# HOUSE SUBSTITUTE FOR SENATE BILL NO. 240

A bill to make appropriations for the state transportation department and certain transportation purposes for the fiscal year ending September 30, 2008; to provide for the imposition of fees; to provide for reports; to create certain funds and programs; to prescribe requirements for certain railroad and bus facilities; to prescribe certain powers and duties of certain state departments and officials and local units of government; and to provide for the expenditure of the appropriations.

### THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 PART 1
- 2 LINE-ITEM APPROPRIATIONS
- 3 Sec. 101. Subject to the conditions set forth in this act, the
- 4 amounts listed in this part are appropriated for the state

- transportation department and certain state purposes designated in
  this act for the fiscal year ending September 30, 2008, from the
- 3 funds indicated in this part. The following is a summary of the
- 4 appropriations in this part:

#### 5 STATE TRANSPORTATION DEPARTMENT

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6	APPR	OPRIA.	I. I ( )I/I	SUMMARY:

7	Full-time equated unclassified positions\$	0
8	Full-time equated classified positions	0
9	GROSS APPROPRIATION	0
10	Total interdepartmental grants and intradepartmental	
11	transfers	0
12	ADJUSTED GROSS APPROPRIATION	0
13	Federal revenues:	
14	DOT, federal transit act	0
15	DOT-FHWA, highway research, planning, and construction	0
16	DOT-FRA, local rail service assistance	0
17	DOT-FRA, rail passenger/HSGT	0
18	Total federal revenues	0
19	Special revenue funds:	
20	Total local revenues	0
21	Total private revenues	0
22	Total local and private revenues	0
23	Michigan transportation fund	0
24	Local bridge fund	0
25	Economic development fund	0
26	State trunkline fund	0

1	State aeronautics fund	0
2	Comprehensive transportation fund	0
3	Blue Water Bridge fund	0
4	Intercity bus equipment fund	0
5	Rail freight fund	0
6	Total other state restricted revenues	0
7	State general fund/general purpose	0
8	Sec. 102. DEBT SERVICE	
9	State trunkline\$	0
10	Economic development	0
11	Local bridge fund	0
12	Blue Water Bridge fund	0
13	Airport safety and protection plan	0
14	Comprehensive transportation	0
15	GROSS APPROPRIATION	0
16	Appropriated from:	
17	Federal revenues:	
18	DOT-FHWA, highway research, planning, and construction	0
19	Special revenue funds:	
20	Comprehensive transportation fund	0
21	Local bridge fund	0
22	State trunkline fund	0
23	Blue Water Bridge fund	0
24	Economic development fund	0
25	State aeronautics fund	0
26	State general fund/general purpose	0
27	Sec. 103. COLLECTION, ENFORCEMENT, AND OTHER AGENCY	

# 1 SUPPORT SERVICES

2	Michigan transportation fund (MTF)	
3	MTF grant to department of environmental quality \$	0
4	MTF grant to department of state for collection of	
5	revenue and fees	0
6	MTF grant to legislative auditor general	0
7	MTF grant to department of treasury	0
8	State trunkline fund (STF)	
9	STF grant to department of attorney general	0
10	STF grant to department of civil service	0
11	STF grant to department of management and budget	0
12	STF grant to department of state police	0
13	STF grant to department of history, arts, and	
14	libraries	0
15	STF grant to department of treasury	0
16	STF grant to legislative auditor general	0
17	State aeronautics fund (SAF)	
18	SAF grant to department of attorney general	0
19	SAF grant to department of civil service	0
20	SAF grant to department of management and budget	0
21	SAF grant to department of history, arts, and	
22	libraries	0
23	SAF grant to department of treasury	0
24	SAF grant to legislative auditor general	0
25	Comprehensive transportation fund (CTF)	
26	CTF grant to department of attorney general	0
27	CTF grant to department of civil service	0

1	CTF grant to department of management and budget	0
2	CTF grant to department of history, arts, and	
3	libraries	0
4	CTF grant to department of treasury	0
5	CTF grant to legislative auditor general	0
6	GROSS APPROPRIATION	0
7	Appropriated from:	
8	Special revenue funds:	
9	Comprehensive transportation fund	0
10	Michigan transportation fund	0
11	State aeronautics fund	0
12	State trunkline fund	0
13	State general fund/general purpose	0
14	Sec. 104. EXECUTIVE DIRECTION	
15	Full-time equated unclassified positions \$	0
16	Full-time equated classified positions	0
17	Unclassified salaries	0
18	Asset management council	0
19	Commission audit* FTE positions	0
20	GROSS APPROPRIATION	0
21	Appropriated from:	
22	Special revenue funds:	
23	Michigan transportation fund	0
24	State trunkline fund	0
25	State general fund/general purpose	0
26	Sec. 105. BUSINESS SUPPORT	
27	Full-time equated classified positions\$	0

1	Business support services* FTE positions	0
2	Property management	0
3	Human resources* FTE positions	0
4	Human resources optimization user charges	0
5	Economic development and enhancement programs* FTE	
6	positions	0
7	Worker's compensation	0
8	GROSS APPROPRIATION	0
9	Appropriated from:	
10	Special revenue funds:	
11	Economic development fund	0
12	State aeronautics fund	0
13	Comprehensive transportation fund	0
14	Michigan transportation fund	0
15	State trunkline fund	0
16	State general fund/general purpose	0
17	Sec. 106. INFORMATION TECHNOLOGY	
18	Information technology services and projects \$	0
19	GROSS APPROPRIATION	0
20	Appropriated from:	
21	Federal revenues:	
22	DOT-FHWA, highway research, planning, and construction	0
23	Special revenue funds:	
24	Blue Water Bridge fund	0
25	Comprehensive transportation fund	0
26	Economic development fund	0
27	Michigan transportation fund	0

1	State aeronautics fund	0
2	State trunkline fund	0
3	State general fund/general purpose	0
4	Sec. 107. FINANCE, CONTRACTS, AND SUPPORT SERVICES	
5	Full-time equated classified positions \$	0
6	Financial operations* FTE positions	0
7	Contract services* FTE positions	0
8	Technical and support services* FTE positions	0
9	Performance excellence* FTE positions	0
10	Welcome center operations* FTE positions	0
11	GROSS APPROPRIATION	0
12	Appropriated from:	
13	Special revenue funds:	
14	Michigan transportation fund	0
15	State trunkline fund	0
16	State general fund/general purpose	0
17	Sec. 108. TRANSPORTATION PLANNING	
18	Full-time equated classified positions \$	0
19	Statewide planning services* FTE positions	0
20	Data collection services* FTE positions	0
21	Specialized planning services and local studies	0
22	Grants to regional planning councils	0
23	GROSS APPROPRIATION	0
24	Appropriated from:	
25	Federal revenues:	
26	DOT-FHWA, highway research, planning, and construction	0
27	Special revenue funds:	

1	State aeronautics fund	0
2	Comprehensive transportation fund	0
3	Michigan transportation fund	0
4	State trunkline fund	0
5	State general fund/general purpose	0
6	Sec. 109. DESIGN AND ENGINEERING SERVICES	
7	Full-time equated classified positions\$	0
8	Engineering services* FTE positions	0
9	Program services* FTE positions	0
10	Intelligent transportation systems operations* FTE	
11	positions	0
12	GROSS APPROPRIATION	0
13	Appropriated from:	
14	Federal revenues:	
15	DOT-FHWA, highway research, planning, and construction	0
16	Special revenue funds:	
17	Michigan transportation fund	0
18	State trunkline fund	0
19	State general fund/general purpose	0
20	Sec. 110. HIGHWAY MAINTENANCE	
21	Full-time equated classified positions\$	0
22	State trunkline operations* FTE positions	0
23	Contract operations	0
24	GROSS APPROPRIATION	0
25	Appropriated from:	
26	Special revenue funds:	
27	State trunkline fund	0

1	State general fund/general purpose	0
2	Sec. 111. ROAD AND BRIDGE PROGRAMS	
3	State trunkline federal aid and road and bridge	
4	construction \$	0
5	Utility relocation	0
6	Local federal aid and road and bridge construction	0
7	Grants to local programs	0
8	Rail grade crossing	0
9	Local bridge program	0
10	County road commissions	0
11	Cities and villages	0
12	GROSS APPROPRIATION	0
13	Appropriated from:	
14	Federal revenues:	
15	DOT-FHWA, highway research, planning, and construction	0
16	Special revenue funds:	
17	Local funds	0
18	Blue Water Bridge fund	0
19	Michigan transportation fund	0
20	Local bridge fund	0
21	State trunkline fund	0
22	State general fund/general purpose	0
23	Sec. 112. BLUE WATER BRIDGE	
24	Full-time equated classified positions\$	0
25	Blue Water Bridge operations* FTE positions	0
26	GROSS APPROPRIATION	0
27	Appropriated from:	

1	Special revenue funds:	
2	Blue Water Bridge fund	0
3	State general fund/general purpose	0
4	Sec. 113. TRANSPORTATION ECONOMIC DEVELOPMENT	
5	Forest roads	\$ 0
6	Rural county urban system	0
7	Target industries/economic redevelopment	0
8	Urban county congestion	0
9	Rural county primary	0
10	GROSS APPROPRIATION	0
11	Appropriated from:	
12	Special revenue funds:	
13	Economic development fund	0
14	State general fund/general purpose	0
15	Sec. 114. AERONAUTICS AND FREIGHT SERVICES	
16	Full-time equated classified positions	\$ 0
17	Airport improvement services* FTE positions	0
18	Aviation services* FTE positions	0
19	Air service program	0
20	Freight and safety services* FTE positions	0
21	GROSS APPROPRIATION	0
22	Appropriated from:	
23	Special revenue funds:	
24	State aeronautics fund	0
25	Comprehensive transportation fund	0
26	Michigan transportation fund	0
27	State general fund/general purpose	0

1	Sec. 115. PUBLIC TRANSPORTATION SERVICES	
2	Full-time equated classified positions	\$ 0
3	Public transportation services* FTE positions	0
4	GROSS APPROPRIATION	0
5	Appropriated from:	
6	Federal revenues:	
7	DOT, federal transit act	0
8	Special revenue funds:	
9	Comprehensive transportation fund	0
10	Michigan transportation fund	0
11	State general fund/general purpose	0
12	Sec. 116. BUS TRANSIT DIVISION: STATUTORY OPERATING	
13	Local bus operating	\$ 0
14	Nonurban operating/capital	0
15	GROSS APPROPRIATION	0
16	Appropriated from:	
17	Federal revenues:	
18	DOT, federal transit act	0
19	Special revenue funds:	
20	Comprehensive transportation fund	0
21	Local funds	0
22	State general fund/general purpose	0
23	Sec. 117. INTERCITY PASSENGER AND FREIGHT	
24	Freight property management	\$ 0
25	Detroit/Wayne County port authority	0
26	Intercity bus equipment	0
27	Rail passenger service	0

1	Freight preservation and development	0
2	Rail infrastructure loan program	0
3	Intercity bus service development	0
4	Marine passenger service	0
5	Ann Arbor and northwest Michigan railroad	0
6	Terminal development	0
7	GROSS APPROPRIATION	0
8	Appropriated from:	
9	Federal revenues:	
10	DOT, federal transit act	0
11	DOT-FRA, local rail service assistance	0
12	DOT-FRA, rail passenger/HSGT	0
13	Special revenue funds:	
14	Rail freight fund	0
15	Intercity bus equipment fund	0
16	Comprehensive transportation fund	0
17	Local funds	0
18	State general fund/general purpose	0
19	Sec. 118. PUBLIC TRANSPORTATION DEVELOPMENT	
20	Specialized services\$	0
21	Municipal credit program	0
22	Bus capital	0
23	Van pooling	0
24	Service initiatives	0
25	Transportation to work	0
26	GROSS APPROPRIATION	0
27	Appropriated from:	

1	Federal revenues:	
2	DOT, federal transit act	0
3	Special revenue funds:	
4	Comprehensive transportation fund	0
5	Local funds	0
6	State general fund/general purpose	0
7	PART 2	
8	PROVISIONS CONCERNING APPROPRIATIONS	
9	GENERAL SECTIONS	
10	Sec. 201. Pursuant to section 30 of article IX of the state	
11	constitution of 1963, total state spending from state resources	
12	under part 1 for fiscal year 2007-2008 is \$0 and state spending	
13	from state resources to be paid to local units of government for	
14	fiscal year 2007-2008 is \$0. The itemized statement below	
15	identifies appropriations from which spending to local units of	
16	government will occur:	
17	DEPARTMENT OF TRANSPORTATION	
18	Grants to local programs\$	0
19	Economic development fund	0
20	Grants to cities and villages	0
21	Grants to county road commissions	0
22	Local bridge fund	0
23	Grants to regional planning councils	0
24	Local bus operating	0
25	Bus capital	0
26	Marine passenger service	0

1	Detroit/Wayne County port authority		
2	Municipal credit program		
3	Specialized services		
4	Transportation to work		
5	Total payments to local units of government \$		
6	Sec. 202. The appropriations authorized under this act are		
7	subject to the management and budget act, 1984 PA 431, MCL 18.1101		
8	to 18.1594.		
9	Sec. 203. As used in this act:		
10	(a) "CTF" means comprehensive transportation fund.		
11	(b) "Department" means the department of transportation.		
12	(c) "DOT" means the United States department of		
13	transportation.		
14	(d) "DOT-FHWA" means DOT, federal highway administration.		
15	(e) "DOT-FRA" means DOT, federal railroad administration.		
16	(f) "DOT-FRA, rail passenger/HSGT" means DOT, federal railroad		
17	administration, high-speed ground transportation.		
18	(g) "EDF" means economic development fund.		
19	(h) "FTE" means full-time equated.		
20	(i) "MTF" means Michigan transportation fund.		
21	(j) "RIF" means recreation improvement fund.		
22	(k) "SAF" means state aeronautics fund.		
23	(l) "STF" means state trunkline fund.		
24	Sec. 204. The department of civil service shall bill the		
25	departments and agencies at the end of the first fiscal quarter for		
26	the 1% charge authorized by section 5 of article XI of the state		
27	constitution of 1963. Payments shall be made for the total amount		

- 1 of the billing by the end of the second fiscal quarter.
- 2 Sec. 205. (1) A hiring freeze is imposed on the state
- 3 classified civil service. State departments and agencies are
- 4 prohibited from hiring any new state classified civil service
- 5 employees and prohibited from filling any vacant state classified

- 6 civil service positions. This hiring freeze does not apply to
- 7 internal transfers of classified employees from 1 position to
- 8 another within a department.
- 9 (2) The state budget director may grant exceptions to this
- 10 hiring freeze when the state budget director believes that the
- 11 hiring freeze will result in rendering a state department or agency
- 12 unable to deliver basic services, causes loss of revenue to the
- 13 state, would result in the inability of the state to receive
- 14 federal funds, or would necessitate additional expenditures that
- 15 exceed any savings from maintaining a vacancy. The state budget
- 16 director shall report by the thirtieth of each month to the
- 17 chairpersons of the senate and house of representatives standing
- 18 committees on appropriations the number of exceptions to the hiring
- 19 freeze approved during the previous month and the reasons to
- 20 justify the exception.
- 21 Sec. 206. (1) In addition to the funds appropriated in part 1,
- there is appropriated an amount not to exceed \$200,000,000.00 for
- 23 federal contingency funds. These funds are not available for
- 24 expenditure until they have been transferred to another line item
- 25 in this act pursuant to section 393(2) of the management and budget
- 26 act, 1984 PA 431, MCL 18.1393.
- 27 (2) In addition to the funds appropriated in part 1, there is

- 1 appropriated an amount not to exceed \$40,000,000.00 for state
- 2 restricted contingency funds. These funds are not available for
- 3 expenditure until they have been transferred to another line item
- 4 in this act pursuant to section 393(2) of the management and budget
- 5 act, 1984 PA 431, MCL 18.1393.
- 6 (3) In addition to the funds appropriated in part 1, there is
- 7 appropriated an amount not to exceed \$1,000,000.00 for local
- 8 contingency funds. These funds are not available for expenditure
- 9 until they have been transferred to another line item in this act
- 10 pursuant to section 393(2) of the management and budget act, 1984
- **11** PA 431, MCL 18.1393.
- 12 (4) In addition to the funds appropriated in part 1, there is
- appropriated an amount not to exceed \$1,000,000.00 for private
- 14 contingency funds. These funds are not available for expenditure
- 15 until they have been transferred to another line item in this act
- 16 pursuant to section 393(2) of the management and budget act, 1984
- **17** PA 431, MCL 18.1393.
- 18 Sec. 207. At least 90 days before beginning any effort to
- 19 privatize, the department shall submit a complete project plan to
- 20 the appropriate senate and house of representatives appropriations
- 21 subcommittees and the senate and house fiscal agencies. The plan
- 22 shall include the criteria under which the privatization initiative
- 23 will be evaluated. The evaluation shall be completed and submitted
- 24 to the appropriate senate and house of representatives
- 25 appropriations subcommittees and the senate and house fiscal
- 26 agencies within 6 months. As used in this section, "privatize" or
- 27 "privatization" means the transfer of state highway maintenance

- 1 functions or activities currently performed by department forces,
- 2 or by boards of county road commissioners, county boards of
- 3 commissioners, or local units of government under contract with the
- 4 department, to private contractors.
- 5 Sec. 208. Unless otherwise specified, the department shall use
- 6 the Internet to fulfill the reporting requirements of this act.
- 7 This requirement may include transmission of reports via electronic
- 8 mail to the recipients identified for each reporting requirement or
- 9 it may include placement of reports on an Internet or Intranet
- 10 site.
- 11 Sec. 209. Funds appropriated in part 1 shall not be used for
- 12 the purchase of foreign goods or services, or both, if
- 13 competitively priced and of comparable quality American goods or
- 14 services, or both, are available. Preference should be given to
- 15 goods or services, or both, manufactured or provided by Michigan
- 16 businesses if they are competitively priced and of comparable
- 17 quality.
- 18 Sec. 210. The director of each department receiving
- 19 appropriations in part 1 may take all reasonable steps to ensure
- 20 businesses in deprived and depressed communities compete for and
- 21 perform contracts to provide services or supplies, or both. The
- 22 director shall encourage firms with which the department contracts
- 23 to subcontract with certified businesses in deprived and depressed
- 24 communities for services, supplies, or both.
- 25 Sec. 211. The departments and state agencies receiving
- 26 appropriations under this act shall receive and retain copies of
- 27 all reports funded from appropriations in part 1. These departments

- 1 and state agencies shall follow federal and state guidelines for
- 2 short-term and long-term retention of these reports and records.
- 3 Sec. 258. Amounts appropriated in part 1 for information
- 4 technology may be designated as work projects and carried forward
- 5 to support technology projects under the direction of the
- 6 department of information technology. Funds designated in this
- 7 manner are not available for expenditure until approved as work
- 8 projects under section 451a of the management and budget act, 1984
- 9 PA 431, MCL 18.1451a.
- 10 Sec. 259. From the funds appropriated in part 1 for
- 11 information technology, the department shall pay user fees to the
- 12 department of information technology for technology-related
- 13 services and projects. The user fees shall be subject to provisions
- 14 of an interagency agreement between the department and the
- 15 department of information technology.
- 16 Sec. 260. (1) Due to the current budgetary problems in this
- 17 state, out-of-state travel shall be limited to situations in which
- 18 1 or more of the following conditions apply:
- 19 (a) The travel is required by legal mandate or court order or
- 20 for law enforcement purposes.
- 21 (b) The travel is necessary to protect the health or safety of
- 22 Michigan citizens or visitors or to assist other states in similar
- 23 circumstances.
- 24 (c) The travel is necessary to produce budgetary savings or to
- 25 increase state revenues, including protecting existing federal
- 26 funds or securing additional federal funds.
- 27 (d) The travel is necessary to comply with federal

- 1 requirements.
- 2 (e) The travel is necessary to secure specialized training for

- 3 staff that is not available within this state.
- 4 (f) The travel is financed entirely by federal or nonstate
- 5 funds.
- 6 (2) If out-of-state travel is necessary but does not meet 1 or
- 7 more of the conditions in subsection (1), the state budget director
- 8 may grant an exception to allow the travel. Any exceptions granted
- 9 by the state budget director shall be reported on a monthly basis
- 10 to the house and senate appropriations committees.
- 11 (3) Not later than January 1 of each year, each department
- 12 shall prepare a travel report listing all travel by classified and
- 13 unclassified employees outside this state in the immediately
- 14 preceding fiscal year that was funded in whole or in part with
- 15 funds appropriated in the department's budget. The report shall be
- 16 submitted to the chairs and members of the house and senate
- 17 appropriations committees, the fiscal agencies, and the state
- 18 budget director. The report shall include the following
- 19 information:
- (a) The name of each person receiving reimbursement for travel
- 21 outside this state or whose travel costs were paid by this state.
- 22 (b) The destination of each travel occurrence.
- (c) The dates of each travel occurrence.
- 24 (d) A brief statement of the reason for each travel
- 25 occurrence.
- 26 (e) The transportation and related costs of each travel
- 27 occurrence, including the proportion funded with state general

- Senate Bill No. 240 (H-6) as amended September 6, 2007 (1 of 2)
- 1 fund/general purpose revenues, the proportion funded with state
- 2 restricted revenues, the proportion funded with federal revenues,
- 3 and the proportion funded with other revenues.
- 4 (f) A total of all out-of-state travel funded for the
- 5 immediately preceding fiscal year.
- 6 Sec. 261. A department or state agency shall not take
- 7 disciplinary action against an employee for communicating with a
- 8 member of the legislature or their staff.

[Sec. 262. From the funds appropriated in part 1, the chief justice shall implement continuous improvement efficiency mechanisms in the programs administered by the judicial branch. The continuous improvement efficiency mechanisms shall identify changes made in programs to increase efficiency and reduce expenditures in the programs. On March 31, 2008 and September 30, 2008, the chief justice shall submit a report to the state budget director, the senate and house appropriation subcommittees, and the senate and house fiscal agencies on the progress made toward increased efficiencies in judicial branch programs. At a minimum, each report shall include information on the program review process, the type of improvement mechanisms implemented, and actual and projected expenditure savings as a result of the increased program efficiencies.]

#### DEPARTMENTAL SECTIONS

- 10 Sec. 301. (1) The department may establish a fee schedule and
- 11 collect fees sufficient to cover the costs to issue the permits
- 12 that the department is authorized by law to issue upon request, and
- 13 for fees associated with freedom of information requests. Unless
- 14 otherwise authorized by statute, all fee revenue shall be credited
- 15 to the state trunkline fund to recover the direct and indirect
- 16 costs of receiving, reviewing, and processing the requests.
- 17 (2) A bridge authority shall hold 3 public hearings on an
- 18 increase in any toll charged by the authority at least 30 days
- 19 before the toll change will become effective. Two of the hearings
- 20 shall be held within 5 miles of the bridge over which the bridge
- 21 authority has jurisdiction. One hearing shall be held in Lansing.
- 22 Public hearings held under this section shall be conducted in
- 23 accordance with the open meetings act, 1976 PA 267, MCL 15.261 to
- 24 15.275, and shall be conducted so as to provide a reasonable S01442'07 (H-6) MRM

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- 25 opportunity for public comment, including both spoken and written
- 26 comments.

- 1 Sec. 303. On request, the department shall provide to a
- 2 legislator, in writing, a report on the amount of money to be
- 3 received by each city and village and the county road commission of

- 4 each county, that is included in whole or in part within the
- 5 legislator's legislative district.
- 6 Sec. 304. If, as a requirement of bidding on a highway
- 7 project, the department requires a contractor to submit financial
- 8 or proprietary documentation as to how the bid was calculated, that
- 9 bid documentation shall be kept confidential and shall not be
- 10 disclosed other than to a department representative without the
- 11 contractor's written consent. The department may disclose the bid
- 12 documentation if necessary to address or defend a claim by a
- 13 contractor.
- 14 Sec. 305. The department shall permit space on public
- 15 passenger transportation properties to be occupied by public or
- 16 private tenants on a competitive market rate basis. The department
- 17 shall require that revenue from the tenants be placed in an account
- 18 to be used to pay the costs to maintain the property.
- 19 Sec. 306. (1) The amounts appropriated in section 103 to
- 20 support tax and fee collection, law enforcement, and other program
- 21 services provided to the department and to transportation funds by
- 22 other state departments shall be expended from transportation funds
- 23 pursuant to annual contracts between the department and those other
- 24 state departments. The contracts shall be executed prior to the
- 25 expenditure or obligation of those funds. The contracts shall
- 26 provide, but are not limited to, the following data applicable to
- 27 each state department.

1 (a) Estimated costs to be recovered from transportation funds.

- 2 (b) Description of services provided to the department and/or
- 3 transportation funds and financed with transportation funds.
- 4 (c) Detailed cost allocation methods appropriate to the type
- 5 of services being provided and the activities financed with
- 6 transportation funds.
- 7 (2) Not later than 2 months after publication of the state of
- 8 Michigan comprehensive annual financial report, each state
- 9 department receiving funding pursuant to an interdepartment
- 10 contract with the department shall submit a written report to the
- 11 department, the state budget director, and the house and senate
- 12 fiscal agencies stating by spending authorization account the
- 13 amount of estimated funds contracted with the department, the
- 14 amount of funds expended, the amount of funds returned to the
- 15 transportation funds, and any unreimbursed transportation-related
- 16 costs incurred but not billed to transportation funds. A copy of
- 17 the report shall be submitted to the auditor general, and the
- 18 report shall be subject to audit by the auditor general as provided
- 19 in subsection (4).
- 20 (3) In addition to the requirements of subsection (2), the
- 21 state treasurer shall develop a cost allocation plan to identify
- 22 the actual costs of work based on time and effort performed by the
- 23 Michigan department of treasury for state-restricted transportation
- 24 funds. The cost allocation plan shall specifically identify the
- 25 costs of collecting constitutionally restricted motor fuel taxes.
- 26 The cost allocation plan shall be submitted to the senate and house
- 27 of representatives standing committees on appropriations

- 1 subcommittees on general government, the senate and house fiscal
- 2 agencies, the auditor general, and the state budget director by
- 3 November 1. The cost allocation plan shall be subject to audit by
- 4 the auditor general.
- 5 (4) Biennially, in each even-numbered fiscal year, the auditor
- 6 general shall conduct an audit of charges to transportation funds
- 7 by state departments for the 2 preceding fiscal years. The audit
- 8 shall include both charges governed by interdepartmental contracts
- 9 as well as miscellaneous charges from other state departments not
- 10 governed by contracts. The auditor general shall prepare a detailed
- 11 report, with recommendations and conclusions, including a summary
- 12 of charges and related services to transportation funds by
- 13 department, the appropriateness of those charges, the cost
- 14 allocation methodologies used in determining the level of funding,
- 15 and any unreimbursed transportation-related costs, if any. The
- 16 report shall be provided to the senate and house of representatives
- 17 committees on appropriations, the senate and house fiscal agencies,
- 18 and the state budget director 9 months after publication of the
- 19 state of Michigan comprehensive annual financial report.
- Sec. 307. Before March 1 of each year, the department will
- 21 provide to the legislature, the state budget office, and the house
- 22 and senate fiscal agencies its rolling 5-year plan listing by
- 23 county or by county road commission all highway construction
- 24 projects for the fiscal year and all expected projects for the
- 25 ensuing fiscal years.
- 26 Sec. 308. The department and local road agencies that receive
- 27 appropriations under this act shall pursue compliance with contract

- 1 specifications for construction and maintenance of state highways
- 2 and local roads and streets. Work shall not be accepted and paid
- 3 for until it complies with contract requirements. Contractors with
- 4 unsatisfactory performance ratings shall be restricted from future
- 5 bidding through the prequalification process established by the
- 6 department or a local road agency. The department, county road
- 7 commissions, and cities and villages shall report to the house of
- 8 representatives and senate appropriations subcommittees on
- 9 transportation, the senate and house fiscal agencies, and the state
- 10 budget director on their respective activities under this section.
- 11 Sec. 309. The department shall reduce administrative costs and
- 12 provide the maximum funding possible for construction projects.
- Sec. 310. The department shall provide in a timely manner
- 14 copies of the agenda and approved minutes of monthly transportation
- 15 commission meetings to the members of the house and senate
- 16 appropriations subcommittees on transportation, the house and
- 17 senate fiscal agencies, and the state budget director.
- 18 Sec. 312. At the close of the fiscal year, any unencumbered
- 19 and unexpended balance in the state trunkline fund shall remain in
- 20 the state trunkline fund and shall carry forward and is
- 21 appropriated for federal aid road and bridge programs for projects
- 22 contained in the annual state transportation program.
- 23 Sec. 313. (1) From funds appropriated in part 1, the
- 24 department may increase a state infrastructure bank program and
- 25 grant or loan funds in accordance with regulations of the state
- 26 infrastructure bank program of the United States department of
- 27 transportation. The state infrastructure bank is to be administered

- 1 by the department for the purpose of providing a revolving, self-
- 2 sustaining resource for financing transportation infrastructure
- 3 projects.
- 4 (2) In addition to funds provided in subsection (1), money
- 5 received by the state as federal grants, repayment of state
- 6 infrastructure bank loans, or other reimbursement or revenue
- 7 received by the state as a result of projects funded by the program
- 8 and interest earned on that money shall be deposited in the
- 9 revolving state infrastructure bank fund and shall be available for
- 10 transportation infrastructure projects. At the close of the fiscal
- 11 year, any unencumbered funds remaining in the state infrastructure
- 12 bank fund shall remain in the fund and be carried forward into the
- 13 succeeding fiscal year.
- 14 Sec. 314. The department shall provide a report prepared by
- 15 the department's internal auditor on the activities of the internal
- 16 auditor for the previous fiscal year. The report shall be due by
- 17 February 1 of each year and shall be submitted to the senate and
- 18 house of representatives appropriations committees, the senate and
- 19 house fiscal agencies, the director of the state budget office, and
- 20 the auditor general. This report shall include a list of all of the
- 21 following:
- 22 (a) All work activities conducted by the internal auditor,
- 23 including a listing of all audits, reviews, and investigations.
- 24 (b) The time charged to each work activity, including time
- 25 charged to each audit, review, or investigation.
- 26 (c) A listing of which audits, reviews, and investigations
- 27 have been completed and which audits, reviews, and investigations

- 1 have had reports of the results issued.
- 2 Sec. 319. The department shall post signs at each rest area to

- 3 identify the agency or contractor responsible for maintenance of
- 4 the rest area. The signs shall include a department telephone
- 5 number and shall indicate that unsafe or unclean conditions at the
- 6 rest area may be reported to that telephone number.
- 7 Sec. 324. From the funds appropriated in part 1, \$500,000.00
- 8 from the state trunkline fund shall be used for enhanced
- 9 construction zone traffic law enforcement and the "give 'em a
- 10 brake" campaign. The funding shall be used to reimburse law
- 11 enforcement agencies for costs associated with construction zone
- 12 traffic enforcement. The funding shall be provided based on
- 13 approved memoranda of understanding between the department and
- 14 participating law enforcement agencies.
- 15 Sec. 334. The department shall continue its program to
- 16 increase the use of women- and minority-owned businesses in state
- 17 and local road construction projects. This program shall comprise,
- 18 at a minimum, outreach and education efforts to inform women- and
- 19 minority-owned firms of department competitive bidding processes
- 20 and requirements, and an assessment of the availability of surety
- 21 for women- and minority-owned businesses. The department shall
- 22 report by September 30 of each year to the house and senate
- 23 appropriations subcommittees on transportation and the house and
- 24 senate fiscal agencies of its progress in complying with this
- 25 section.
- 26 Sec. 353. The department shall review its contractor payment
- 27 process and ensure that all prime contractors are paid promptly.

- 1 The department shall ensure that prime contractors are in
- 2 compliance with special provision 109.10 regarding the prompt

- 3 payment of subcontractors.
- 4 Sec. 357. When presented with complete local federal aid
- 5 project submittals, the department shall complete all necessary
- 6 reviews and inspections required to let local federal aid projects
- 7 within 120 days of receipt. The department shall implement a system
- 8 for monitoring the local federal aid project review process.
- 9 Sec. 370. From the funds appropriated in part 1, the
- 10 department shall maintain a complaint process to enforce the
- 11 charter service prohibition contained in section 10e of 1951 PA 51,
- 12 MCL 247.660e. The complaint process shall be independent from the
- 13 charter service complaint process administered by the federal
- 14 department of transportation, federal transit administration under
- 15 49 CFR part 604. The process shall allow complainants to file
- 16 written complaints with the director, either through the United
- 17 States mail or through the department's Internet site. The process
- 18 shall allow complainants and respondents to provide evidence to the
- 19 director regarding the alleged complaint. The director shall
- 20 dispose of all complaints within 120 days after receipt.
- 21 Sec. 374. The department shall produce and distribute all
- 22 employee newsletters electronically.
- 23 Sec. 375. The department is prohibited from reimbursing
- 24 contractors or consultants for costs associated with groundbreaking
- 25 ceremonies, receptions, open houses, or press conferences related
- 26 to transportation projects funded, in whole or in part, by revenue
- 27 appropriated in part 1.

1 Sec. 376. No later than March 1 of each year, the department

- 2 shall report to the senate and house of representatives
- 3 appropriations subcommittees on transportation on the status of the
- 4 17 projects that were initially deferred in the department's 5-year
- 5 plan in 2003 and subsequently restored.
- 6 Sec. 383. (1) The department shall prepare a quarterly report
- 7 on all travel by executive branch employees on state-owned,
- 8 noncombat aircraft. The report shall include, by department, the
- 9 name of the traveler, the travel origination location, the travel
- 10 destination location, type of aircraft, and the total estimated
- 11 costs associated with the air travel.
- 12 (2) From the funds appropriated in part 1, the department is
- 13 prohibited from transporting employees of institutions of higher
- 14 education on state-owned aircraft.
- 15 (3) From the funds appropriated in part 1, the department is
- 16 prohibited from transporting legislators or legislative staff on
- 17 state-owned aircraft without prior approval from the senate
- 18 majority leader and/or the speaker of the house of representatives.
- 19 (4) From the funds appropriated in part 1, the department is
- 20 prohibited from transporting local government employees on state-
- 21 owned aircraft.
- 22 (5) It is the intent of the legislature that state elected
- 23 officials use commercial or other private air service, unless air
- 24 travel on state-owned aircraft is part of official state business.
- 25 (6) This section does not apply to transportation that is
- 26 related to law enforcement or homeland security activities.
- 27 Sec. 384. The funds appropriated in section 111 for utility

- 1 relocation shall be made available to qualified utilities to offset
- 2 the costs of utility facility relocation necessitated by state
- 3 trunkline road and bridge construction and reconstruction projects.
- 4 "Qualified utilities" under this section means telecommunications
- 5 companies having not less than 1,000,000 transmission poles in the
- 6 state of Michigan.

#### FEDERAL

- 8 Sec 401. Within 30 days of receiving the applicable fiscal
- 9 year authorization from the federal government to commit
- 10 transportation funds, the department shall notify local agency
- 11 representatives, the senate and house of representatives
- 12 appropriations transportation subcommittees, the senate and house
- 13 fiscal agencies, and the state budget director regarding the amount
- 14 of federal aid for categorical allocations to state and local
- 15 agency programs not specifically allocated in either federal or
- 16 state law.
- 17 Sec. 402. A portion of the federal DOT-FHWA highway research,
- 18 planning, and construction funds made available to the state shall
- 19 be allocated to transportation programs administered by local
- 20 jurisdictions in accordance with section 100 of 1951 PA 51, MCL
- 21 247.6600. A local road agency, with respect to a project approved
- 22 for federal aid funding in a state transportation improvement
- 23 program, may enter into a voluntary buyout agreement with the
- 24 department or with another local road agency to exchange the
- 25 federal aid with state restricted transportation funds as agreed to
- 26 by the respective parties. The state-restricted transportation

- 1 funds received in exchange for federal aid funds shall be used for
- 2 the same purpose as the federal aid funds were originally intended.

#### MICHIGAN TRANSPORTATION FUND

- 4 Sec. 501. The money received under the motor carrier act, 1933
- 5 PA 254, MCL 475.1 to 479.43, and not appropriated to the department
- 6 of labor and economic growth or the department of state police is
- 7 deposited in the Michigan transportation fund.
- 8 Sec. 502. The department of treasury shall perform audits and
- 9 make investigations of the disposition of all state funds received
- 10 by county road commissions or county boards of commissioners, as
- 11 applicable, and cities and villages for transportation purposes to
- 12 determine compliance with the terms and conditions of 1951 PA 51,
- 13 MCL 247.651 to 247.675. County road commissions or county boards of
- 14 commissioners, as applicable, and cities and villages shall make
- 15 available to the department of treasury the pertinent records for
- 16 the audit.

- 17 Sec. 503. (1) The funds appropriated in part 1 for the
- 18 economic development and local bridge programs shall not lapse at
- 19 the end of the fiscal year but shall carry forward each fiscal year
- 20 for the purposes for which appropriated in accordance with 1987 PA
- 21 231, MCL 247.901 to 247.913, and section 10(5) of 1951 PA 51, MCL
- 22 247.660.
- 23 (2) Interest earned in the department of transportation
- 24 economic development fund and local bridge fund shall remain in the
- 25 respective funds and shall be allocated to the respective programs
- 26 based on actual interest earned at the end of each fiscal year.

- 1 (3) The department of transportation economic development fund
- 2 and local bridge fund may receive and expend federal, local, or
- 3 private funds or restricted source funds such as interest earnings
- 4 for projects that are consistent with the programmatic mission of
- 5 the respective funds in addition to funds appropriated in part 1.
- 6 (4) None of the funds statutorily dedicated to the
- 7 transportation economic development fund and local bridge fund
- 8 shall be diverted to other projects.
- 9 Sec. 504. Funds from the Michigan transportation fund (MTF)
- 10 shall be distributed to the comprehensive transportation fund
- 11 (CTF), the economic development fund (EDF), the recreation
- 12 improvement fund (RIF), and the state trunkline fund (STF), in
- 13 accordance with this act and part 711 of the natural resources and
- 14 environmental protection act, 1994 PA 451, MCL 324.71101 to
- 15 324.71108, and may only be used as specified in this act, 1951 PA
- 16 51, MCL 247.651 to 247.675, and part 711 of the natural resources
- 17 and environmental protection act, 1994 PA 451, MCL 324.71101 to
- **18** 324.71108.

## 19 STATE TRUNKLINE FUND

- 20 Sec. 601. The department shall work with the road construction
- 21 industry and engineering consulting community to develop
- 22 performance and road construction warranties for construction
- 23 contracts. The development of warranties shall include warranties
- 24 on materials, workmanship, performance criteria, and design/build
- 25 projects. The department will report by September 30 of each
- 26 calendar year to the house of representatives and senate

- 1 appropriations subcommittees on transportation, the state budget
- 2 director, and the house and senate fiscal agencies on the status of

- 3 efforts to develop performance and road construction warranties.
- 4 Sec. 602. If the department uses manufactured pipe for road
- 5 construction drainage, the department shall require that pipe used
- 6 under certain load-bearing conditions beneath the roadway meets the
- 7 standards established by the American society for testing and
- 8 materials (ASTM) or American association of state highway and
- 9 transportation officials (AASHTO). The department may also use the
- 10 mandrel test for manufactured pipe 60 days after installation and
- 11 provide a summary of the results of these inspections to the house
- 12 of representatives and senate appropriations subcommittees on
- 13 transportation and house and senate fiscal agencies.
- 14 Sec. 603. The department shall use traffic congestion as 1 of
- 15 the criteria in determining the priorities for designating which
- 16 roads shall be remediated in its 5-year road plan, which must be
- 17 submitted on or before March 1 of each year. Criteria for
- 18 evaluating traffic congestion shall include, but not be limited to,
- 19 coordination with local, county, and regional planning, improvement
- 20 in traffic operations, improvement in physical roadway conditions,
- 21 accident reduction, and coordination with area public
- 22 transportation planning.
- 23 Sec. 608. From the amounts appropriated in part 1 for forest
- 24 roads from the transportation economic development fund, \$40,000.00
- 25 shall be used for the purpose of establishing 2 additional truck
- 26 inspection stations. The department shall work directly with
- 27 representatives of the timber industry to educate truck drivers on

- 1 the use of the stations. The department shall report on the status
- 2 of this program.
- 3 Sec. 610. It is the intent of the legislature that the
- 4 department have as a priority the removal of dead deer and other
- 5 large animal remains from the traveled portion and shoulder of
- 6 state highways. The department, and counties that perform state
- 7 highway maintenance under contract, shall remove animal remains,
- 8 wherever practicable, away from the traveled portion and shoulder
- 9 of state highways.
- Sec. 611. From the appropriations in part 1, the department
- 11 shall use high-quality pavement marking materials for all state
- 12 trunkline projects with a design life of 10 years or greater. The
- 13 department shall coordinate with material suppliers, equipment
- 14 manufacturers, and application contractors to ensure cost-effective
- 15 improvements in durability and retro-reflectivity.
- 16 Sec. 612. The department shall establish guidelines governing
- 17 incentives and disincentives provided under contracts for state
- 18 trunkline projects. The guidelines shall include specific financial
- 19 information concerning incentives and disincentives. On or before
- 20 January 1 of each year, the department shall prepare a report for
- 21 the immediately preceding fiscal year regarding contract incentives
- 22 and disincentives. This report shall include a list, by project, of
- 23 the contractors that received contract incentives and/or
- 24 disincentives, the amount of the incentives and/or disincentives,
- 25 and the number of days that each project was completed either ahead
- 26 or past the contracted completion date. This report shall be
- 27 provided to the senate and house appropriations subcommittees on

- 1 transportation, the senate and house standing committees on
- 2 transportation, and the senate and house fiscal agencies.
- 3 Sec. 654. It is the intent of the legislature that the
- 4 Mackinac Bridge Authority work to protect the long-term viability
- 5 of the Mackinac Bridge.
- 6 Sec. 657. It is the intent of the legislature that the
- 7 department proceed with a congestion mitigation corridor study of
- 8 US-23 from M-14 to I-96 in Washtenaw and Livingston counties,
- 9 including environmental assessment of transportation improvements
- **10** to US-23.
- 11 Sec. 659. For pavement designs for which there are no Michigan
- 12 actual historical data as required in MCL 247.651h, the department
- 13 may use actual historical data and comparable data for equivalent
- 14 designs from states with similar climates, soil structures, and/or
- 15 vehicle traffic. The purpose of this provision is to provide the
- 16 department with the necessary flexibility to design pavements which
- 17 have not been used in Michigan but have been used successfully in
- 18 other states. This provision shall expire when the department has
- 19 actual Michigan historical data on these pavements.

#### 20 COMPREHENSIVE TRANSPORTATION FUND

- 21 Sec. 701. Money that is received by the state as a lease
- 22 payment for state-owned intercity bus equipment is not money to be
- 23 deposited in the comprehensive transportation fund under section
- 24 10b of 1951 PA 51, MCL 247.660b, but is money that is deposited in
- 25 an intercity bus equipment fund for appropriation for the purchase
- 26 and repair of intercity bus equipment. Proceeds received by the

- 1 state from the sale of intercity bus equipment are deposited in an
- 2 intercity bus equipment fund for appropriation for the purchase and
- 3 repair of intercity bus equipment. Security deposits from the lease
- 4 of state-owned intercity bus equipment not returned to the lessee
- 5 of the equipment under terms of the lease agreement are deposited
- 6 in an intercity bus equipment fund for appropriation for the repair
- 7 of intercity bus equipment. At the close of the fiscal year, any
- 8 funds remaining in the intercity bus equipment fund shall remain in
- 9 the fund and be carried forward into the succeeding fiscal year.
- 10 Sec. 702. Money that is received by the state as repayment for
- 11 loans made for rail or water freight capital projects, and as a
- 12 result of the sale of property or equipment used or projected to be
- 13 used for rail or water freight projects shall be deposited in the
- 14 fund created by section 17 of the state transportation preservation
- 15 act of 1976, 1976 PA 295, MCL 474.67. At the close of the fiscal
- 16 year, any funds remaining in the rail freight fund shall remain in
- 17 the fund and be carried forward into the succeeding fiscal year.
- 18 Sec. 703. After receiving notification from a railroad company
- 19 pursuant to section 8 of the state transportation preservation act
- 20 of 1976, 1976 PA 295, MCL 474.58, the department shall immediately
- 21 notify the house of representatives and senate appropriations
- 22 subcommittees on transportation and the state budget office that
- 23 the railroad company has filed with the appropriate governmental
- 24 agencies for abandonment of a line.
- Sec. 705. Funds appropriated in part 1 for the rail
- 26 infrastructure loan program shall be credited to the rail
- 27 infrastructure loan fund established in section 15a of the state

- 1 transportation preservation act of 1976, 1976 PA 295, MCL 474.65a.
- 2 Sec. 706. The Detroit/Wayne County port authority shall issue
- 3 a complete operations assessment and a financial disclosure
- 4 statement. The operations assessment shall include operational
- 5 goals for the next 5 years and recommendations to improve land
- 6 acquisition and development efficiency. The report shall be
- 7 completed and submitted to the house of representatives and senate
- 8 appropriations subcommittees on transportation, the state budget
- 9 director, and the house and senate fiscal agencies by February 15
- 10 of each fiscal year for the prior fiscal year.
- 11 Sec. 707. Each eligible authority and each eligible
- 12 governmental agency which provides public transportation services
- 13 in urbanized areas with a Michigan population of less than or equal
- 14 to 100,000 and nonurbanized areas under section 5311 of title 49 of
- 15 the United States Code, 49 USC 5311, shall receive a grant of up to
- 16 60% of its eligible operating expenses. Each eligible authority and
- 17 each eligible government agency which provides public
- 18 transportation services in urbanized areas with a Michigan
- 19 population of greater than 100,000 under section 5307 of title 49
- 20 of the United States Code, 49 USC 5307, shall receive a grant of up
- 21 to 50% of its eligible operating expenses.
- Sec. 708. If funds appropriated in part 1 are used to provide
- 23 state-owned or state-leased buses to private intercity bus
- 24 carriers, the department shall charge not less than \$1,000.00 per
- 25 bus per year for their use.
- 26 Sec. 709. (1) The following bus routes are designated as an
- 27 essential corridor in Michigan:

1	Between St. Ignace and Escanaba	US-2
2	Between Escanaba and Duluth	US-2 through Ironwood to the
3		state line
4	Between Calumet and Escanaba	US-41
5	Between Escanaba and Milwaukee	US-41 through Menominee to
6		the state line
7	Between St. Ignace and	
8	Sault Ste. Marie	I-75
9	Between Detroit and Chicago	I-94 from Detroit to the
10		state line
11	Between Detroit and Muskegon	I-96
12	Between Grand Rapids, Holland,	
13	and Benton Harbor	I-196 to I-94
14	Between Muskegon and Grand	
15	Rapids	US-31, I-96
16	Between Detroit and Bay City	I-75
17	Between Bay City and Mount	
18	Pleasant	US-10, M-20
19	Between Jackson and Traverse	US-127, US-27, I-75,
20	City	Grayling,
21		Gaylord, M-72 to Traverse
22		City
23	Between Jackson and	I-69, I-94 to the state line
24	Indianapolis	through Albion, Marshall,
25		and Coldwater
26	Between Houghton Lake and	
27	Cadillac	M-55 and M-66

1	Between Detroit and Toledo	I-75 to the state line	
2	Between the Indiana state line		
3	and Traverse City	US-31 and I-196	
4	Between Detroit and Port Huron	I-375 and I-94	
5	Between Toledo and Bay City	US-23, I-75, and I-675, I-75	
6	Between Bay City and Chicago	I-75, Flint, I-69, I-94,	
7		Battle Creek, I-94 to the	
8		state line	
9	Between Flint and Lansing	I-69, M-21, Owosso, M-52,	
10		I-69	
11	Between Bay City and St. Ignace	I-75, US-23	
12	Between Grand Rapids and	US-131, Cadillac, M-115,	
13	St. Ignace	Mesick, M-37 to Traverse	
14		City, US-31, Acme, M-72,	
15		Kalkaska, US-131, Boyne	
16		Falls, M-75, Walloon Lake,	
17		US-131, Petoskey, US-31,	
18		I-75, St. Ignace	
19	Between Kalamazoo and Grand		
20	Rapids	US-131	
21	(2) Any changes to the essential	corridor list in subsection	
22	(1) shall be approved by the house and senate appropriations		
23	subcommittees on transportation.		
24	Sec. 711. (1) From the funds appropriated in part 1 from the		
25	comprehensive transportation fund for rail passenger service, the		
26	department shall negotiate with a rail carrier to provide rail		
27	service between Grand Rapids and Chicago and between Port Huron and		

- 1 Chicago on a 7-day basis, consistent with the other provisions of
- 2 this section.
- 3 (2) The rail carrier shall, as a condition to receiving a
- 4 state operating subsidy, maintain a system to monitor, collect, and
- 5 resolve customer complaints and shall make the information
- 6 available to the department, the house and senate appropriations
- 7 subcommittees on transportation, and the house and senate fiscal
- 8 agencies.
- 9 (3) Future state support for the service between Grand Rapids
- 10 and Chicago and Port Huron and Chicago is dependent on the
- 11 department's ability to provide a plan and a contract for services
- 12 that increase ridership and revenue, reduce operating costs, and
- improve on-time performance.
- 14 Sec. 714. The department, in cooperation with local transit
- 15 agencies, shall work to ensure that demand-response services are
- 16 provided throughout Michigan. The department shall continue to work
- 17 with local units of government to address the unmet transit needs
- 18 in Michigan.
- 19 Sec. 721. For federal transit administration bus acquisition
- 20 capital grants matched with CTF funds appropriated in part 1,
- 21 transit agencies shall have 4 years from the federal approval date
- 22 to carry out their projects. Contract line items unobligated 4
- 23 years after the federal approval date may be matched with CTF funds
- 24 only up to 15% in the fifth and subsequent years. "Unobligated"
- 25 means any line item in the contract that is not committed to a
- 26 third party or purchase order. A waiver shall be granted by the
- 27 department for an additional year with documented justification

- 1 from the transit agency accompanied by a resolution from the board
- 2 or authority seeking a waiver. If a transit agency does not carry
- 3 out a line item activity in a specific authorization and the
- 4 transit agency requests funds in a new authorization for that same
- 5 activity, the line item shall be matched at up to 15%. This section
- 6 applies only to bus acquisition capital grants. Lapsed funds under
- 7 this section shall remain in the CTF.
- 8 Sec. 722. From the funds appropriated in part 1 for
- 9 transportation to work from the CTF, sufficient funds shall be used
- 10 as a match for job access reverse commute grants for local transit
- 11 agencies.
- 12 Sec. 730. The department shall sell all state-owned intercity
- 13 bus equipment within 6 months of termination of lease agreements
- 14 with intercity bus carriers. The proceeds from the sale of state-
- 15 owned intercity bus equipment under this section shall be deposited
- 16 in the intercity bus equipment fund, consistent with section 701.
- 17 Sec. 731. The department shall charge public transit agencies
- 18 and intercity bus carriers equal rates per square foot for leasing
- 19 space in state-owned intermodal facilities.
- Sec. 732. The department shall work with local transit
- 21 agencies to ensure that transit vehicles have adequate wheelchair
- 22 lifts available on demand response vehicles to meet the needs of
- 23 persons with disabilities.
- 24 Sec. 740. The department shall report by March 1 of each year
- 25 to the house and senate appropriations subcommittees on
- 26 transportation, the house and senate fiscal agencies, and the state
- 27 budget director the encumbered and unencumbered balances of the

1 comprehensive transportation fund.

#### 2 AERONAUTICS FUND

- 3 Sec. 801. At the close of the fiscal year, any unobligated and
- 4 unexpended balance in the state aeronautics fund created in the
- 5 aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.1
- 6 to 259.208, shall lapse to the state aeronautics fund and be
- 7 appropriated by the legislature in the immediately succeeding
- 8 fiscal year.
- 9 Sec. 805. State aeronautics funds appropriated in part 1 for
- 10 airport safety and protection plan debt service are transferred to
- 11 the comprehensive transportation fund and are appropriated for the
- 12 purpose of reimbursing comprehensive transportation fund debt
- 13 service obligations for the airport safety and protection plan
- 14 program.