SUBSTITUTE FOR

SENATE BILL NO. 870

A bill to amend 1951 PA 51, entitled

"An act to provide for the classification of all public roads, streets, and highways in this state, and for the revision of that classification and for additions to and deletions from each classification; to set up and establish the Michigan transportation fund; to provide for the deposits in the Michigan transportation fund of specific taxes on motor vehicles and motor vehicle fuels; to provide for the allocation of funds from the Michigan transportation fund and the use and administration of the fund for transportation purposes; to set up and establish the truck safety fund; to provide for the allocation of funds from the truck safety fund and administration of the fund for truck safety purposes; to set up and establish the Michigan truck safety commission; to establish certain standards for road contracts for certain businesses; to provide for the continuing review of transportation needs within the state; to authorize the state transportation commission, counties, cities, and villages to borrow money, issue bonds, and make pledges of funds for transportation purposes; to authorize counties to advance funds for the payment of deficiencies necessary for the payment of bonds issued under this act; to provide for the limitations, payment, retirement, and security of the bonds and pledges; to provide for appropriations and tax levies by counties and townships for county roads; to authorize contributions by townships for county roads; to provide for the establishment and administration of the state trunk line fund,

local bridge fund, comprehensive transportation fund, and certain other funds; to provide for the deposits in the state trunk line fund, critical bridge fund, comprehensive transportation fund, and certain other funds of money raised by specific taxes and fees; to provide for definitions of public transportation functions and criteria; to define the purposes for which Michigan transportation funds may be allocated; to provide for Michigan transportation fund grants; to provide for review and approval of transportation programs; to provide for submission of annual legislative requests and reports; to provide for the establishment and functions of certain advisory entities; to provide for conditions for grants; to provide for the issuance of bonds and notes for transportation purposes; to provide for the powers and duties of certain state and local agencies and officials; to provide for the making of loans for transportation purposes by the state transportation department and for the receipt and repayment by local units and agencies of those loans from certain specified sources; and to repeal acts and parts of acts,"

by amending sections 14 and 15 (MCL 247.664 and 247.665), section 14 as amended by 1987 PA 234 and section 15 as amended by 1999 PA 50.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 14. (1) Each county road commission and city and village
- 2 of the state shall prepare biennial primary road and major street
- 3 programs, based on long-range plans, and shall make the programs
- 4 available for review by the public.
- 5 (2) Separate accounts shall be kept by cities, villages, and
- 6 county road commissions of all money returned from the Michigan
- 7 transportation fund. This subsection shall not be construed to
- 8 prevent the combining of accounts on which separate bookkeeping
- 9 records are kept into a single deposit account.
- 10 (3) All county road commissions and cities and villages shall
- 11 keep accurate and uniform records on all road and street work and
- 12 funds, and shall annually report to the state transportation
- 13 department at the time, in the manner, and on forms prescribed by
- 14 the state transportation department the mileage of each road system

1 under their jurisdiction and the receipts and disbursements of road

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- 2 and street funds. In the annual report, each EACH county road
- 3 commission shall <u>report</u> **PROVIDE INFORMATION** on its compliance in
- 4 the preceding year with the requirements of section 12(16) and
- 5 (17). The -report PROVISION OF INFORMATION FROM COUNTY ROAD
- 6 COMMISSIONS shall also specify, with respect to section 12(17), the
- 7 total dollar amount expended for other than maintenance purposes
- 8 which would not have been permissible without the deduction of
- 9 certain urban route expenditures as permitted under section 12(17).
- 10 The -report PROVISION OF INFORMATION BY COUNTY ROAD COMMISSIONS
- 11 shall also specify the justification for a waiver of the
- 12 requirement of section 12(17), if that requirement was waived.
- 13 (4) The expenditure of adequate amounts, by county road
- 14 commissions and the cities and villages, from funds returned by
- 15 this act, to cover the cost of administration, engineering, and
- 16 record keeping is -hereby- authorized, and INFORMATION ABOUT
- 17 expenditures for those purposes shall be reported separately
- 18 PROVIDED by each county road commission, city, and village to the
- 19 state transportation department.
- 20 (5) All distributions and returns of funds provided for in
- 21 this act shall be withheld from the state transportation
- 22 department, eligible authorities, county road commissions, cities,
- 23 villages, or other eligible governmental agencies for failure to
- 24 comply with any of the requirements of this act, and the
- 25 withholding shall continue for the period of noncompliance.
- 26 (6) Money distributed to county road commissions for the
- 27 maintenance and improvement of county local road systems pursuant

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- 1 to section 12 represents the total responsibility of the state for
- 2 local county road support. Additional funds required for the
- 3 support of county local road systems may be supplied from other
- 4 money returned to the township governments by the state under the
- 5 state constitution of 1963 and statutes of the state, or from funds
- 6 that can be raised by taxation in the townships or counties for
- 7 road purposes within the limitations of the state constitution of
- 8 1963 and statutes of the state.
- 9 Sec. 15. (1) —Before— ON AND AFTER JANUARY 1, 2007 AND
- 10 BEGINNING EACH May 2 of each year, each county road commission or
- 11 the county executive or other agency acting as the county road
- 12 commission shall file with the director of the state transportation
- 13 department, -each township in the county, and the clerk of the
- 14 county, on forms to be provided by the director, a report showing
- 15 INFORMATION SUFFICIENT TO SHOW the disposition of funds
- 16 appropriated, apportioned, or allocated under this act to the
- 17 county road commission or the county executive or other agency
- 18 acting as the county road commission including the funds expended
- 19 for road construction and heavy maintenance in each township in the
- 20 county on the form provided by the department -in the annual county
- 21 financial report instruction and forms booklet prepared by the
- 22 department, except funds appropriated under section 10b.
- 23 (2) In addition to the general information required under
- 24 subsection (1), the -report filed INFORMATION PROVIDED by the
- 25 county road commission or the county executive or other agency
- 26 acting as the county road commission under subsection (1) shall
- 27 also include ALL OF the following: specific information:

- 1 (a) The number of miles of local roads outside of incorporated
- 2 municipalities in each township in the county and the amount of
- 3 funds received for each of those miles by the county under the
- 4 formula described in section 12(7)(a).
- 5 (b) The number of miles of primary roads outside of
- 6 incorporated municipalities in each township in the county and the
- 7 amount of funds received for each of those miles by the county
- 8 under the formula described in section 12(4) and (6)(b).
- 9 (c) The total population outside of incorporated
- 10 municipalities in each township in the county and the per capita
- 11 amount of funds received for each person on the basis of population
- 12 according to the formula described in section 12(7)(b).
- 13 (d) The amount of funds received by the county road commission
- 14 or the county executive or other agency acting as the county road
- 15 commission directly from each township in the county for the
- 16 purposes of this act.
- 17 (3) Beginning with municipal fiscal years ending after -April
- 18 15, 1976 JANUARY 1, 2007, each city and village shall file with
- 19 the director of the state transportation department, not more than
- 20 120 days after the end of its fiscal year, on forms provided by the
- 21 director, a report showing INFORMATION SUFFICIENT TO SHOW the
- 22 disposition of funds appropriated, apportioned, or allocated under
- 23 this act to the city or village, except funds appropriated under
- 24 section 10b.
- 25 (4) BEGINNING JANUARY 1, 2007, ALL INFORMATION REQUIRED TO BE
- 26 SUBMITTED TO THE STATE TRANSPORTATION DEPARTMENT UNDER SECTION 14
- 27 AND THIS SECTION MAY BE SUBMITTED ELECTRONICALLY TO THE STATE

- TRANSPORTATION DEPARTMENT ON A SINGLE CONSOLIDATED FORM THAT THE 1
- 2 STATE TRANSPORTATION DEPARTMENT SHALL DEVELOP AND MAKE AVAILABLE
- 3 ELECTRONICALLY. THE FORM SHALL ALLOW COUNTY ROAD COMMISSIONS,
- CITIES, AND VILLAGES TO SUMMARIZE THE REQUIRED INFORMATION. IF THE 4
- STATE TRANSPORTATION DEPARTMENT ESTABLISHES WITH GOOD CAUSE THAT 5
- 6 THE INFORMATION SUBMITTED TO IT IS INSUFFICIENT, THE STATE
- 7 TRANSPORTATION DEPARTMENT MAY SEPARATELY REQUEST FURTHER ADDITIONAL
- 8 INFORMATION FROM ANY COUNTY ROAD COMMISSION, CITY, OR VILLAGE.