall be administered by the department through grants to eligible authorities and eligible governmental agencies to insure coordination between van and car pooling programs and the transit systems operated by the eligible authorities and eligible governmental agencies.

(2) The department shall utilize competitive bidding for each grant awarded under subsection (1).

Sec. 710. From the funds appropriated in section 101, \$3,300,000.00 is allocated for the department to establish a rail infrastructure loan program. The program shall provide noninterest bearing loans for rail infrastructure improvements. The department shall evaluate loan applications according to the relative merit of the project in conjunction with program goals. The transportation commission shall approve the loans. The loans shall fund not less than 90% of the rail portion of project costs, and the loan repayment period shall not exceed 10 years. Local governments, railroads, and current or potential users of freight railroad services are eligible applicants. At the end of the fiscal year, unexpended funds shall remain in the rail infrastructure loan program and shall be available to be allocated for the purposes of the program in the succeeding fiscal year. Money that is received by this state as repayment for rail infrastructure loans made pursuant to this program shall remain within the rail infrastructure loan program and shall be allocated for the purposes of the program. The state's total contribution to the rail infrastructure loan program shall not exceed \$15,000,000.00.

Sec. 711. In addition to the \$2,000,000.00 appropriated in section 101 for the work first initiative, the department shall maintain current funding support for this initiative.

Sec. 712. Grants from the funds appropriated in section 101 for marine passenger service and disbursed to authorities providing services in nonurbanized areas by water vehicle as of December 31, 1996, including the Eastern Upper Peninsula Transportation Authority and the Beaver Island Transportation Authority, shall provide reimbursement of not less than 50% of the portion of the operating costs not eligible for reimbursement by the federal government.

Sec. 713. The Detroit/Wayne County Port Authority shall issue a complete operations assessment in collaboration with the house standing committee on marine and port development focusing on existing impediments and recommendations to improve land acquisition and development efficiency. It is not the intent of the legislature that the authority be granted the power of condemnation of private property. The report shall be completed and submitted to the house and senate appropriations subcommittees on transportation by December 15, 1997.

Sec. 714. The department shall issue information to all law enforcement agencies explaining the state laws which limit the length of time that railroads may block crossings and encourage law enforcement agencies to strictly enforce the statutory time limits with regard to crossing blockages.

Sec. 716. For the fiscal year ending September 30, 1998, each eligible authority and each eligible governmental agency which provides public transportation services in urbanized areas with a Michigan population of less than or equal to 100,000 and nonurbanized areas under section 5311 of title 49 of the United States Code, 49 U.S.C. 5311, shall receive a grant of up to 60% of its eligible operating expenses. Each eligible authority and each eligible government agency which provides public transportation services in urbanized areas with a Michigan population of greater than 100,000 under section 5311 of title 49 of the United States Code, 49 U.S.C. 5311, shall receive a grant of up to 50% of its eligible operating expenses. If funds appropriated in section 101 for local bus operating are not sufficient to fulfill this requirement, sufficient funds appropriated for public transportation development discretionary may be used for this purpose.

Sec. 717. Of the amount appropriated in section 101 for bus capital, for the fiscal year ending September 30, 1998, any funds not utilized for matching federal funds for local bus capital shall be distributed for 100% capital projects for eligible authorities and eligible governmental agencies that are not eligible to receive federal capital formula funds under section 5307 of the federal intermodal surface transportation efficiency act, Public Law 102-240, or any successor act.

## **AERONAUTICS FUND**

Sec. 801. At the close of the fiscal year ending September 30, 1997, any unobligated and unexpended balance in the state aeronautics fund created in the aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.1 to 259.208, shall lapse to the state aeronautics fund and be appropriated by the legislature in the immediately succeeding fiscal year.

This act is ordered to take immediate effect.

*Carol Morey Viventi*

Secretary of the Senate.

*Mary B. Ballew*

Clerk of the House of Representatives.

Approved .....

.....  
Governor.