

SENATE SUBSTITUTE FOR
HOUSE BILL NO. 4556

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 section 11f (MCL 247.661f), as added by 2006 PA 140.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 11f. (1) Funds received under the local federal match
 2 program created in section 11e shall be granted to local
 3 municipalities and other local road agencies to match federal aid
 4 projects as provided in this subsection. Projects shall be
 5 submitted to the state transportation department by the local
 6 municipality or other local road agency. The department shall
 7 review the submittals and apply criteria that take into account the
 8 needs of highway, road, and street systems and an equitable
 9 allocation of available funds considering the geographic location
 10 of the proposed project. If the projects meet the criteria, the
 11 state transportation department shall award grants to the extent of
 12 available funds. An individual grant shall not exceed 25% of the
 13 amount of federal funds available for the project. Projects
 14 selected for funding shall meet all of the following criteria:
 15 (a) The project shall be under construction or let for bid no
 16 later than ~~September 30, 2007~~ **APRIL 4, 2008**.

1 (b) The applicant shall have identified all of the necessary
2 funding to complete the project.

3 (c) The project shall be for the opening, widening, improving,
4 construction, or reconstruction of a federal aid eligible road or
5 street, including the work incidental to that opening, widening,
6 improving, construction, or reconstruction.

7 (D) THE PROJECT SHALL BE 1 OR MORE OF THE FOLLOWING:

8 (i) PROJECTS THAT ARE THE SUBJECT OF A FEDERAL APPROPRIATION IN
9 THE SAFE, ACCOUNTABLE, FLEXIBLE, EFFICIENT TRANSPORTATION EQUITY
10 ACT, A LEGACY FOR USERS (SAFETEA-LU), PUBLIC LAW 109-59, OR THE
11 TRANSPORTATION EQUITY ACT FOR THE 21ST CENTURY, PUBLIC LAW 105-178,
12 AND HAVE BEEN DESIGNATED AS HIGH PRIORITY ROAD AND BRIDGE PROJECTS
13 AND THAT CAN BE LET FOR BID NO LATER THAN APRIL 4, 2008.

14 (ii) PROJECTS THAT ARE NOT THE SUBJECT OF A FEDERAL
15 APPROPRIATION IN THE SAFE, ACCOUNTABLE, FLEXIBLE, EFFICIENT
16 TRANSPORTATION EQUITY ACT, A LEGACY FOR USERS (SAFETEA-LU), PUBLIC
17 LAW 109-59, OR THE TRANSPORTATION EQUITY ACT FOR THE 21ST CENTURY,
18 PUBLIC LAW 105-178, THAT HAVE RECEIVED EARMARKS IN THE FEDERAL
19 BUDGET AND THAT CAN BE LET FOR BID NO LATER THAN APRIL 4, 2008.

20 (iii) PROJECTS THAT ARE FOR FEDERAL AID ELIGIBLE ROADS AND THAT
21 ARE SCHEDULED TO BE UNDER CONSTRUCTION OR LET FOR BID DURING THE
22 FISCAL YEAR THAT BEGINS OCTOBER 1, 2008 OR A LATER FISCAL YEAR AND
23 THAT CAN BE ADVANCED TO THE FISCAL YEAR THAT BEGINS OCTOBER 1, 2007
24 AND CAN BE LET FOR BID NO LATER THAN APRIL 4, 2008.

25 (2) All bond proceeds not used to fund grants awarded by
26 ~~September 30, 2007~~ APRIL 4, 2008 are appropriated for the purposes
27 described in section 11(1)(f).

1 (3) Beginning February 1, 2007, the department shall submit a
2 written report to the legislature by each February 1 containing all
3 of the following information:

4 (a) The balance contained in the program.

5 (b) A list of all projects currently funded under the program.

6 (c) A list of all federal high priority projects eligible for
7 funding under the program.

8 (d) A list of pending requests for funding under the program,
9 if any.

10 (4) The department shall submit a written report to the
11 legislature no later than 30 days after the program has expended
12 \$40,000,000.00. The report shall contain all of the following:

13 (a) A list of all projects currently funded under the program.

14 (b) A list of federal high priority projects eligible to
15 receive funding from the program.

16 (c) A list of pending requests for funding under the program,
17 if any.

18 (5) The department shall provide additional criteria if
19 necessary for selecting the remaining projects to be funded in a
20 fiscal year no later than 30 days after the report required under
21 subsection (4) is issued. In determining the additional criteria to
22 apply to the remaining funds, the department shall consult with
23 interested local road agencies, the Michigan municipal league, and
24 the county road association of Michigan and shall utilize any
25 recommendations made on additional criteria by these entities
26 unless the department determines that the additional criteria are
27 inequitable or impractical. If the additional criteria are deemed

1 inequitable or impractical, the department is directed to work with
2 the interested parties to develop equitable and practical criteria.
3 The department shall apply those criteria that most equitably
4 distribute the remaining funds considering the geographic location
5 of the funded projects. In applying criteria, the department shall
6 take into account the needs of highway, road, and street systems
7 and an equitable allocation of available funds considering the
8 geographic location of the funded project.

9 Enacting section 1. This amendatory act does not take effect
10 unless Senate Bill No. 360 of the 94th Legislature is enacted into
11 law.