

SUBSTITUTE FOR
HOUSE BILL NO. 4979

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 1g and 9a (MCL 247.651g and 247.659a), section 1g as added by 1997 PA 79 and section 9a as amended by 2002 PA 499.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1g. The ~~department~~ **TRANSPORTATION ASSET MANAGEMENT**
 2 **COUNCIL**, in conjunction with **THE DEPARTMENT**, counties, and
 3 municipalities, shall develop and implement a pavement management
 4 system for each mile of roadway on the ~~national~~ **FEDERAL-AID**
 5 **ELIGIBLE** highway system in Michigan. This pavement management
 6 system shall attempt to ensure that a disproportionate share of
 7 pavement shall not become due for replacement or major repair at
 8 the same time. **THE TRANSPORTATION ASSET MANAGEMENT COUNCIL SHALL**
 9 **PROVIDE LOCAL ROAD AGENCIES WITH THE TRAINING NEEDED TO UTILIZE THE**
 10 **PAVEMENT MANAGEMENT SYSTEM IN ACCORDANCE WITH THIS SECTION.**

11 Sec. 9a. (1) As used in this section:

12 (a) "Asset management" means an ongoing process of
 13 maintaining, upgrading, and operating physical assets cost-
 14 effectively, based on a continuous physical inventory and condition
 15 assessment.

1 (b) "Bridge" means a structure including supports erected over
2 a depression or an obstruction, such as water, a highway, or a
3 railway, for the purposes of carrying traffic or other moving
4 loads, and having an opening measuring along the center of the
5 roadway of more than 20 feet between undercopings of abutments or
6 spring lines of arches, or extreme ends of openings for multiple
7 boxes where the clear distance between openings is less than 1/2 of
8 the smaller contiguous opening.

9 (c) "Central storage data agency" means that agency or office
10 chosen by the council where the data collected is stored and
11 maintained.

12 (d) "Council" means the transportation asset management
13 council created by this section.

14 (e) "County road commission" means the board of county road
15 commissioners elected or appointed pursuant to section 6 of chapter
16 IV of 1909 PA 283, MCL 224.6, or, in the case of a charter county
17 with a population of 2,000,000 or more with an elected county
18 executive that does not have a board of county road commissioners,
19 the county executive for ministerial functions and the county
20 commission provided for in section 14(1)(d) of 1966 PA 293, MCL
21 45.514, for legislative functions.

22 (f) "Department" means the state transportation department.

23 (g) "Federal-aid eligible" means any public road or bridge
24 that is eligible for federal aid to be spent for the construction,
25 repair, or maintenance of that road or bridge.

26 (h) "Local road agency" means a county road commission or
27 designated county road agency or city or village that is

1 responsible for the construction or maintenance of public roads
2 within the state under this act.

3 (i) "Multiyear program" means a compilation of road and bridge
4 projects anticipated to be contracted for by the department or a
5 local road agency during a 3-year period. **THE MULTIYEAR PROGRAM**
6 **SHALL INCLUDE A LISTING OF EACH PROJECT TO BE FUNDED IN WHOLE OR IN**
7 **PART WITH STATE OR FEDERAL FUNDS.**

8 (j) "State planning and development regions" means those
9 agencies required by section 134(b) of title 23 of the United
10 States Code, 23 ~~U.S.C.~~ **USC** 134, and those agencies established by
11 Executive Directive 1968-1.

12 (2) In order to provide a coordinated, unified effort by the
13 various roadway agencies within the state, the transportation asset
14 management council is hereby created within the state
15 transportation commission and is charged with advising the
16 commission on a statewide asset management strategy and the
17 processes and necessary tools needed to implement such a strategy
18 beginning with the federal-aid eligible highway system, and once
19 completed, continuing on with the county road and municipal
20 systems, in a cost-effective, efficient manner. Nothing in this
21 section shall prohibit a local road agency from using an asset
22 management process on its non-federal-aid eligible system. The
23 council shall consist of 10 voting members appointed by the state
24 transportation commission. The council shall include 2 members from
25 the county road association of Michigan, 2 members from the
26 Michigan municipal league, 2 members from the state planning and
27 development regions, 1 member from the Michigan townships

1 association, 1 member from the Michigan association of counties,
2 and 2 members from the department. Nonvoting members shall include
3 1 person from the agency or office selected as the location for
4 central data storage. Each agency with voting rights shall submit a
5 list of 2 nominees to the state transportation commission from
6 which the appointments shall be made. The Michigan townships
7 association shall submit 1 name, and the Michigan association of
8 counties shall submit 1 name. Names shall be submitted within 30
9 days after the effective date of the 2002 amendatory act that
10 amended this section. The state transportation commission shall
11 make the appointments within 30 days after receipt of the lists.

12 (3) The positions for the department shall be permanent. The
13 position of the central data storage agency shall be nonvoting and
14 shall be for as long as the agency continues to serve as the data
15 storage repository. The member from the Michigan association of
16 counties shall be initially appointed for 2 years. The member from
17 the Michigan townships association shall be initially appointed for
18 3 years. Of the members first appointed from the county road
19 association of Michigan, the Michigan municipal league, and the
20 state planning and development regions, 1 member of each group
21 shall be appointed for 2 years and 1 member of each group shall be
22 appointed for 3 years. At the end of the initial appointment, all
23 terms shall be for 3 years. The chairperson shall be selected from
24 among the voting members of the council.

25 (4) The department shall provide qualified administrative
26 staff and the state planning and development regions shall provide
27 qualified technical assistance to the council.

1 (5) The council shall develop and present to the state
2 transportation commission for approval within 90 days after the
3 date of the first meeting such procedures and requirements as are
4 necessary for the administration of the asset management process.
5 This shall, at a minimum, include the areas of training, data
6 storage and collection, reporting, development of a multiyear
7 program, budgeting and funding, and other issues related to asset
8 management that may arise from time to time. All quality control
9 standards and protocols shall, at a minimum, be consistent with any
10 existing federal requirements and regulations and existing
11 government accounting standards.

12 (6) The council may appoint a technical advisory panel whose
13 members shall be representatives from the transportation
14 construction associations and related transportation road
15 interests. The asset management council shall select members to the
16 technical advisory panel from names submitted by the transportation
17 construction associations and related transportation road
18 interests. The technical advisory panel members shall be appointed
19 for 3 years. The asset management council shall determine the
20 research issues and assign projects to the technical advisory panel
21 to assist in the development of statewide policies. The technical
22 advisory panel's recommendations shall be advisory only and not
23 binding on the asset management council.

24 (7) ~~Beginning October 1, 2003, the~~ **THE** department, each county
25 road commission, and each city and village of this state shall
26 annually ~~prepare and publish~~ **SUBMIT A REPORT TO THE TRANSPORTATION**
27 **ASSET MANAGEMENT COUNCIL. THIS REPORT SHALL INCLUDE** a multiyear

~~program, based on long range plans, and developed through the use of the asset management process described in this section. Projects contained in each local road agency's annual multiyear program shall be consistent with the goals and objectives of the local road agency's long range plan. A project, funded in whole or part, with state or federal funds, shall be included in any local road~~

~~agency's multiyear plan~~ **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. 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.**

(8) Funding necessary to support the activities described in this section shall be provided by an annual appropriation from the Michigan transportation fund to the state transportation commission.

(9) The department and each local road agency shall keep accurate and uniform records on all road and bridge work performed and funds expended for the purposes of this section, according to the procedures developed by the council. Each local road agency and the department shall annually report to the council the mileage and condition of the road and bridge system under their jurisdiction and the receipts and disbursements of road and street funds in the manner prescribed by the council, which shall be consistent with any current accounting procedures. An annual report shall be

1 prepared by the staff assigned to the council regarding the results
2 of activities conducted during the preceding year and the
3 expenditure of funds related to the processes and activities
4 identified by the council. The report shall also include an
5 overview of the activities identified for the succeeding year. The
6 council shall submit this report to the state transportation
7 commission, the legislature, and the transportation committees of
8 the house and senate by May 2 of each year.