SENATE BILL No. 915

January 26, 2012, Introduced by Senator PAVLOV and referred to the Committee on Transportation.

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 promote safe and efficient travel for motor vehicle drivers, bicyclists, pedestrians, and other legal users of roads, streets, and highways; 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 10b, 10c, 10e, and 10h (MCL 247.660b, 247.660c, 247.660e, and 247.660h), section 10b as amended by 1982 PA 438, section 10c as amended by 2010 PA 257, section 10e as amended by 2008 PA 487, and section 10h as amended by 2002 PA 498; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 10b. (1) A fund to be known as the comprehensive
- 2 transportation fund is established and shall be set up and
- 3 maintained in the state treasury as a separate fund. In addition to
- 4 the money distributed to the comprehensive transportation fund
- 5 pursuant to this act, the money authorized to be credited to the
- 6 comprehensive transportation fund pursuant to section 25 of the
- 7 general sales tax act, Act No. 167 of the Public Acts of 1933, as
- 8 amended, being section 205.75 of the Michigan Compiled Laws, 1933
- 9 PA 167, MCL 205.75, shall be deposited in the comprehensive
- 10 transportation fund and is appropriated to the state transportation
- 11 department for the purposes described in section 10e.
- 12 (2) The comprehensive transportation fund shall be

- 1 administered by the state transportation department in accordance
- 2 with this act.
- 3 (3) The general functions of the state transportation
- 4 department in the administration of funds for comprehensive
- 5 transportation services shall include the following:
- **6** (a) Establishing public transportation procedures and
- 7 administrative practices for which there is a clear requirement for
- 8 uniformity statewide.
- 9 (b) Planning and providing for the current and long-range
- 10 development of a system of public transportation in COORDINATION
- 11 WITH areas for which THERE IS an eligible authority or eligible
- 12 governmental agency. does not exist.
- 13 (c) Investigating public transportation conditions and making
- 14 recommendations for improvement to the state transportation
- 15 commission for forwarding to the legislature.
- 16 (d) Encouraging, coordinating, and administering grants for
- 17 research and demonstration projects to develop the application of
- 18 new ideas and concepts in public transportation facilities and
- 19 services as applied to state as opposed to nationwide problems.
- (e) Performing each function necessary to comply fully with
- 21 present or future federal transportation acts.
- 22 (f) Administering and distributing money from the
- 23 comprehensive transportation fund and the proceeds of notes and
- 24 bonds sold for public transportation purposes. If money is raised
- 25 by an eligible authority or an eligible governmental agency for a
- 26 public transportation capital outlay project funded pursuant to
- 27 sections 3, 5, and 6 of the urban mass transportation act of 1964,

- 1 49 U.S.C. 1602, 1604, and 1605, or federal law codified in 23
- 2 U.S.C. 101 to 407, the state shall pay not less than 66-2/3% of the
- 3 local match. The state shall not expend money as a local match or
- 4 otherwise, and an eligible authority or eligible governmental
- 5 agency shall not expend money distributed pursuant to this act, as
- 6 a local match or otherwise, for the preliminary or final
- 7 construction engineering plans or the construction of a subway
- 8 system within the area of the southeastern Michigan transportation
- 9 authority until that expenditure is approved by concurrent
- 10 resolution of the legislature. The concurrent resolution shall be
- 11 approved on a record roll call vote of each house. The state shall
- 12 not expend money for the construction, operation, or maintenance of
- 13 a commuter boat service system within a county which is a member of
- 14 the southeastern Michigan transportation authority until approved
- 15 by concurrent resolution of the legislature. The concurrent
- 16 resolution shall be approved on a record roll call vote of each
- 17 house.
- 18 (g) Applying for, receiving, and accepting any grant, gift,
- 19 contribution, loan, or other assistance in the form of money,
- 20 property, labor, and OR any other form from a public or private
- 21 source, including assistance from an agency or instrumentality of
- 22 the United States and doing each thing as is necessary to apply
- 23 for, receive, and administer that assistance in accordance with the
- 24 laws of this state.
- 25 (h) Promulgating rules for the implementation and
- 26 administration of the comprehensive transportation fund, pursuant
- 27 to the administrative procedures act of 1969, Act No. 306 of the

- 1 Public Acts of 1969, as amended, being sections 1969 PA 306, MCL
- 2 24.201 to 24.315 of the Michigan Compiled Laws.24.328.
- 3 (i) Issuing bonds or notes for public transportation purposes
- 4 in accordance with this act.
- 5 (j) Making direct expenditures, loans, grants, or guaranteeing
- 6 lease costs to public and private corporations for public
- 7 transportation purposes using the comprehensive transportation fund
- 8 or using as appropriate, the proceeds of notes and bonds authorized
- 9 by section 18b.
- 10 Sec. 10c. As used in this act:
- 11 (a) "Urban or rural area" means a contiguous developed area,
- 12 including the immediate surrounding area, where transportation
- 13 services should reasonably be provided presently or in the future;
- 14 the area within the jurisdiction of an eligible authority; or for
- 15 the purpose of receiving funds for public transportation, a
- 16 contiguous developed area having a population of less than 50,000
- 17 that has an urban public transportation program approved by the
- 18 state transportation department and for which the state
- 19 transportation commission determines that public transportation
- 20 services should reasonably be provided presently or in the future.
- 21 (b) "Eligible authority OR AGENCY" means an authority A
- 22 COUNTY, CITY, OR VILLAGE, OR AN AUTHORITY CREATED OR organized
- 23 under the metropolitan transportation authorities act of 1967, 1967
- 24 PA 204, MCL 124.401 to 124.426; -
- 25 (c) "Eligible governmental agency" means a county, city, or
- 26 village or an authority created under 1963 PA 55, MCL 124.351 to
- 27 124.359; the urban cooperation act of 1967, 1967 (Ex Sess) PA 7,

- 1 MCL 124.501 to 124.512; 1967 (Ex Sess) PA 8, MCL 124.531 to
- 2 124.536; 1951 PA 35, MCL 124.1 to 124.13; the public transportation
- 3 authority act, 1986 PA 196, MCL 124.451 to 124.479; or the revenue
- 4 bond act of 1933, 1933 PA 94, MCL 141.101 to 141.140, OR A REGIONAL
- 5 TRANSIT AUTHORITY CREATED UNDER STATE LAW ENACTED AFTER OCTOBER 1,
- 6 2011.
- 7 (C) (d)—"Transit vehicle" means a bus, rapid transit vehicle,
- 8 railroad car, street railway car, water vehicle, taxicab, or other
- 9 type of public transportation vehicle or individual unit, whether
- 10 operated singly or in a group which provides public transportation.
- 11 (D) (e) "Transit vehicle mile" means a transit vehicle
- 12 operated for 1 mile in public transportation service including
- 13 demand actuated and line-haul vehicle miles.
- 14 (E) (f) "Demand actuated vehicle" means a bus or smaller
- 15 transit vehicle operated for providing group rides to members of
- 16 the general public paying fares individually, and on demand rather
- 17 than in regularly scheduled route service.
- (F) (g) "Demand actuated vehicle mile" means a demand actuated
- 19 vehicle operated for 1 mile in service to the general public.
- 20 (G) (h)—"Public transportation", "comprehensive
- 21 transportation", "public transportation service", "comprehensive
- 22 transportation service", "public transportation purpose", or
- 23 "comprehensive transportation purpose" means the movement of people
- 24 and goods by publicly or privately owned water vehicle, bus,
- 25 railroad car, street railway, aircraft, rapid transit vehicle,
- 26 taxicab, or other conveyance which provides general or special
- 27 service to the public, but not including charter or sightseeing

- 1 service or transportation which is exclusively for school purposes.
- 2 Public transportation, public transportation services, or public
- 3 transportation purposes; and comprehensive transportation,
- 4 comprehensive transportation services, or comprehensive
- 5 transportation purposes as defined in this subdivision are declared
- 6 by law to be transportation purposes within the meaning of section
- 7 9 of article IX of the state constitution of 1963.
- 8 (H) (i) "State transportation commission" means the state
- 9 transportation commission established in section 28 of article V of
- 10 the state constitution of 1963.
- 11 (I) (j) "Governmental unit" means the state transportation
- 12 department, the state transportation commission, a county road
- 13 commission, a city, or a village.
- 14 (J) (k) "Department" or "department of transportation" means
- 15 the state transportation department, the principal department of
- 16 state government created under section 350 of the executive
- 17 organization act of 1965, 1965 PA 380, MCL 16.450.
- 18 (K) (l) "Preservation" means an activity undertaken to preserve
- 19 the integrity of the existing roadway system. Preservation does not
- 20 include new construction of highways, roads, streets, or bridges, a
- 21 project that increases the capacity of a highway facility to
- 22 accommodate that part of traffic having neither an origin nor
- 23 destination within the local area, widening of a lane width or
- 24 more, or adding turn lanes of more than 1/2 mile in length.
- 25 Preservation includes, but is not limited to, 1 or more of the
- 26 following:
- (i) Maintenance.

- 1 (ii) Capital preventive treatments.
- 2 (iii) Safety projects.
- 3 (iv) Reconstruction.
- 4 (v) Resurfacing.
- vi) Restoration.
- 6 (vii) Rehabilitation.
- 7 (viii) Widening of less than the width of 1 lane.
- 8 (ix) Adding auxiliary weaving, climbing, or speed change lanes.
- 9 (x) Modernizing intersections.
- 10 (xi) Adding auxiliary turning lanes of 1/2 mile or less.
- 11 (xii) Installing traffic signs in new locations, installing
- 12 signal devices in new locations, and replacing existing signal
- 13 devices.
- 14 (l) (m) "Maintenance" means routine maintenance or preventive
- 15 maintenance, or both. Maintenance does not include capital
- 16 preventive treatments, resurfacing, reconstruction, restoration,
- 17 rehabilitation, safety projects, widening of less than 1 lane
- 18 width, adding auxiliary turn lanes of 1/2 mile or less, adding
- 19 auxiliary weaving, climbing, or speed-change lanes, modernizing
- 20 intersections, or the upgrading of aggregate surface roads to hard
- 21 surface roads. Maintenance of state trunk line highways does not
- 22 include streetlighting except for freeway lighting for traffic
- 23 safety purposes.
- 24 (M) (n)—"Routine maintenance" means actions performed on a
- 25 regular or controllable basis or in response to uncontrollable
- 26 events upon a highway, road, street, or bridge. Routine maintenance
- 27 includes, but is not limited to, 1 or more of the following:

- 1 (i) Snow and ice removal.
- 2 (ii) Pothole patching.
- 3 (iii) Unplugging drain facilities.
- 4 (iv) Replacing damaged sign and pavement markings.
- 5 (v) Replacing damaged guardrails.
- 6 (vi) Repairing storm damage.
- 7 (vii) Repair or operation of traffic signs and signal systems.
- 8 (viii) Emergency environmental cleanup.
- 9 (ix) Emergency repairs.
- 10 (x) Emergency management of road closures that result from
- uncontrollable events.
- 12 (xi) Cleaning streets and associated drainage.
- 13 (xii) Mowing roadside.
- 14 (xiii) Control of roadside brush and vegetation.
- 15 (xiv) Cleaning roadside.
- 16 (xv) Repairing lighting.
- 17 (xvi) Grading.
- 18 (N) (o)—"Preventive maintenance" means a planned strategy of
- 19 cost-effective treatments to an existing roadway system and its
- 20 appurtenances that preserve assets by retarding deterioration and
- 21 maintaining functional condition without significantly increasing
- 22 structural capacity. Preventive maintenance includes, but is not
- 23 limited to, 1 or more of the following:
- 24 (i) Pavement crack sealing.
- 25 (ii) Micro surfacing.
- 26 (iii) Chip sealing.
- 27 (iv) Concrete joint resealing.

- 1 (v) Concrete joint repair.
- 2 (vi) Filling shallow pavement cracks.
- 3 (vii) Patching concrete.
- 4 (viii) Shoulder resurfacing.
- 5 (ix) Concrete diamond grinding.
- 6 (x) Dowel bar retrofit.
- 7 (xi) Bituminous overlays of 1-1/2 inches or less in thickness.
- 8 (xii) Restoration of drainage.
- 9 (xiii) Bridge crack sealing.
- 10 (xiv) Bridge joint repair.
- 11 (xv) Bridge seismic retrofit.
- 12 (xvi) Bridge scour countermeasures.
- 13 (xvii) Bridge painting.
- 14 (xviii) Pollution prevention.
- 15 (xix) New treatments as they may be developed.
- 16 (O) (p) "County road commission" means the board of county
- 17 road commissioners elected or appointed pursuant to section 6 of
- 18 chapter IV of 1909 PA 283, MCL 224.6, or, in the case of a charter
- 19 county with a population of 750,000 or more with an elected county
- 20 executive that does not have a board of county road commissioners,
- 21 the county executive for ministerial functions and the county
- 22 commission provided for in section 14(1)(d) of 1966 PA 293, MCL
- 23 45.514, for legislative functions.
- 24 (P) (q) "Capital preventive treatments" means any preventive
- 25 maintenance category project on state trunk line highways that
- 26 qualifies under the department's capital preventive maintenance
- 27 program.

- 1 Sec. 10e. (1) The comprehensive transportation fund is
- 2 appropriated for each fiscal year in the following order of
- 3 priority.
- 4 (2) The first priority is to pay, but only from money
- 5 restricted as to use by section 9 of article IX of the state
- 6 constitution of 1963, the principal and interest on bonds or notes
- 7 issued under section 18b for comprehensive transportation purposes
- 8 as defined by law. A sufficient portion of the comprehensive
- 9 transportation fund is irrevocably appropriated to pay, when due,
- 10 the principal and interest on those bonds and notes.
- 11 (3) After making or setting aside payments required by
- 12 subsection (2), the second priority of the comprehensive
- 13 transportation fund is the payment of the department's cost in
- 14 administering the comprehensive transportation fund. The amount to
- 15 be expended pursuant to this subsection shall not exceed the costs
- 16 appropriated for the administration of the fund in the fiscal year
- 17 ending September 30, 1987, as adjusted annually on October 1, by
- 18 the change for the preceding 12 months in the Detroit consumer
- 19 price index for urban wage earners and shall be appropriated
- 20 annually by the legislature.
- 21 (4) After making or setting aside payments required by
- 22 subsections (2) and (3), the balance of the comprehensive
- 23 transportation fund shall be expended each fiscal year as
- 24 appropriated annually by the legislature pursuant to the state
- 25 transportation program approved by the commission as followsTHIRD
- 26 PRIORITY IS THE STATEWIDE OPERATING GRANTS PROGRAM. THE STATEWIDE
- 27 OPERATING GRANTS PROGRAM IS A PROGRAM OF GRANTS TO ELIGIBLE

- 1 AUTHORITIES AND AGENCIES FOR LOCAL BUS SERVICES, SUBJECT TO THE
- 2 FOLLOWING REQUIREMENTS:
- 3 (a) The third priority shall be the payment of operating
- 4 grants to eligible authorities and eligible governmental agencies
- 5 according to the following formulations and subject to the
- 6 following requirements: NOTWITHSTANDING ANY OTHER PROVISIONS OF THIS
- 7 ACT, BEGINNING IN THE FISCAL YEAR THAT STARTS AT LEAST 12 MONTHS
- 8 AFTER THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED
- 9 SUBSECTION (8), IN ORDER TO RECEIVE FUNDING UNDER THE STATEWIDE
- 10 OPERATING GRANTS PROGRAM, AN ELIGIBLE AUTHORITY OR AGENCY MUST BE
- 11 IN COMPLIANCE WITH SUBSECTION (8) AS DETERMINED BY THE DEPARTMENT.
- 12 (B) (i) For the fiscal year ending September 30, 1998, and for
- 13 each fiscal year thereafter, each EACH eligible authority and
- 14 eligible governmental OR agency which THAT provides public
- 15 transportation services in urbanized areas under 49 USC 5307, with
- 16 AND THAT HAS a Michigan population greater than 100,000 shall
- 17 receive a grant of up to 50%-37.5% of their ITS eligible operating
- 18 expenses as defined by the state transportation department.
- 19 (C) (ii) For the fiscal year ending September 30, 1998, and
- 20 each fiscal year thereafter, each EACH eligible authority and
- 21 eligible governmental OR agency which THAT provides public
- 22 transportation services in urbanized areas UNDER 49 USC 5307 with a
- 23 Michigan population less than or equal to 100,000 and nonurbanized
- 24 areas under 49 USC 5311 , shall receive a grant of up to 60% 45% of
- 25 their ITS eligible operating expenses as defined by the state
- 26 transportation department. For purposes of receiving a grant under
- 27 this subparagraph SUBDIVISION in nonurbanized areas, eligible costs

- 1 OPERATING EXPENSES of services provided by water vehicle shall be
- 2 reimbursed at not less than 50% 45% of the portion of the costs not
- 3 eligible for reimbursement by the federal government.
- 4 (D) THE DEPARTMENT SHALL EXCLUDE ALL OF THE FOLLOWING AS AN
- 5 ELIGIBLE OPERATING EXPENSE UNDER THE STATEWIDE OPERATING GRANTS
- 6 PROGRAM:
- 7 (i) EXPENSES ASSOCIATED WITH LIGHT RAIL, RAPID BUS, INTERCITY
- 8 BUS, INTERCITY PASSENGER RAIL, COMMUTER RAIL, AND OTHER SIMILAR
- 9 MODES OF TRANSPORTATION AS DEFINED BY THE DEPARTMENT.
- 10 (ii) EXPENSES INCURRED FOR NEW TRANSIT SERVICES STARTED AFTER
- 11 OCTOBER 1, 2011 IF THOSE EXPENSES ARE COVERED BY A LOCAL OR
- 12 REGIONAL TRANSPORTATION FEE COLLECTED UNDER STATE LAW ENACTED AFTER
- 13 OCTOBER 1, 2011.
- 14 (E) (iii) Funds shall not be distributed to an eligible
- 15 authority or eligible governmental agency under this act unless the
- 16 eligible authority or eligible governmental agency provides or
- 17 agrees to provide preferential fares for public transportation
- 18 services to persons 65 years of age or over or persons with
- 19 disabilities riding in off peak periods of service. As used in this
- 20 section, "person with disabilities" means an individual with a
- 21 disability A HANDICAPPED PERSON as that term is defined in 61 FRP
- 22 56424 (November 1, 1996) and 49 CFR part 27. The preferential fares
- 23 shall not be higher than 50% of the regular 1-way single fare.
- 24 (iv) Eligible authorities and eligible governmental agencies
- 25 shall not engage in charter service using vehicles, facilities, or
- 26 equipment funded under this act except on an incidental basis as
- 27 defined by 49 CFR part 604.

1 (F) (v) Notwithstanding any other provision of this 2 subsection, for the fiscal year ending September 30, 1998, each eligible authority and eligible governmental agency shall receive a 3 4 distribution from the comprehensive transportation fund not less than the distribution received for eligible operating expenses for 5 the fiscal year ending September 30, 1997. Beginning with the 6 fiscal year ending September 30, 1998 and each fiscal year 7 thereafter, each EXCEPT AS PROVIDED IN SUBDIVISION (G), EACH 8 eliqible authority and eliqible governmental OR agency shall 9 10 receive a distribution from the comprehensive transportation fund 11 for eligible operating expenses not less than the distribution 12 received for the fiscal year ending September 30, 1997-2011. As it relates to FOR PURPOSES OF this subsection, the ratio between 13 14 comprehensive transportation funds and local funds in the fiscal year ending September 30, 1989 shall be maintained for all fiscal 15 16 years by the eligible authority and eligible governmental OR 17 agency. Reductions in this ratio shall require a proportionate reduction in the comprehensive transportation funds provided for 18 19 any fiscal year. (G) STARTING WITH THE FISCAL YEAR THAT BEGINS AT LEAST 12 20 MONTHS AFTER THE DATE THE AMENDATORY ACT THAT ADDED THIS 21 SUBDIVISION IS ENACTED, IF THERE IS MORE THAN 1 ELIGIBLE AUTHORITY 22 23 OR AGENCY IN A COUNTY, THE DEPARTMENT SHALL REDUCE THE ANNUAL DISTRIBUTION AMOUNT FOR EACH ELIGIBLE AUTHORITY OR AGENCY IN THE 24 COUNTY BY 10%. A REDUCTION UNDER THIS SUBDIVISION SHALL BE TAKEN 25 26 AFTER THE ANNUAL DISTRIBUTION AMOUNT HAS BEEN CALCULATED FOR THE

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ELIGIBLE AUTHORITY OR AGENCY UNDER SUBDIVISIONS (B), (C), AND (F),

27

1 IF APPLICABLE.

- 2 (H) (vi) Each eligible authority and eligible governmental OR
- 3 agency receiving comprehensive transportation funds shall prepare
- 4 and submit to the department a quarterly report of the progress
- 5 made in carrying out its local transportation program within 40
- 6 days after the end of each fiscal year quarter. The progress report
- 7 shall be made on forms authorized by the United States department
- 8 of transportation under the provisions of the surface
- 9 transportation and uniform relocation assistance act of 1987,
- 10 Public Law 100-17. , 101 Stat. 132.
- 11 (I) (vii)—The department shall periodically adjust or
- 12 redistribute comprehensive transportation funds previously
- 13 distributed under this subdivision.SUBSECTION.
- 14 (J) THE ANNUAL APPROPRIATION FOR THE STATEWIDE OPERATING
- 15 GRANTS PROGRAM SHALL NOT BE LESS THAN \$166,600,000.00.
- 16 (b) For the fiscal year ending September 30, 1997, and each
- 17 fiscal year thereafter, not less than 10% shall be distributed by
- 18 the department for intercity passenger and intercity freight
- 19 transportation purposes.
- 20 (c) For the fiscal year ending September 30, 1997, and each
- 21 fiscal year thereafter, funds remaining in the fund after payment
- 22 of the amounts required by subdivisions (a) and (b) shall be
- 23 distributed by the department for public transportation purposes.
- 24 For the fiscal year ending September 30, 1998, and each fiscal year
- 25 thereafter, funds shall be made available to match all projects for
- 26 eligible authorities and eligible governmental agencies that are
- 27 approved for federal funding as provided by federal law and for

- 1 which an approved transportation improvement program (TIP) and
- 2 state transportation improvement plan (STIP) exist. Funds
- 3 distributed under this subdivision shall be expended pursuant to
- 4 specific line item appropriation for, but are not limited to, the
- 5 following public transportation purposes:
- 6 (i) The specialized services assistance program. The
- 7 specialized services assistance program shall be funded with not
- 8 less than \$3,600,100.00 from funds distributed under this
- 9 subdivision. Funds shall be distributed according to guidelines
- 10 developed by the department based upon the following
- 11 considerations:
- 12 (A) Proposals for coordinated specialized services assistance
- 13 funding shall be developed jointly between existing eligible
- 14 authorities or eligible governmental agencies that provide public
- 15 transportation services and the area agencies on aging or any other
- 16 organization representing specialized services interests, as
- 17 defined in this subdivision. Plans shall be reviewed and approved
- 18 by the bureau of urban and public transportation of the department.
- 19 Upon approval, the department shall release the funds to the
- 20 eligible authority or eligible governmental agency which shall then
- 21 allocate the funds to the area agency on aging or any other
- 22 organization representing specialized services interests, as
- 23 defined in this subdivision for the purchase of services as
- 24 approved in the plan by the department.
- 25 (B) If an eligible authority or eligible governmental agency
- 26 does not exist to provide public transportation service in a
- 27 county, coordinated proposals for specialized services assistance

- 1 funding may be submitted by the area agency on aging or any other
- 2 organization representing specialized services interests, as
- 3 defined in this subdivision. The proposals shall be reviewed and
- 4 approved by the bureau of urban and public transportation of the
- 5 department. Upon approval, the department shall release the funds
- 6 to the area agency on aging or any other organization representing
- 7 specialized services interests, as defined in this subdivision for
- 8 the purchase of services as approved in the plan by the department.
- 9 (C) For the purposes of this program, "specialized services"
- 10 means public transportation primarily designed for persons with
- 11 disabilities or persons who are 65 years of age or older.
- 13 30, 1998 and each fiscal year thereafter, not less than
- 14 \$8,000,000.00 will be distributed for either matching federal funds
- 15 for local bus capital or 100% capital projects for eligible
- 16 authorities and eligible governmental agencies that are not
- 17 eligible to receive federal capital formula funds under section
- 18 5307 of the federal intermodal surface transportation efficiency
- 19 act, Public Law 102-240, or any successor act.
- 20 <u>(iii) Local bus new services.</u>
- 21 (iv) Not less than \$2,000,000.00 in each fiscal year for the
- 22 credit program established under section 101.
- 23 ———— (v) Public transportation development.
- 24 (vi) Other public transportation programs approved by the
- 25 commission.
- 26 (5) AFTER MAKING OR SETTING ASIDE PAYMENTS UNDER SUBSECTIONS
- 27 (2) TO (4), THE COMPREHENSIVE TRANSPORTATION FUND SHALL BE

- 1 APPROPRIATED FOR EACH OF THE FOLLOWING PROGRAMS:
- 2 (A) THE INTERCITY RAIL PROGRAM, WHICH IS A PROGRAM FOR
- 3 MAINTAINING, OPERATING, EXPANDING, AND ENHANCING CITY-TO-CITY
- 4 PASSENGER HEAVY RAIL SERVICES AND INFRASTRUCTURE. THE AMOUNT
- 5 APPROPRIATED FOR THIS PROGRAM EACH FISCAL YEAR SHALL BE SUFFICIENT
- 6 TO OPERATE AND MAINTAIN EXISTING PASSENGER RAIL SERVICES AND
- 7 INFRASTRUCTURE THAT ARE IN PLACE OR UNDER DEVELOPMENT ON OCTOBER 1,
- 8 2011 AS DETERMINED BY THE DEPARTMENT. FUNDS APPROPRIATED FOR THE
- 9 INTERCITY RAIL PROGRAM MAY BE USED FOR GRANTS, LOANS, LOAN
- 10 GUARANTEES, CONTRACTS, AND DIRECT DEPARTMENT EXPENDITURES.
- 11 (B) THE RURAL INTERCITY BUS PROGRAM, WHICH IS A PROGRAM FOR
- 12 MAINTAINING AND OPERATING RURAL INTERCITY BUS SERVICES AND
- 13 INFRASTRUCTURE. THE AMOUNT APPROPRIATED FOR THIS PROGRAM EACH
- 14 FISCAL YEAR SHALL BE SUFFICIENT TO OPERATE AND MAINTAIN SERVICE
- 15 LEVELS AND INFRASTRUCTURE THAT ARE IN PLACE OR UNDER CONSTRUCTION
- 16 ON OCTOBER 1, 2011 AS DETERMINED BY THE DEPARTMENT. FUNDS
- 17 APPROPRIATED FOR THE RURAL INTERCITY BUS PROGRAM MAY BE USED FOR
- 18 GRANTS, LOANS, LOAN GUARANTEES, CONTRACTS, AND DIRECT DEPARTMENT
- 19 EXPENDITURES.
- 20 (C) THE TRANSIT REGIONALIZATION INCENTIVES PROGRAM, WHICH IS A
- 21 PROGRAM TO PROVIDE BONUS PAYMENTS TO AN ELIGIBLE AUTHORITY OR
- 22 AGENCY THAT RECEIVES FUNDING UNDER THE STATEWIDE OPERATING GRANTS
- 23 PROGRAM, IF THE ELIGIBLE AUTHORITY OR AGENCY IS A REGIONAL PROVIDER
- 24 AS DETERMINED BY THE DEPARTMENT. THE DEPARTMENT SHALL DO ALL OF THE
- 25 FOLLOWING IN MAKING A BONUS PAYMENT UNDER THIS SUBDIVISION:
- 26 (i) PRIOR TO MAKING ANY BONUS PAYMENT UNDER THE TRANSIT
- 27 REGIONALIZATION INCENTIVES PROGRAM, PUBLISH A DEFINITION OF THE

- 1 TERM "REGIONAL PROVIDER" AND WRITTEN CRITERIA THAT WILL BE USED BY
- 2 THE DEPARTMENT TO DETERMINE IF AN ELIGIBLE AUTHORITY OR AGENCY
- 3 MEETS THE DEFINITION OF A REGIONAL PROVIDER.
- 4 (ii) PRIOR TO MAKING ANY BONUS PAYMENT UNDER THE TRANSIT
- 5 REGIONALIZATION INCENTIVES PROGRAM, ESTABLISH 2 LEVELS OF REGIONAL
- 6 PROVIDERS:
- 7 (A) A REGIONAL PROVIDER CONSISTING OF 2 COUNTIES.
- 8 (B) A REGIONAL PROVIDER CONSISTING OF 3 OR MORE COUNTIES.
- 9 (iii) FOR EACH LEVEL OF REGIONAL PROVIDER, THE DEPARTMENT SHALL
- 10 CALCULATE BONUS PAYMENTS ANNUALLY AS FOLLOWS:
- 11 (A) INDIVIDUAL BONUS PAYMENTS TO REGIONAL PROVIDERS CONSISTING
- 12 OF 3 OR MORE COUNTIES SHALL BE GREATER THAN INDIVIDUAL BONUS
- 13 PAYMENTS TO REGIONAL PROVIDERS CONSISTING OF 2 COUNTIES.
- 14 (B) BONUS PAYMENTS SHALL BE CALCULATED BASED ON THE AMOUNT
- 15 APPROPRIATED FOR THE TRANSIT REGIONALIZATION INCENTIVES PROGRAM AND
- 16 THE NUMBER OF ELIGIBLE REGIONAL PROVIDERS AT EACH LEVEL.
- 17 (C) BONUS PAYMENTS SHALL BE CALCULATED AS A PERCENTAGE OF THE
- 18 GRANT AMOUNT A REGIONAL PROVIDER RECEIVED UNDER THE STATEWIDE
- 19 OPERATING GRANTS PROGRAM IN THE MOST RECENT FISCAL YEAR FOR WHICH
- 20 THE DEPARTMENT HAS COMPLETED AN AUDIT-BASED RECONCILIATION.
- 21 (D) THE STATEWIDE CAPITAL MATCH PROGRAM, WHICH IS A PROGRAM TO
- 22 PROVIDE MATCHING FUNDS TO FEDERAL FORMULA AND DISCRETIONARY GRANTS
- 23 MADE TO THE DEPARTMENT AND ELIGIBLE AUTHORITIES OR AGENCIES. FUNDS
- 24 APPROPRIATED FOR THE STATEWIDE CAPITAL MATCH PROGRAM MAY BE USED
- 25 FOR GRANTS, LOANS, LOAN GUARANTEES, CONTRACTS, AND DIRECT
- 26 DEPARTMENT EXPENDITURES. THE DEPARTMENT SHALL ALLOCATE FUNDS AS
- 27 FOLLOWS:

- 1 (i) IN ALLOCATING FUNDS UNDER THE STATEWIDE CAPITAL MATCH
- 2 PROGRAM, THE DEPARTMENT SHALL GIVE PRIORITY TO PROVIDING 100% OF
- 3 THE NONFEDERAL MATCH REQUIRED TO SECURE AWARDS OF FEDERAL GRANTS
- 4 MADE TO THE DEPARTMENT OR AN ELIGIBLE AUTHORITY OR AGENCY FOR THE
- 5 REPLACEMENT OF REVENUE VEHICLES THAT, AS DETERMINED BY THE
- 6 DEPARTMENT, ARE PAST THEIR USEFUL LIFE AND ARE NECESSARY TO
- 7 MAINTAIN THE PROJECTED LEVEL OF TRANSIT SERVICE.
- 8 (ii) AFTER MEETING THE PRIORITY IN SUBPARAGRAPH (i), THE
- 9 REMAINING FUNDS APPROPRIATED FOR THE STATEWIDE CAPITAL MATCH
- 10 PROGRAM SHALL BE ALLOCATED BASED ON ANNUAL STATEWIDE PRIORITIES SET
- 11 BY THE DEPARTMENT FOR EACH FISCAL YEAR. IN ESTABLISHING ANNUAL
- 12 STATEWIDE PRIORITIES, THE DEPARTMENT SHALL ESTABLISH CATEGORIES OF
- 13 CAPITAL ITEMS AND THE PERCENTAGE OF MATCH THAT WILL BE PROVIDED FOR
- 14 EACH CATEGORY OF CAPITAL ITEMS.
- 15 (iii) FUNDS APPROPRIATED UNDER THE STATEWIDE CAPITAL MATCH
- 16 PROGRAM MAY BE USED TO MATCH DISCRETIONARY CAPITAL GRANTS ONLY
- 17 AFTER FORMULA CAPITAL GRANTS HAVE BEEN MATCHED. IN ALLOCATING FUNDS
- 18 FOR DISCRETIONARY CAPITAL GRANTS, THE DEPARTMENT SHALL GIVE
- 19 PRIORITY TO PROVIDING 100% OF THE NONFEDERAL MATCH REQUIRED TO
- 20 SECURE AWARDS OF FEDERAL GRANTS MADE TO THE DEPARTMENT OR AN
- 21 ELIGIBLE AUTHORITY OR AGENCY FOR THE REPLACEMENT OF REVENUE
- 22 VEHICLES THAT, AS DETERMINED BY THE DEPARTMENT, ARE PAST THEIR
- 23 USEFUL LIFE AND ARE NECESSARY TO MAINTAIN THE PROJECTED LEVEL OF
- 24 TRANSIT SERVICE.
- 25 (iv) THE AMOUNT APPROPRIATED FOR THE STATEWIDE CAPITAL MATCH
- 26 PROGRAM EACH FISCAL YEAR SHALL BE SUFFICIENT TO SECURE ALL FEDERAL
- 27 CAPITAL FUNDS THAT ARE EXPECTED TO BE AWARDED FOR THE REPLACEMENT

- 1 OF REVENUE VEHICLES THAT, AS DETERMINED BY THE DEPARTMENT, ARE PAST
- 2 THEIR USEFUL LIFE AND ARE NECESSARY TO MAINTAIN THE PROJECTED LEVEL
- 3 OF TRANSIT SERVICE.
- 4 (E) THE URBAN TRANSIT MODERNIZATION INVESTMENT PROGRAM, WHICH
- 5 IS A PROGRAM OF STATE INVESTMENT IN RAPID TRANSIT OR REGIONAL
- 6 TRANSIT WITHIN OR BETWEEN URBANIZED AREAS. FUNDS APPROPRIATED FOR
- 7 THE URBAN TRANSIT MODERNIZATION INVESTMENT PROGRAM MAY BE USED FOR
- 8 GRANTS, LOANS, LOAN GUARANTEES, CONTRACTS, AND DIRECT DEPARTMENT
- 9 EXPENDITURES. PROJECTS FUNDED UNDER THE URBAN TRANSIT MODERNIZATION
- 10 INVESTMENT PROGRAM MAY BE FOR OPERATING, CAPITAL, OR PLANNING AND
- 11 SHALL ONLY BE FOR LIGHT RAIL, RAPID BUS, COMMUTER RAIL, OR SIMILAR
- 12 MODES OF TRANSPORTATION AS DETERMINED BY THE DEPARTMENT. IN THE
- 13 DISCRETION OF THE DEPARTMENT, FUNDS APPROPRIATED FOR THE URBAN
- 14 TRANSIT MODERNIZATION INVESTMENT PROGRAM MAY ALSO BE USED FOR BUS
- 15 SERVICE THAT DIRECTLY SUPPORTS LIGHT RAIL, RAPID BUS, COMMUTER
- 16 RAIL, OR SIMILAR MODES OF TRANSPORTATION. THE DEPARTMENT SHALL
- 17 ANNUALLY PUBLISH GUIDANCE ON THE PROCESS FOR SUBMITTING AN
- 18 APPLICATION FOR A GRANT UNDER THE URBAN TRANSIT MODERNIZATION
- 19 INVESTMENT PROGRAM. IN ALLOCATING FUNDS UNDER THE URBAN TRANSIT
- 20 MODERNIZATION INVESTMENT PROGRAM, THE DEPARTMENT MAY GIVE
- 21 PREFERENCE TO ANY OF THE FOLLOWING:
- 22 (i) REGIONAL PROVIDERS AS DEFINED BY THE DEPARTMENT UNDER
- 23 SUBDIVISION (C).
- 24 (ii) PROJECTS THAT SERVE THIS STATE'S LARGEST URBANIZED AREAS.
- 25 (iii) THE USE OF STATE FUNDS TO MATCH OR LEVERAGE FEDERAL FUNDS.
- 26 (iv) THE USE OF STATE FUNDS TO MATCH OR LEVERAGE NEW LOCAL OR
- 27 REGIONAL TRANSPORTATION FEES ESTABLISHED UNDER STATE LAW ENACTED

- 1 AFTER OCTOBER 1, 2011.
- 2 (v) A STREET RAILWAY ORGANIZED UNDER THE NONPROFIT STREET
- 3 RAILWAY ACT, 1867 PA 35, MCL 472.1 TO 472.27.
- 4 (F) THE RAIL FREIGHT PROGRAM, WHICH IS A PROGRAM TO SUPPORT
- 5 CONTINUED RAIL FREIGHT SERVICE TO BUSINESS AND INDUSTRIES IN THIS
- 6 STATE, BOTH THROUGH THE MANAGEMENT OF STATE-OWNED RAIL LINES AND
- 7 THE AWARD OF FUNDING ASSISTANCE FOR RAIL INFRASTRUCTURE
- 8 IMPROVEMENTS TO RAILROADS OR RAIL USERS THROUGHOUT THIS STATE.
- 9 (G) OTHER TRANSIT PROGRAMS ESTABLISHED BY THE DEPARTMENT OR
- 10 THE STATE TRANSPORTATION COMMISSION, WHICH MAY INCLUDE, BUT ARE NOT
- 11 LIMITED TO, THE FOLLOWING:
- 12 (i) A VANPOOLING PROGRAM.
- 13 (ii) A SPECIALIZED SERVICES PROGRAM.
- 14 (iii) A SERVICE INITIATIVES PROGRAM.
- 15 (iv) A MARINE PASSENGER CAPITAL PROGRAM.
- 16 (v) A TRANSPORTATION TO WORK PROGRAM.
- 17 (6) (d) The unappropriated and unencumbered balance of the
- 18 comprehensive transportation fund lapses at the end of each fiscal
- 19 year and reverts to the comprehensive transportation fund for
- 20 appropriation in the following fiscal year.
- 21 (7) (5) Eliqible authorities and eliqible governmental OR
- 22 agencies shall THAT receive capital grants each fiscal year by the
- 23 annual process described in this section. Amounts received by an
- 24 eligible authority or eligible governmental agency pursuant to this
- 25 subsection shall be expended by that authority or agency UNDER THIS
- 26 SECTION SHALL USE FUNDS solely for capital projects which have been
- 27 approved by the **DEPARTMENT OR THE** state transportation commission.

- 1 Any funds approved by distribution to an eligible authority or
- 2 eligible governmental agency pursuant to this section which have
- 3 not been encumbered by that agency or authority for an approved
- 4 capital project by the end of the following fiscal year in which
- 5 the funds were approved shall not be expended by the authority or
- 6 agency and be available for distribution from the comprehensive
- 7 transportation fund for the purposes described in this section. THE
- 8 CONTRACTUAL AGREEMENT OR STANDARDIZED GRANT MEMORANDUM BETWEEN THE
- 9 DEPARTMENT AND AN ELIGIBLE AUTHORITY OR AGENCY SHALL INCLUDE
- 10 PROVISIONS THAT ALLOW THE DEPARTMENT TO REVOKE ANY FUNDS THAT HAVE
- 11 NOT BEEN ENCUMBERED BY THE ELIGIBLE AUTHORITY OR AGENCY OR
- 12 AUTHORITY FOR AN APPROVED CAPITAL PROJECT BY THE END OF FISCAL YEAR
- 13 FOLLOWING THE FISCAL YEAR DURING WHICH THE FUNDS WERE APPROVED.
- 14 (6) The department, in carrying out the policy of the state
- 15 transportation commission, shall annually prepare and distribute by
- 16 December 1, instructions to eligible governmental agencies,
- 17 eligible authorities, and intercity carriers to enable the
- 18 preparation of a local transportation program. Eligible
- 19 governmental agencies, eligible authorities, and intercity carriers
- 20 shall give public notice of their intent to apply for money in the
- 21 comprehensive transportation fund to the residents of the counties,
- 22 townships, villages, and cities affected by the local
- 23 transportation program and shall make their application available
- 24 for a period of 30 days. All comments received by the eligible
- 25 governmental agency, eligible authority, or intercity carrier shall
- 26 be transmitted to the department.
- 27 (7) On or before March 1 of each year, each intercity carrier,

eligible authority, and eligible governmental agency shall submit 1 2 to the department its local transportation program for the next succeeding fiscal year. The format for each local transportation 3 4 program shall be as prescribed by the federal transportation improvement program insofar as practical and shall include project 5 descriptions, funding sources, and justification for each line 6 item, and summary budgets based on distributions anticipated under 7 subsection (4). The program shall contain at a minimum the 8 contemplated routes, hours of service, estimated transit vehicle 9 10 miles, costs of public transportation services, and projected 11 capital improvements or projects as exclusively determined by the 12 eligible authority or eligible governmental agency. The costs of 13 service and capital improvements or projects shall be in sufficient 14 detail to permit the state transportation department to evaluate 15 and approve the annual public transportation program. Determination of individual projects to be included in the local transportation 16 17 programs other than those provided in this subsection shall be made 18 by the governing body of the eligible authority or eligible 19 governmental agency. (8) On or before March 1 of each year, the department shall 20 prepare and file for public inspection and review the department 21 22 transportation program. The department transportation program shall 23 be prepared on similar format to the local transportation programs, 24 and shall include a summary description of projects, with funding 25 sources and project justifications for each line item for the 26 fiscal year immediately succeeding the fiscal year in which the 27 program is submitted. In addition, the department transportation

program shall include summary, nondetailed budget and project 1 descriptions and justifications excluding projects contained in a 2 3 local transportation program. 4 (9) On or before April 1 of each year, the department shall 5 prepare and file with the commission the proposed state 6 transportation program for the next succeeding fiscal year. The 7 proposed state transportation program shall contain the local 8 transportation programs of each intercity carrier, eligible 9 authority and eligible governmental agency, the department 10 transportation program, and the programs for the expenditure of the 11 state trunk line fund as they may have been supplemented, amended, 12 or modified since their original filing. The state transportation 13 program shall include the estimated amount of money in the funds 14 described in this subsection by revenue source, project 15 justifications, project descriptions funding sources, and budget 16 summaries. (10) On or before May 1 of each year, the state transportation 17 18 commission shall act on the state transportation program for the 19 fiscal year commencing on the following October 1. In considering 20 approval of the proposed projects of each intercity carrier, 21 eligible authority, or eligible governmental agency, other than 22 projects which are to be funded pursuant to subsection (5), the 23 state transportation commission shall consider whether the projects 24 comply with state law, are within funds allocated in this section,

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whether they may be funded within the approved budgets, whether

there are intercity carriers, eligible authorities, and eligible

governmental agencies responsible to implement the projects, and

- 1 the recommendations of the department on individual projects. Upon
- 2 making those determinations, the state transportation commission
- 3 shall approve the projects which best meet the criteria of this
- 4 subsection.
- 5 (8) NOTWITHSTANDING ANY OTHER PROVISIONS IN THIS ACT, STARTING
- 6 IN THE FISCAL YEAR THAT BEGINS AT LEAST 12 MONTHS AFTER THE
- 7 EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SUBSECTION, AN
- 8 ELIGIBLE AUTHORITY OR AGENCY SHALL SUBMIT ALL OF THE FOLLOWING
- 9 WRITTEN DOCUMENTS AS ADOPTED BY THE ELIGIBLE AUTHORITY'S OR
- 10 AGENCY'S GOVERNING BOARD OR CHIEF EXECUTIVE OFFICER TO THE
- 11 DEPARTMENT IN ORDER TO BE ELIGIBLE TO RECEIVE A GRANT UNDER THE
- 12 STATEWIDE OPERATING GRANTS PROGRAM:
- 13 (A) AN ASSET MANAGEMENT PLAN FOR ALL REVENUE VEHICLES AND
- 14 FACILITIES, MAJOR FACILITY COMPONENTS, AND MAJOR PIECES OF
- 15 EQUIPMENT AS DEFINED BY THE DEPARTMENT. AN ELIGIBLE AUTHORITY OR
- 16 AGENCY SHALL UPDATE THE ASSET MANAGEMENT PLAN ANNUALLY.
- 17 (B) THE METHOD USED BY AN ELIGIBLE AUTHORITY OR AGENCY FOR
- 18 DETERMINING THE PERCENTAGE OF OPERATING COSTS THAT WILL BE FUNDED
- 19 WITH LOCAL FUNDS AND THE PERCENTAGE THAT WILL BE FUNDED WITH FARES.
- 20 AN ELIGIBLE AUTHORITY OR AGENCY SHALL UPDATE THIS INFORMATION EVERY
- 21 3 YEARS.
- 22 (C) AN ASSESSMENT CONDUCTED BY AN ELIGIBLE AUTHORITY OR AGENCY
- 23 OF THE NEED FOR PASSENGER TRIPS THAT HAVE A DESTINATION THAT IS
- 24 OUTSIDE OF THE ELIGIBLE AUTHORITY OR AGENCY'S SERVICE AREA AND IN A
- 25 DIRECTLY ADJACENT COUNTY AND THE STRATEGY THAT THE ELIGIBLE
- 26 AUTHORITY OR AGENCY WILL USE TO COORDINATE WITH THE TRANSIT SYSTEM
- 27 IN THE ADJACENT COUNTY TO PROVIDE FOR THOSE PASSENGER TRIP NEEDS

- 1 WHEN FEASIBLE. THE ASSESSMENT AND STRATEGY REQUIRED BY THIS
- 2 SUBDIVISION SHALL BE UPDATED BY AN ELIGIBLE AUTHORITY OR AGENCY
- 3 EVERY 3 YEARS.
- 4 (D) A PLAN AND A COMMITMENT TO CONDUCT A SURVEY OF USER
- 5 SATISFACTION AND A SURVEY OF GENERAL PUBLIC SATISFACTION WITH THE
- 6 SERVICES AND PERFORMANCE OF AN ELIGIBLE AUTHORITY OR AGENCY ONCE
- 7 EVERY 3 YEARS. THE ELIGIBLE AUTHORITY OR AGENCY SHALL PROVIDE
- 8 RESULTS FOR THE MOST RECENT COMPLETED SURVEYS UNDER THIS
- 9 SUBDIVISION TO THE DEPARTMENT.
- 10 (E) DOCUMENTATION THAT AN ELIGIBLE AUTHORITY OR AGENCY HAS
- 11 CREATED AND PUBLISHED A DASHBOARD OF ITS PERFORMANCE THAT INCLUDES,
- 12 AT A MINIMUM, THE DOCUMENTS REQUIRED UNDER SUBDIVISIONS (A) THROUGH
- 13 (D). THE DASHBOARD SHALL ALSO INCLUDE ANNUAL PERFORMANCE INDICATORS
- 14 FOR THE ELIGIBLE AUTHORITY OR AGENCY THAT HAVE BEEN ESTABLISHED BY
- 15 THE ELIGIBLE AUTHORITY'S OR AGENCY'S GOVERNING BOARD OR CHIEF
- 16 EXECUTIVE OFFICER. THE DASHBOARD SHALL BE READILY AVAILABLE TO THE
- 17 PUBLIC, INCLUDING, AT A MINIMUM, PUBLICATION ON THE ELIGIBLE
- 18 AUTHORITY'S OR AGENCY'S WEBSITE. THE ELIGIBLE AUTHORITY OR AGENCY
- 19 SHALL UPDATE THE DASHBOARD REQUIRED BY THIS SUBDIVISION ANNUALLY.
- 20 (F) THE FORMAT AND CONTENT OF THE DOCUMENTS REQUIRED IN
- 21 SUBDIVISIONS (A) TO (E) SHALL CONFORM WITH STANDARDS SET BY THE
- 22 DEPARTMENT.
- 23 (G) FOR EACH DOCUMENT REQUIRED IN SUBDIVISIONS (A) TO (E), AN
- 24 ELIGIBLE AUTHORITY OR AGENCY SHALL PROVIDE AN OPPORTUNITY FOR
- 25 PUBLIC REVIEW AND COMMENT PRIOR TO SUBMITTING THE DOCUMENT TO THE
- 26 DEPARTMENT FOR APPROVAL.
- 27 (H) THE DEPARTMENT SHALL WITHHOLD FUNDING UNDER THE STATEWIDE

- 1 OPERATING GRANTS PROGRAM FOR NONCOMPLIANCE WITH THIS SUBSECTION AS
- 2 FOLLOWS:
- 3 (i) THE DEPARTMENT SHALL PROVIDE WRITTEN NOTICE TO AN ELIGIBLE
- 4 AUTHORITY OR AGENCY WHEN THE AUTHORITY OR AGENCY IS NOT IN
- 5 COMPLIANCE WITH THIS SUBSECTION. THE DEPARTMENT SHALL RESUME
- 6 PAYMENT OF FUNDS IF COMPLIANCE IS REESTABLISHED WITHIN 90 DAYS
- 7 AFTER THE DATE ON THE WRITTEN NOTICE.
- 8 (ii) IF AN ELIGIBLE AUTHORITY OR AGENCY IS NOT IN COMPLIANCE
- 9 WITH THIS SUBSECTION FOR 6 CONSECUTIVE MONTHS, THE DEPARTMENT SHALL
- 10 PROVIDE WRITTEN NOTICE TO THE ELIGIBLE AUTHORITY OR AGENCY THAT IT
- 11 IS NOT ELIGIBLE TO RECEIVE FUNDING UNDER THE STATEWIDE OPERATING
- 12 GRANTS PROGRAM FOR 1 FULL FISCAL YEAR STARTING IN THE NEXT
- 13 SUCCEEDING FISCAL YEAR AFTER THE DATE OF THE DEPARTMENT'S WRITTEN
- 14 NOTICE.
- 15 (iii) AS USED IN THIS SUBDIVISION, NONCOMPLIANCE IS TO BE
- 16 DETERMINED BY THE DEPARTMENT. NONCOMPLIANCE INCLUDES, BUT IS NOT
- 17 LIMITED TO, ANY OF THE FOLLOWING:
- 18 (A) FAILURE OF AN ELIGIBLE AUTHORITY OR AGENCY TO SUBMIT ANY
- 19 OF THE DOCUMENTS REQUIRED BY SUBDIVISIONS (A) TO (E), INCLUDING A
- 20 REQUIRED UPDATE TO DOCUMENTS PREVIOUSLY SUBMITTED UNDER
- 21 SUBDIVISIONS (A) TO (E), WITHIN 30 DAYS AFTER THE DEADLINE FOR
- 22 SUBMISSION OF DOCUMENTS OR UPDATES TO DOCUMENTS ESTABLISHED BY THE
- 23 DEPARTMENT.
- 24 (B) FAILURE OF AN ELIGIBLE AUTHORITY OR AGENCY TO SUBMIT A
- 25 COMPLETE DOCUMENT WITHIN 30 DAYS AFTER THE DATE OF A WRITTEN NOTICE
- 26 FROM THE DEPARTMENT STATING THAT THE DOCUMENT IS SIGNIFICANTLY
- 27 INCOMPLETE AS SUBMITTED.

- 1 (C) FAILURE OF AN ELIGIBLE AUTHORITY OR AGENCY TO MAINTAIN A
- 2 DOCUMENT APPROVED BY THE DEPARTMENT ON ITS WEBSITE.
- 3 (9) THE DEPARTMENT SHALL NOT PROVIDE A GRANT UNDER THE
- 4 STATEWIDE OPERATING ASSISTANCE PROGRAM IN SUBSECTION (4) OR THE
- 5 STATEWIDE CAPITAL MATCH PROGRAM IN SUBSECTION (5) (D) TO AN ELIGIBLE
- 6 AUTHORITY OR AGENCY THAT WAS NOT IN EXISTENCE ON OCTOBER 1, 2011,
- 7 UNLESS 1 OF THE FOLLOWING APPLIES:
- 8 (A) THE ELIGIBLE AUTHORITY OR AGENCY IS A REGIONAL TRANSIT
- 9 AUTHORITY CREATED UNDER STATE LAW ENACTED AFTER OCTOBER 1, 2011.
- 10 (B) THE ELIGIBLE AUTHORITY OR AGENCY PROVIDES PUBLIC
- 11 TRANSPORTATION SERVICE IN A COUNTY THAT DID NOT HAVE AN ELIGIBLE
- 12 AUTHORITY OR AGENCY ON OCTOBER 1, 2011, AND THE ELIGIBLE AUTHORITY
- 13 OR AGENCY PROVIDES COUNTYWIDE SERVICE.
- 14 (C) THE ELIGIBLE AUTHORITY OR AGENCY REPLACES 1 OR MORE
- 15 EXISTING ELIGIBLE AUTHORITIES OR AGENCIES, IS THE SOLE RECIPIENT OF
- 16 FUNDING UNDER THE STATEWIDE OPERATING ASSISTANCE PROGRAM OR THE
- 17 STATEWIDE CAPITAL MATCH PROGRAM, AND PROVIDES COUNTYWIDE PUBLIC
- 18 TRANSPORTATION SERVICE TO 1 OR MORE COUNTIES.
- 19 (10) NOT LATER THAN DECEMBER 1 OF EACH YEAR, THE DEPARTMENT
- 20 SHALL PREPARE AND DISTRIBUTE INSTRUCTIONS AND FORMS FOR PREPARING A
- 21 GRANT APPLICATION FOR THE STATEWIDE OPERATING ASSISTANCE GRANT
- 22 PROGRAM, THE RURAL INTERCITY BUS PROGRAM, THE TRANSIT
- 23 REGIONALIZATION INCENTIVES GRANT PROGRAM, THE STATEWIDE CAPITAL
- 24 MATCH PROGRAM, AND OTHER TRANSIT PROGRAMS.
- 25 (11) TO APPLY FOR A GRANT UNDER THE STATEWIDE OPERATING
- 26 ASSISTANCE GRANT PROGRAM, RURAL INTERCITY BUS PROGRAM, TRANSIT
- 27 REGIONALIZATION INCENTIVES GRANT PROGRAM, OR STATEWIDE CAPITAL

- 1 MATCH PROGRAM, AN INTERCITY CARRIER, ELIGIBLE AUTHORITY OR AGENCY,
- 2 OR OTHER ELIGIBLE ENTITY SHALL SUBMIT AN APPLICATION FOR THE
- 3 IMMEDIATELY SUCCEEDING FISCAL YEAR TO THE DEPARTMENT BY MARCH 1. AN
- 4 APPLICANT FOR A GRANT UNDER THIS SUBSECTION SHALL GIVE PUBLIC
- 5 NOTICE TO THE RESIDENTS OF THE COUNTIES, TOWNSHIPS, VILLAGES, AND
- 6 CITIES AFFECTED BY THE APPLICATION AND SHALL MAKE THE APPLICATION
- 7 AVAILABLE TO THOSE RESIDENTS FOR A PERIOD OF 30 DAYS. ALL COMMENTS
- 8 RECEIVED FROM RESIDENTS OF THE COUNTIES, TOWNSHIPS, VILLAGES, AND
- 9 CITIES AFFECTED BY THE APPLICATION SHALL BE TRANSMITTED BY THE
- 10 APPLICANT TO THE DEPARTMENT. AN APPLICATION FOR A GRANT UNDER THIS
- 11 SUBSECTION SHALL CONTAIN AT A MINIMUM THE CONTEMPLATED ROUTES,
- 12 HOURS OF SERVICE, ESTIMATED TRANSIT VEHICLE MILES, COSTS OF PUBLIC
- 13 TRANSPORTATION SERVICES, AND PROJECTED CAPITAL IMPROVEMENTS OR
- 14 PROJECTS AS DETERMINED BY THE APPLICANT. THE COSTS OF SERVICE AND
- 15 CAPITAL IMPROVEMENTS OR PROJECTS SHALL BE STATED IN SUFFICIENT
- 16 DETAIL IN THE APPLICATION TO PERMIT THE DEPARTMENT TO EVALUATE AND
- 17 APPROVE THE APPLICATION. DETERMINATION OF THE INDIVIDUAL PROJECTS
- 18 TO BE INCLUDED IN AN APPLICATION UNDER THIS SUBSECTION SHALL BE
- 19 MADE BY THE GOVERNING BODY OF THE APPLICANT.
- 20 (12) NOTWITHSTANDING SUBSECTION (11), THE DEPARTMENT MAY
- 21 ACCEPT APPLICATIONS FOR COMPREHENSIVE TRANSPORTATION FUND
- 22 ASSISTANCE AND MAY AWARD GRANTS OR CONTRACTS WITH COMPREHENSIVE
- 23 TRANSPORTATION FUNDS AT ANY TIME DURING A FISCAL YEAR.
- 24 (13) THE DEPARTMENT SHALL RECOMMEND AN ANNUAL APPROPRIATION
- 25 AMOUNT FOR EACH OF THE PROGRAMS MANDATED BY THIS SECTION UPON
- 26 REQUEST OF THE STATE BUDGET OFFICE. THE DEPARTMENT'S
- 27 RECOMMENDATIONS SHALL BE CONSISTENT WITH THE 5-YEAR PROGRAM OF

- 1 PLANNED INVESTMENT OF COMPREHENSIVE TRANSPORTATION FUND REVENUES AS
- 2 DESCRIBED IN SECTION 10H.
- 3 (14) (11) By October 1, the THE department and each intercity
- 4 carrier, eligible authority , or eligible governmental agency, OR
- 5 OTHER ELIGIBLE ENTITY shall enter into a contractual agreement or
- 6 standardized grant memorandum of agreement, which may cover 1 or
- 7 more projects to be made from this section in the applicable fiscal
- 8 year to the intercity carrier, eligible authority , or eligible
- 9 governmental agency, OR OTHER ELIGIBLE ENTITY from the
- 10 comprehensive transportation fund.
- 11 (15) (12) After a A multiyear public transportation program is
- 12 PROJECT MAY BE approved by the state transportation commission. τ
- 13 UPON APPROVAL OF A MULTIYEAR PUBLIC TRANSPORTATION PROJECT, the
- 14 state transportation department may enter into a grant-in-aid
- 15 instrument with an eligible authority OR AGENCY, intercity carrier,
- 16 or OTHER eligible governmental agency ENTITY obligating the state
- 17 to a minimum level of funding for approved projects to be available
- 18 over the multiyear period of the program. This obligation shall be
- 19 binding upon the state transportation department as long as the
- 20 provisions and conditions of the state transportation commission
- 21 approved program PROJECT are carried out as agreed AND SUBJECT TO
- 22 THE ANNUAL APPROPRIATION OF FUNDS.
- 23 (16) (13)—Contracts and grant memorandum agreements may be
- 24 audited by the state transportation commission's office of
- 25 commission audits using rules promulgated by the United States
- 26 general accounting office and the terms and conditions of the
- 27 respective contracts and agreements. Third party agreements are

- 1 subject to the review and approval of the department.
- 2 (17) (14) Funds distributed by the department may pay 100% of
- 3 the portion of the cost not eligible for reimbursement by the
- 4 federal government for eligible capital projects APPROVED BY THE
- 5 DEPARTMENT OR authorized by the state transportation commission
- 6 using comprehensive transportation funds or the proceeds of notes
- 7 and bonds issued under section 18b. Priority for funding obligation
- 8 OBLIGATIONS shall be given to capital projects for which federal
- 9 funds have been authorized.
- 10 (15) All approved local bus new services initiated by eligible
- 11 authorities and eligible governmental agencies not in their fourth
- 12 year or beyond of funding on October 1, 1988, shall be funded from
- 13 subsection (4)(c)(iii). Local bus new services shall be funded under
- 14 subsection (4) (c) (iii) in the following percentages of eligible
- 15 operating expenses as determined by the department:
- 16 (a) Startup 100%.
- 17 (b) First year 90%.
- 18 <u>(c) Second year 80%.</u>
- 19 <u>(d) Third year 70%.</u>
- 20 (e) Fourth year and each year thereafter, as determined by and
- 21 from funds provided under subsection (4)(a). The balance of
- 22 eligible operating expenses shall be met from local revenue sources
- 23 including farebox. The department shall pay up to 100% of eligible
- 24 capital expenses during the startup and first 3 years of service,
- 25 after the third year, the department shall participate in eligible
- 26 capital expenses in the same percentage as for other eligible
- 27 authorities and eligible governmental agencies. For the purposes of

- 1 this subsection, eligible operating and capital expenses means
- 2 those expenses determined by the department as applicable to
- 3 existing eligible authorities and eligible governmental agencies.
- 4 The department shall prioritize annually all requests for
- 5 comprehensive transportation funds to institute new services under
- 6 this subsection. First priority shall be given to eligible
- 7 authorities and eligible governmental agencies who have not
- 8 completed their first 3 years of service by October 1, 1998. New
- 9 services initiated by eligible authorities and eligible
- 10 governmental agencies under this subsection shall meet all of the
- 11 requirements of section 10.
- 12 (16) The department shall pay up to 80% of the portion of the
- 13 cost not eligible for reimbursement by the federal government for
- 14 intercity passenger operating assistance projects authorized by the
- 15 commission for the first 2 years of new services. For the third
- 16 year, eligible costs shall be reimbursed at up to 60% of the
- 17 portion of the cost not eligible for reimbursement by the federal
- 18 government. After the third year, eligible costs shall be
- 19 reimbursed at up to 50% of the portion of the cost not eligible for
- 20 reimbursement by the federal government. Eligible costs of services
- 21 provided as of September 30, 1981, shall be reimbursed at up to 50%
- 22 of the portion of the cost not eligible for reimbursement by the
- 23 federal government. However, the amount of funds from the
- 24 comprehensive transportation fund when added to federal funds and
- 25 local funds shall not exceed the total operating assistance project
- 26 cost.
- 27 (18) (17)—A vehicle purchased, leased, or rented after

- 1 November 15, 1976, by an eligible authority or eligible
- 2 governmental agency with funds made available under this act τ
- 3 which funds were not already committed under a contract in
- 4 existence on November 15, 1976, shall not be used to provide
- 5 service on a fixed schedule and fixed route for which a passenger
- 6 fee is charged unless the vehicle is accessible to a person using a
- 7 wheelchair from a roadway level or curb level, and has
- 8 accommodations in which 1 or more wheelchairs can be secured.
- 9 (19) (18) A vehicle shall not be purchased, leased, or rented
- 10 by an AN eligible authority or eligible governmental agency after
- 11 October 1, 1978, SHALL NOT PURCHASE, LEASE, OR RENT A VEHICLE FOR
- 12 THE PURPOSE OF PROVIDING DEMAND ACTUATED SERVICE with funds made
- 13 available under this act which vehicle is used to provide demand
- 14 actuated service unless the eligible authority or eligible
- 15 governmental agency has submitted a plan to the state
- 16 transportation department describing the service to be provided by
- 17 the demand actuated service to persons 65 years of age or older and
- 18 persons with disabilities within the applicable service area and
- 19 that plan has been approved by the department. The department shall
- 20 approve the plan as submitted or modified or shall reject the plan
- 21 within NOT LATER THAN 60 days after the plan is submitted. A plan
- 22 which THAT describes the service to be provided by the demand
- 23 actuated service shall not be approved by the department unless
- 24 that plan provides the following:
- 25 (a) That demand actuated service will be provided to persons
- 26 65 years of age or older and persons with disabilities residing in
- 27 the entire service area subject to the plan.

- 1 (b) That as a minimum, demand actuated service will be
- 2 provided to persons 65 years of age or older and persons with
- 3 disabilities during the same hours as THAT service is provided to
- 4 all other persons in the service area subject to the plan.
- 5 (c) That the average time period required for demand actuated
- 6 service to persons 65 years of age or older and persons with
- 7 disabilities from the initiation of a service request to arrival at
- 8 the destination is equal to the average time period required for
- 9 demand actuated service provided to all other persons in the
- 10 service area subject to the plan.
- 11 (d) That the eligible authority or eligible governmental
- 12 agency submitting the plan has established a local advisory council
- with not less than 50% of its membership representing persons 65
- 14 years of age or older and persons with disabilities within the
- 15 service area subject to the plan and that the local advisory
- 16 council has had an opportunity to review and comment upon the plan
- 17 before its submission to the department. Each eligible authority or
- 18 eligible governmental agency jointly with the area agency on aging
- 19 shall approve at least 1 or the equivalent of 12% of the membership
- 20 of the local advisory council. Each advisory council comment shall
- 21 be included in the plan when submitted to the department.
- 22 (20) $\frac{(19)}{(19)}$ Notwithstanding subsection $\frac{(18)}{(19)}$, a plan
- 23 required by subsection (18) which (19) THAT is not approved or
- 24 rejected by the state transportation department within 60 days
- 25 after submission shall be considered approved as submitted.
- 26 (21) $\frac{(20)}{(20)}$ Subsections $\frac{(17)}{(18)}$, $\frac{(18)}{(19)}$, and $\frac{(19)}{(20)}$
- 27 shall not apply to vehicles or facilities used to transport persons

- 1 by rail, air, or water or to vehicles of common carriers licensed
- 2 by the state transportation department.
- 3 (22) (21) After January 1, 1979, the THE department shall
- 4 submit PREPARE an annual report to FOR the legislature detailing
- 5 the service provided in the prior year for persons 65 years of age
- 6 or older and persons with disabilities by fixed route service and
- 7 demand actuated service. This report shall include a record of
- 8 passenger usage and shall be submitted POSTED ON THE DEPARTMENT'S
- 9 INTERNET WEBSITE by April 1 of each year.
- 10 (23) (22)—Notwithstanding any other provision of this section,
- 11 for each fiscal year that begins after September 30, 2009, the
- 12 governor and the state budget director shall include in the annual
- 13 budget submitted to the legislature for the ensuing fiscal period
- 14 under section 18 of article V of the state constitution of 1963 an
- 15 appropriation from a fund or funds other than the comprehensive
- 16 transportation fund to a street railway organized under the
- 17 nonprofit street railway act, 1867 PA 35, MCL 472.1 to 472.27, of a
- 18 sum equal to the difference between the annual operating expenses
- 19 of the street railway and revenue received by the street railway
- 20 during the same annual period, including, but not limited to, tax
- 21 increment revenues received by the street railway under section 23
- 22 of the nonprofit street railway act, 1867 PA 35, MCL 472.23, AND
- 23 OPERATING ASSISTANCE DISTRIBUTED TO THE STREET RAILWAY THROUGH THE
- 24 URBAN TRANSIT MODERNIZATION INVESTMENT PROGRAM UNDER SUBSECTION
- 25 (5)(E). The appropriation submitted in the budget under this
- 26 section shall not exceed 8% of the total private investment in the
- 27 street railway as determined by the department. A street railway is

- 1 not an eligible authority or eligible governmental agency for
- 2 purposes of subdivision (4)(a) THE STATEWIDE OPERATING GRANTS
- 3 PROGRAM UNDER SUBSECTION (4) AND THE STATEWIDE CAPITAL MATCH
- 4 PROGRAM UNDER SUBSECTION (5) (D).
- 5 Sec. 10h. (1) By May 1 of each year, the state transportation
- 6 commission shall report to each member of the legislature, the
- 7 governor, and the auditor general its recommendations for a
- 8 transportation program which the state transportation commission
- 9 acts on under section 10e(10). APPROVE A 5-YEAR PROGRAM OF PLANNED
- 10 INVESTMENT OF COMPREHENSIVE TRANSPORTATION FUND REVENUES. The
- 11 report PROGRAM shall specify INCLUDE ALL OF the following:
- 12 (a) The estimated amount of money in the comprehensive
 13 transportation fund to be distributed in the following fiscal year
 14 and the amount of money in the comprehensive transportation fund to
 15 be distributed to each eligible authority, each intercity carrier,
- 16 each eligible governmental agency, and the state transportation
- 17 department; the estimated amount of money in the state trunk line
- 18 fund to be distributed to the state transportation department for
- 19 the preservation, as defined in section 10c, of state trunk line
- 20 highways; and the estimated amount of money in the state trunk line
- 21 fund to be distributed to the state transportation department for
- 22 all other purposes in the following fiscal year. The report shall
- 23 further subdivide the money to be distributed to each eligible
- 24 authority, each intercity carrier, each eligible governmental
- 25 agency, the state transportation department from the comprehensive
- 26 transportation fund, the state transportation department from the
- 27 state trunk line fund for the preservation of state trunk line

- 1 highways, and the state transportation department from the state
- 2 trunk line fund for all other purposes specifying how much of that
- 3 money is proposed to be expended for either capital acquisitions,
- 4 including demonstration projects, or for operating expenses,
- 5 including demonstration projects.A PLAN FOR INVESTMENT OF
- 6 COMPREHENSIVE TRANSPORTATION FUND REVENUES IN EACH OF THE PROGRAMS
- 7 DESCRIBED IN SECTION 10E AND PLANNED PROJECT INVESTMENTS UNDER THE
- 8 URBAN TRANSIT MODERNIZATION INVESTMENT PROGRAM UNDER SUBSECTION
- 9 (5)(E). FOR PLANNED PROJECT INVESTMENTS UNDER THE URBAN TRANSIT
- 10 MODERNIZATION INVESTMENT PROGRAM, THE PLAN SHALL INCLUDE A
- 11 DESCRIPTION OF THE PROJECT AND THE ANTICIPATED TOTAL DOLLAR AMOUNT
- 12 OF COMPREHENSIVE TRANSPORTATION FUND INVESTMENTS.
- 13 (b) An account of all expenditures of funds distributed THE
- 14 INVESTMENTS MADE from the state trunk line fund and the
- 15 comprehensive transportation fund to the state transportation
- 16 department, eligible authorities, intercity carriers, and eligible
- 17 governmental agencies, FOR EACH OF THE PROGRAMS DESCRIBED IN
- 18 SECTION 10E and the progress made by the state transportation
- 19 department, eligible authorities OR AGENCIES, AND intercity
- 20 carriers , and eligible governmental agencies in carrying out the
- 21 approved transportation programs—EACH PROGRAM AND THE INDIVIDUAL
- 22 PROJECTS APPROVED FOR FUNDING UNDER THE URBAN MODERNIZATION
- 23 INVESTMENT PROGRAM in the preceding fiscal year. through the use of
- 24 those funds. The progress report shall be made based on information
- 25 supplied to the state transportation department on forms authorized
- 26 by the federal department of transportation. For those eligible
- 27 authorities, intercity carriers, and eligible governmental agencies

- 1 not receiving federal funds pursuant to the urban mass
- 2 transportation act of 1964, Public Law 88-365, the progress report
- 3 shall be made upon forms supplied by the state transportation
- 4 department. The progress report shall also contain the whole amount
- 5 of the expenses of the state transportation department for the
- 6 fiscal year.
- 7 (c) Each project certified to be eligible APPROVED for a
- 8 multiyear funding commitment.
- 9 (d) The status of all multiyear funding commitments.
- 10 (e) An account of the state transportation department's
- 11 compliance in the preceding year with the requirements of section
- 12 11(2) and (3). The report shall also specify the justification for
- a waiver of the requirement of section 11(3), if that requirement
- 14 was waived.
- 15 (2) The financial transactions and accounts related to
- 16 distributions made from the comprehensive transportation fund to an
- 17 <u>eligible</u> authority created under the metropolitan transportation
- 18 authorities act of 1967, 1967 PA 204, MCL 124.401 to 124.426, shall
- 19 be audited pursuant to that act. The cost of the audit shall be
- 20 paid by the eligible authority. The financial transactions and
- 21 accounts related to distributions made from the fund to an eliqible
- 22 governmental AUTHORITY OR agency, other than AN AUTHORITY CREATED
- 23 UNDER THE METROPOLITAN TRANSPORTATION AUTHORITIES ACT OF 1967, 1967
- 24 PA 204, MCL 124.401 TO 124.426, OR a county, shall be audited in
- 25 accordance with the uniform budgeting and accounting act, 1968 PA
- 26 2, MCL 141.421 to 141.440a. The financial transactions and accounts
- 27 related to distributions made from the fund to a county which is an

- 1 eligible governmental agency shall be audited in accordance with
- 2 1919 PA 71, MCL 21.41 to 21.55. The financial transactions and
- 3 accounts relative to distributions made to an intercity carrier
- 4 shall be audited by an independent certified public accountant in
- 5 accordance with instructions promulgated by the department of
- 6 treasury. A copy of the complete audit report and management letter
- 7 shall be submitted by the eligible authority, intercity carrier, or
- 8 eligible governmental agency, OR INTERCITY CARRIER to the state
- 9 transportation department. The department of treasury shall develop
- 10 minimum audit standards and requirements.
- 11 (3) There is hereby established a task force composed of the
- 12 Michigan public transit association, the Michigan motorbus
- 13 association, the Michigan rail users and supporters association,
- 14 the Michigan railroad association, a representative of a state-
- 15 owned or leased short line railroad, and the office of auditor
- 16 general or a certified public accountant appointed by the auditor
- 17 general, to assist the department in the development of the
- 18 progress report requirements outlined in subsection (1)(b).
- 19 Enacting section 1. Sections 10d and 10l of 1951 PA 51, MCL
- 20 247.660d and 247.660*l*, are repealed.