

SENATE BILL No. 988

November 12, 2009, Introduced by Senators PAPPAGEORGE, GLEASON, SANBORN, ALLEN, JACOBS and OLSHOVE and referred to the Committee on Transportation.

A bill to amend 1967 PA 204, entitled
"Metropolitan transportation authorities act of 1967,"
by amending sections 4a and 4b (MCL 124.404a and 124.404b), section
4a as amended by 1998 PA 75 and section 4b as added by 1988 PA 481.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 4a. (1) The chief executive officer of each city having a
2 population of 750,000 or more within a metropolitan area, of each
3 county in which such a city is located, and of all other counties
4 immediately contiguous to such a city shall form a corporation,
5 subject to the limitations of this act, to be known as the regional
6 transit coordinating council for the purpose of establishing and
7 directing public transportation policy within a metropolitan area.
8 The counties of Livingston, Monroe, St. Clair, and Washtenaw shall
9 be collectively represented on the council by 1 member, without

1 vote, from 1 of the counties and shall determine their
2 representative member on the council in a manner to be determined
3 by the counties. The county from which the representative member is
4 to be selected shall rotate among the counties at least every 2
5 years and the member shall be a resident of the county from which
6 the member is to be selected. If 1 or more of the counties of
7 Livingston, Monroe, St. Clair, and Washtenaw withdraw from the
8 authority, the member shall rotate between, and be selected from,
9 the remaining counties.

10 (2) A council formed under this section shall be considered an
11 authority organized pursuant to this act for the sole purpose of
12 receiving transportation operating and capital assistance grants. A
13 council may not exercise any rights, duties, or powers provided to
14 an authority organized pursuant to this act except as is necessary
15 to receive transportation operating and capital assistance grants.

16 (3) The council may adopt public transportation plans for its
17 metropolitan area. The council shall coordinate service overlap,
18 rates, routing, scheduling, and like functions between operators of
19 public transportation. The council shall not have power to employ
20 operating personnel, negotiate collective bargaining agreements
21 with operating personnel, or own operating assets of a public
22 transportation service within the metropolitan area.

23 (4) The articles of incorporation forming the council shall
24 provide for the conduct of the affairs of the council, including
25 provision for the appointment of a general secretary to the council
26 and the allocation between the city and any authority representing
27 the counties of any grants applied for by the council **SUBJECT TO**

1 **THE PROVISIONS OF THIS ACT.**

2 (5) The council shall be a "designated recipient" for purposes
3 of the former federal urban mass transportation act of 1964, Public
4 Law 88-365, and the regulations promulgated under that act, to
5 apply for federal and state transportation operating and capital
6 assistance grants, but the council may designate a city with a
7 population of more than 750,000 and the authority representing the
8 counties each as a subrecipient of federal and state transportation
9 funds. To the extent required by the federal urban mass
10 transportation act of 1964 and the regulations ~~thereunder~~ **UNDER**
11 **THAT ACT**, the council and a city with a population over 750,000 and
12 the authority representing the counties shall execute a
13 supplemental agreement conferring on a city with a population over
14 750,000 and the authority representing the counties the right to
15 receive and dispense grant funds and containing such other
16 provisions as are required by federal law and regulation. The
17 general secretary shall submit in a timely manner the council's
18 application for such funds to the responsible federal and state
19 agencies. The application shall designate the distribution of all
20 capital and operating funds which shall be paid directly to a city
21 with a population over 750,000 and the authority representing the
22 counties. If the council is the recipient, the general secretary,
23 as soon as possible, but not more than 10 business days after
24 receipt of the funds by the general secretary, shall remit to a
25 city with a population over 750,000 and the authority representing
26 the counties their designated distribution of the funds.
27 **NOTWITHSTANDING ANYTHING IN THE ARTICLES OF INCORPORATION OF THE**

1 COUNCIL TO THE CONTRARY, THE DESIGNATED DISTRIBUTION OF FEDERAL AND
2 STATE FORMULA FUNDS, REGARDLESS OF WHAT ENTITY IS THE SUBRECIPIENT
3 OR DIRECT RECIPIENT OF THE FUNDS, SHALL BE DETERMINED USING THE
4 FEDERAL AND STATE STATUTES AND REGULATIONS APPLICABLE AT THE TIME
5 OF DISTRIBUTION AS IF THE DESIGNATED SUBRECIPIENTS OR DIRECT
6 RECIPIENTS WERE ALLOWED TO AND DID APPLY FOR FEDERAL AND STATE
7 FORMULA FUNDS INDEPENDENTLY OF EACH OTHER AND THE COUNCIL.

8 (6) The council shall act by a unanimous vote of its
9 membership entitled to vote and shall meet regularly but not less
10 than quarterly. A council member shall not designate another
11 representative to serve in his or her place on the council.

12 (7) The business which the council may perform shall be
13 conducted at a public meeting of the council held in compliance
14 with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275.
15 Public notice of the time, date, and place of the meeting shall be
16 given in the manner required by the open meetings act, 1976 PA 267,
17 MCL 15.261 to 15.275.

18 (8) An advisory committee comprised of riders who are senior
19 citizens or persons with disabilities, or both, and who live within
20 the southeastern Michigan transportation authority shall be
21 established and shall report their concerns to the council on a
22 regularly scheduled basis.

23 (9) Before any state or federal funds are distributed to any
24 of the eligible authorities or eligible governmental agencies
25 coordinated by the council, a financial audit of the transit
26 operations for the fiscal year immediately previous to the most
27 recently completed fiscal year shall be provided to the state

1 transportation department in accordance with section 10h(2) of 1951
2 PA 51, MCL 247.660h. The state transportation department may waive
3 this requirement on a temporary basis. Each audit shall be in
4 accordance with sections 6 to 13 of the uniform budgeting and
5 accounting act, 1968 PA 2, MCL 141.426 to 141.433. Each financial
6 audit shall also be in accordance with generally accepted
7 accounting standards as promulgated by the United States general
8 accounting office and shall satisfy federal regulations relating to
9 federal grant compliance audit requirements.

10 Sec. 4b. (1) Incorporation of a council shall be accomplished
11 by adoption of articles of incorporation by the incorporators
12 authorized to so act. Articles of incorporation so adopted shall be
13 published by the person or persons designated in the articles at
14 least once in a newspaper designated in the articles and circulated
15 within the area proposed to be served. One printed copy of the
16 articles of incorporation shall be filed with the secretary of
17 state, the clerk of each county within the area of the council, and
18 the director of the state transportation department by the person
19 designated to do so by the articles. The council shall become
20 operative and the articles of incorporation effective at the time
21 provided in the articles of incorporation. The validity of the
22 incorporation shall be conclusively presumed unless questioned in a
23 court of competent jurisdiction within 60 days after the
24 publication of the articles of incorporation.

25 (2) The articles of incorporation shall state the name of the
26 council; the purposes for which it is formed; the constituent units
27 of and the metropolitan area, or portions thereof, comprising the

1 council; the person or persons charged with the responsibility of
2 causing the articles of incorporation to be published and filed as
3 provided in subsection (1); the method of amending the articles of
4 incorporation; and any other matters which the incorporators
5 consider advisable.

6 (3) The council, in conjunction with the state transportation
7 department, shall develop a long-range plan to bring the
8 authorities coordinated by the council into conformity with the
9 state fiscal year.

10 (4) **THE ARTICLES OF INCORPORATION ARE SUBJECT TO THE TERMS OF**
11 **THIS ACT.**