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## BILL ANALYSIS

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Senate Bill 870 (as introduced 11-9-05)  
Sponsor: Senator Tom George  
Committee: Local, Urban and State Affairs

Date Completed: 11-10-05

**CONTENT**

**The bill would amend Public Act 51 of 1951, the Michigan Transportation Fund law, to require that, beginning January 1, 2007, certain information that counties, cities, and villages must report to the Michigan Department of Transportation (MDOT) be submitted electronically on a single consolidated form, which MDOT would have to develop and make available electronically.**

The form would have to allow county road commissions, cities, and villages to summarize the required information. If MDOT established with good cause that the information submitted to it was insufficient, MDOT could separately request further additional information from any road commission, city, or village.

Under Section 14 of the Act, all county road commissions and cities and villages must keep accurate and uniform records on all road and street work and funds and must report annually to MDOT at the time, in the manner, and on the forms prescribed by MDOT, the mileage of each road system under their jurisdiction and the receipts and disbursements of road and street funds. In the annual report each county road commission must report on its compliance in the preceding year with the Act's provisions regarding the expenditure of funds from the Michigan Transportation Fund and Federal revenue distributed to the use of the county road commission.

The county report also must specify, with respect to the Federal revenue distributions, the total dollar amount spent for other than maintenance purposes that would not be permissible without the deduction of certain urban route expenditures as permitted under the Act. In addition, the report must specify the justification for a waiver of the Act's requirement that a county road commission spend annually at least 90% of the Federal revenue distributed to the use of the county road commission for highways, roads, streets, and bridges, less the amount spent on urban routes for other than preservation purposes and the amount spent for hard-surfacing of gravel roads on the Federal-aid system, on the preservation of highways, roads, streets, and bridges, or if that requirement was waived.

The Act authorizes the expenditure of adequate amounts, by county road commissions and cities and villages, from funds returned by the Act, to cover the cost of administration, engineering, and record-keeping, and requires information about expenditures for those purposes to be reported separately by each county road commission, city, and village to MDOT.

The bill would retain these requirements but delete reference to reporting "at the time, in the manner, and on forms prescribed by the state transportation department". In regard to

reporting by counties, the bill would refer to "the provision of information", rather than "a report".

Under Section 15, before May 2 of each year, each county road commission or the county executive or other agency acting as the county road commission must file with the Director of MDOT, each township in the county, and the clerk of the county, on forms provided by the Director, a report showing the disposition of funds appropriated, apportioned, or allocated under the Act to the county road commission or the county executive or other agency, including the funds spent for road construction and heavy maintenance in each township in the county on the form provided by the Department in the annual county financial report instruction and forms booklet prepared by MDOT, except funds appropriated under Comprehensive Transportation Fund.

Under the bill, on and after January 1, 2007, and beginning each May 2 of each year, each county road commission or the county executive or other agency acting as the county road commission would have to file this information electronically with the MDOT Director. The bill would delete reference to the form provided in the annual county financial report instruction and forms booklet prepared by MDOT.

Under the Act, the report filed by the county road commission or the county executive or other agency acting as the county road commission must include various statistics listed in the Act. The bill would refer to the "information provided", rather than the "report filed".

The Act requires each city and village to file with the MDOT Director, within 120 days after the end of its fiscal year, on forms provided by the Director, a report showing the disposition of funds appropriated, apportioned, or allocated under the Act to the city or village, except funds appropriated under Comprehensive Transportation Fund. Under the bill, the each city and village would have to file the information electronically on electronic forms provided by the Director beginning with municipal fiscal years ending after January 1, 2007.

Under the bill, all of the information required to be submitted to MDOT under Sections 14 and 15 would have to be submitted electronically on a single consolidated form, which MDOT would have to develop and make available electronically.

MCL 247.664 & 247.665

Legislative Analyst: J.P. Finet

### **FISCAL IMPACT**

The bill could result in additional administrative costs associated with the electronic submission of required information beginning in January 2007.

Fiscal Analyst: Craig Thiel

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.