

## TRANSPORTATION ASSET MANAGEMENT AMENDMENT TO PUBLIC ACT 51 OF 1951

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**House Bill 4979 (Substitute H-1)**  
**Sponsor: Rep. Hoon-Yung Hopgood**  
**Committee: Transportation**

**Complete to 6-28-07**

### **A SUMMARY OF HOUSE BILL 4979 AS REPORTED FROM COMMITTEE 6-28-07**

House Bill 4979 (H-1) would amend Sections 1g and 9a of 1951 PA 51 of (MCL 247.651g and 247.659a) to clarify and broaden provisions regarding transportation asset management.

#### ***Amendment to Section 1g***

Section 1g was added to Act 51 through 1997 amendment, 1997 PA 79. PA 79 was part of the Act 51 reform package enacted at the same time as the 1997 gasoline tax increase and the increase in commercial vehicle registration taxes. Section 1g required the department, in conjunction with counties and municipalities, to develop and implement a pavement management system for each mile of roadway on the National Highway System (NHS) in Michigan.<sup>1</sup> The section indicates that the pavement management system "*shall attempt to ensure that a disproportionate share of pavement shall not become due for replacement or major repair at the same time.*" Pavement management is considered a component of transportation asset management defined in Section 9a.

HB 4979 (H-1) would expand the scope of Section 1g from the NHS to the entire federal-aid eligible road system in Michigan. Michigan currently has 4,720 total miles on the NHS; there are approximately 33,504 miles of roadway on the federal-aid system in Michigan. Of the miles on the federal-aid system, 9,681 miles are state trunkline highways and 23,823 miles are under local jurisdiction. All but 14 miles of the state trunkline system is on the federal-aid system.<sup>2</sup>

The bill would make the *Transportation Asset Management Council*, working in conjunction with the department, counties and municipalities, the principal agent responsible for development and implementation of the pavement management system on the federal-aid system. The bill would also require the Transportation Asset Management

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<sup>1</sup> The National Highway System (NHS) was established on November 28, 1995, through the National Highway System Designation Act of 1995. The NHS was intended to establish a national interconnected network of streets, roads and highways having the greatest state, regional and national significance.

<sup>2</sup> Additional information on federal-aid eligible highways in Michigan is available from the Michigan Department of Transportation's website:

[http://www.michigan.gov/mdot/0,1607,7-151-9622\\_11033\\_11155-25881--,00.html](http://www.michigan.gov/mdot/0,1607,7-151-9622_11033_11155-25881--,00.html)

[http://www.michigan.gov/mdot/0,1607,7-151-9622\\_11033\\_11155-25923--,00.html](http://www.michigan.gov/mdot/0,1607,7-151-9622_11033_11155-25923--,00.html)

Council to provide *"local road agencies with the training needed to utilize the pavement management system in accordance with this section."*

#### ***Amendment to Section 9a***

Public Act 499 of 2002 (HB 5396) amended Section 9a of Act 51 to establish a Transportation Asset Management Council within the State Transportation Commission. Under PA 499, the Asset Management Council is charged with *"advising the commission on a statewide asset management strategy and the processes and necessary tools needed to implement such a strategy beginning with the federal-aid eligible highway system."* The focus of the Council's activity was to be the federal-aid eligible highway system.

Public Act 499 required the department, each county road commission, and each city and village to annually prepare and publish a multi-year program based on an asset management process.

HB 4979 (H-1) would amend this section to require the department, each county road commission, and each city and village to annually "submit a report to the Transportation Asset Management Council." The bill would require that the report *"include a multiyear program based on an asset management process...."* The bill also clarifies this section to indicate that: *"The department's annual multiyear program shall be consistent with the department's asset management process and shall be reported consistent with categories established by the Transportation Asset Management Council."* And *"Projects contained in the annual multiyear program of each local road agency shall be consistent with the asset management process of each local road agency and shall be reported consistent with categories established by the Transportation Asset Management Council."*

The bill would also amend the definition of "multiyear program" which currently reads: "Multiyear program" means a compilation of road and bridge projects anticipated to be contracted for by the department or a local road agency during a 3-year period." The bill would add: *"The multiyear program shall include a listing each project to be funded in whole or in part with state or federal funds."*

#### **FISCAL IMPACT:**

The bill would clarify the current asset management reporting requirements. The intention of the bill is to strengthen the reporting requirements and to encourage local road agencies in adopting asset management systems.

To the extent that the bill would require the Transportation Asset Management Council to provide additional training to utilize pavement management systems, the bill could increase state costs. It should be noted that the Council currently provides training for local road agencies. A representative of the Council has indicated that additional training requirements may be accommodated within the current budget. Funding for the Asset Management Council is provided as an appropriation line item in the state transportation budget.

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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.