

**TRANSPORTATION; CRITICAL
BRIDGE FUND**

House Bill 5207
Sponsor: Rep. Andy Neumann
Committee: Transportation

Complete to 10-19-01

A SUMMARY OF HOUSE BILL 5207 AS INTRODUCED 10-16-01

House Bill 5207 would amend Public Act 51 of 1951, the Michigan Transportation Fund act, to require that not less than 25 percent of the federal highway research, planning, and construction funds appropriated to the state from the federal government for bridge programs be deposited in the critical bridge fund.

Further, the bill specifies that during each December, \$5 million would be appropriated to a Critical Bridge Fund, the money and interest from which would be expended for a critical bridge program administered by the Department of Transportation to provide financial assistance exclusively to county road commissions, cities, and villages for the improvement or reconstruction of existing bridges, or for the replacement of bridges. In contrast, the current law specifies that the annual appropriation to the critical bridge fund be made in April (not December); that the money in the department's program provide assistance to "highway authorities"; and, that the department cannot receive more than 38.4 percent of the critical bridge funds available during a five-year period for expenditures on the state trunk line system, a provision that would be eliminated under the bill.

In addition, currently the law specifies that 23 to 27 percent of the DOT-FHWA funds appropriated to the state from the federal government for road and bridge construction be allocated to programs administered by local jurisdictions (after certain deductions), although some federal aid is excluded from the funding calculation that determines the allocation to local programs. The excluded aid includes but is not limited to congestion mitigation and air quality funds, federal bridge funds, transportation enhancement funds, funds distributed at the discretion of the transportation secretary, and funds designated congressionally. House Bill 5207 would eliminate federal bridge funds from this list of federal aid that would continue to be excluded in the calculation, and specify "not less than 25 percent of the federal highway research, planning, and construction funds" that is appropriated to the state for road construction (rather than road and bridge construction) be allocated to these local programs.

The current law also specifies that it is the intent of the legislature that federal aid to highways that is allocated to local jurisdictions be distributed in a manner than produces a 25 percent average allocation of applicable funds to programs for local jurisdictions in each fiscal year through the fiscal year ending September 30, 2000. Further, current law specifies that beginning in the fiscal year ending September 30, 1999, the average allocation of these funds to local jurisdictions is the average of the amount distributed, and similarly calculated distributions in each succeeding fiscal year. However, the average allocation percentage is adjusted to reflect any voluntary agreements made by the department with the local jurisdictions regarding the state

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buyout of local federal aid. House Bill 5207 would specify instead that the federal aid allocated to local jurisdictions produce “a minimum of 25 percent of applicable funds” (rather than an average of 25 percent), beginning in the fiscal year ending September 30, 2001 and continuing through the fiscal year ending September 30, 2005. This minimum percentage would be adjusted to reflect voluntary agreements regarding the state buyout of local federal aid.

MCL247.660o and 247.661b

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■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.