

FIRST CONFERENCE REPORT

The Committee of Conference on the matters of difference between the two Houses concerning

House Bill No. 5329, entitled

A bill to make appropriations for the state transportation department for the fiscal year ending September 30, 2017; and to provide for the expenditure of the appropriations.

Recommends:

First: That the Senate recede from the Substitute of the Senate as passed by the Senate.

Second: That the House and Senate agree to the Substitute of the House as passed by the House, amended to read as follows:

(attached)

Third: That the House and Senate agree to the title of the bill to read as follows:

A bill to make appropriations for the state transportation department for the fiscal year ending September 30, 2017; and to provide for the expenditure of the appropriations.

Edward J. Canfield

Goeff Hansen

Roger Victory

Marty Knollenberg

Brian Banks

Coleman Young II

Conferees for the House

Conferees for the Senate

A bill to make appropriations for the state transportation department for the fiscal year ending September 30, 2017; and to provide for the expenditure of the appropriations.

1 PART 1

3 Sec. 101. There is appropriated for the state transportation
4 department for the fiscal year ending September 30, 2017, from the
5 following funds:

7 APPROPRIATION SUMMARY

H05035'16 (H-2) CR-1

KED

1	Total interdepartmental grants and intradepartmental	
2	transfers	4,013,400
3	ADJUSTED GROSS APPROPRIATION.....	\$ 4,110,490,200
4	Federal revenues:	
5	Federal aid - transportation programs	1,314,744,000
6	Total federal revenues.....	1,314,744,000
7	Special revenue funds:	
8	Local revenues.....	50,418,500
9	Private revenues.....	100,000
10	Total local and private revenues.....	50,518,500
11	Blue Water Bridge fund.....	42,450,200
12	Comprehensive transportation fund.....	320,500,700
13	Economic development fund.....	36,475,000
14	IRS debt service rebate.....	7,011,800
15	Intercity bus equipment fund.....	100,000
16	Local bridge fund.....	29,875,100
17	Michigan transportation fund.....	1,333,620,100
18	Qualified airport fund.....	8,775,000
19	Rail freight fund.....	6,000,000
20	State aeronautics fund.....	20,238,200
21	State trunkline fund.....	931,681,600
22	Total other state restricted revenues.....	2,736,727,700
23	State general fund/general purpose.....	\$ 8,500,000
24	State general fund/general purpose schedule:	
25	Ongoing state general fund/general	
26	purpose	0
27	One-time state general fund/general	

1	purpose	8,500,000	
2	Sec. 102. DEBT SERVICE		
3	State trunkline.....	\$	194,076,400
4	Economic development.....		11,612,200
5	Local bridge fund.....		2,406,500
6	Blue Water Bridge fund.....		6,963,900
7	Airport safety and protection plan.....		4,616,400
8	Comprehensive transportation.....		<u>18,249,900</u>
9	GROSS APPROPRIATION.....	\$	237,925,300
10	Appropriated from:		
11	Federal revenues:		
12	Federal aid - transportation programs.....		45,767,900
13	Special revenue funds:		
14	Blue Water Bridge fund.....		6,963,900
15	Comprehensive transportation fund.....		18,249,900
16	Economic development fund.....		11,612,200
17	IRS debt service rebate.....		7,011,800
18	Local bridge fund.....		2,406,500
19	State aeronautics fund.....		4,616,400
20	State trunkline fund.....		141,296,700
21	State general fund/general purpose.....	\$	0
22	Sec. 103. COLLECTION, ENFORCEMENT, AND OTHER AGENCY		
23	SUPPORT SERVICES		
24	MTF grant to department of environmental quality.....	\$	1,335,100
25	MTF grant to department of state for collection of		
26	revenue and fees		20,000,000
27	MTF grant to department of treasury.....		2,684,100

1	MTF grant to legislative auditor general	315,800
2	STF grant to department of attorney general	2,429,200
3	STF grant to civil service commission	5,847,000
4	STF grant to department of technology, management, and	
5	budget	1,226,000
6	STF grant to department of state police	11,627,600
7	STF grant to department of treasury	157,900
8	STF grant to legislative auditor general	733,500
9	SAF grant to department of attorney general	177,600
10	SAF grant to civil service commission	150,000
11	SAF grant to department of technology, management, and	
12	budget	33,500
13	SAF grant to department of treasury	73,900
14	SAF grant to legislative auditor general	30,300
15	CTF grant to department of attorney general	204,500
16	CTF grant to civil service commission	200,000
17	CTF grant to department of technology, management, and	
18	budget	42,200
19	CTF grant to department of treasury	13,500
20	CTF grant to legislative auditor general	<u>39,000</u>
21	GROSS APPROPRIATION	\$ 47,320,700
22	Appropriated from:	
23	Special revenue funds:	
24	Comprehensive transportation fund	499,200
25	Michigan transportation fund	24,335,000
26	State aeronautics fund	465,300
27	State trunkline fund	22,021,200

1	State general fund/general purpose.....	\$	0
2	Sec. 104. EXECUTIVE DIRECTION		
3	Full-time equated unclassified positions.....	6.0	
4	Full-time equated classified positions.....	29.3	
5	Unclassified salaries.....	\$	754,000
6	Asset management council.....		1,626,400
7	Commission audit--29.3 FTE positions.....		<u>3,335,900</u>
8	GROSS APPROPRIATION.....	\$	5,716,300
9	Appropriated from:		
10	Special revenue funds:		
11	Michigan transportation fund.....		1,626,400
12	State trunkline fund.....		4,089,900
13	State general fund/general purpose.....	\$	0
14	Sec. 105. BUSINESS SUPPORT		
15	Full-time equated classified positions.....	54.0	
16	Business support services--44.0 FTE positions.....	\$	6,756,100
17	Economic development and enhancement programs--10.0		
18	FTE positions		1,633,200
19	Property management.....		7,112,200
20	Worker's compensation.....		<u>1,711,200</u>
21	GROSS APPROPRIATION.....	\$	17,212,700
22	Appropriated from:		
23	Special revenue funds:		
24	Comprehensive transportation fund.....		1,835,100
25	Economic development fund.....		378,100
26	Michigan transportation fund.....		801,100
27	State aeronautics fund.....		752,100

1	State trunkline fund.....	13,446,300
2	State general fund/general purpose.....	\$ 0
3	Sec. 106. INFORMATION TECHNOLOGY	
4	Information technology services and projects	\$ <u>32,364,500</u>
5	GROSS APPROPRIATION.....	\$ 32,364,500
6	Appropriated from:	
7	Federal revenues:	
8	Federal aid - transportation programs	520,500
9	Special revenue funds:	
10	Blue Water Bridge fund.....	55,100
11	Comprehensive transportation fund.....	224,400
12	Economic development fund.....	37,200
13	Michigan transportation fund.....	293,300
14	State aeronautics fund.....	175,100
15	State trunkline fund.....	31,058,900
16	State general fund/general purpose.....	\$ 0
17	Sec. 107. FINANCE, CONTRACTS, AND SUPPORT SERVICES	
18	Full-time equated classified positions.....	186.0
19	Finance, contracts, and support services--186.0 FTE	
20	positions	\$ <u>21,791,700</u>
21	GROSS APPROPRIATION.....	\$ 21,791,700
22	Appropriated from:	
23	Interdepartmental grant revenues:	
24	IDG for accounting service center user charges	4,013,400
25	Special revenue funds:	
26	Michigan transportation fund.....	1,621,700
27	State trunkline fund.....	16,156,600

1	State general fund/general purpose	\$	0
2	Sec. 108. TRANSPORTATION PLANNING		
3	Full-time equated classified positions	140.0	
4	Planning services--140.0 FTE positions	\$	38,481,100
5	Grants to regional planning councils		<u>488,800</u>
6	GROSS APPROPRIATION	\$	38,969,900
7	Appropriated from:		
8	Federal revenues:		
9	Federal aid - transportation programs		19,250,000
10	Special revenue funds:		
11	Comprehensive transportation fund		610,500
12	Michigan transportation fund		9,571,400
13	State aeronautics fund		15,000
14	State trunkline fund		9,523,000
15	State general fund/general purpose	\$	0
16	Sec. 109. DESIGN AND ENGINEERING SERVICES		
17	Full-time equated classified positions	1,589.3	
18	Program development, delivery, and systems		
19	operations--1,539.3 FTE positions	\$	166,199,900
20	Welcome center operations--50.0 FTE positions		<u>4,532,800</u>
21	GROSS APPROPRIATION	\$	170,732,700
22	Appropriated from:		
23	Federal revenues:		
24	Federal aid - transportation programs		23,529,800
25	Special revenue funds:		
26	Michigan transportation fund		12,246,000
27	State trunkline fund		134,956,900

1	State general fund/general purpose	\$	0
2	Sec. 110. HIGHWAY MAINTENANCE		
3	Full-time equated classified positions	743.7	
4	State trunkline operations--743.7 FTE positions	\$	<u>303,948,000</u>
5	GROSS APPROPRIATION	\$	303,948,000
6	Appropriated from:		
7	Special revenue funds:		
8	State trunkline fund		303,948,000
9	State general fund/general purpose	\$	0
10	Sec. 111. ROAD AND BRIDGE PROGRAMS		
11	State trunkline federal aid and road and bridge		
12	construction	\$	1,068,176,900
13	Local federal aid and road and bridge construction ...		272,511,000
14	Grants to local programs		33,000,000
15	Rail grade crossing		3,000,000
16	Rail grade crossing - surface improvements		3,000,000
17	Local bridge program		27,468,600
18	County road commissions		797,470,600
19	Cities and villages		<u>444,625,500</u>
20	GROSS APPROPRIATION	\$	2,649,252,600
21	Appropriated from:		
22	Federal revenues:		
23	Federal aid - transportation programs		1,030,225,800
24	Special revenue funds:		
25	Local funds		30,000,000
26	Blue Water Bridge fund		28,998,100
27	Local bridge fund		27,468,600

1	Michigan transportation fund.....	1,281,096,100
2	State trunkline fund.....	251,464,000
3	State general fund/general purpose.....	\$ 0
4	Sec. 112. BLUE WATER BRIDGE	
5	Full-time equated classified positions.....	41.0
6	Blue Water Bridge operations--41.0 FTE positions.....	\$ <u>6,433,100</u>
7	GROSS APPROPRIATION.....	\$ 6,433,100
8	Appropriated from:	
9	Special revenue funds:	
10	Blue Water Bridge fund.....	6,433,100
11	State general fund/general purpose.....	\$ 0
12	Sec. 113. TRANSPORTATION ECONOMIC DEVELOPMENT	
13	Forest roads.....	\$ 5,000,000
14	Rural county urban system.....	2,500,000
15	Target industries/economic redevelopment.....	623,700
16	Urban county congestion.....	8,161,900
17	Rural county primary.....	<u>8,161,900</u>
18	GROSS APPROPRIATION.....	\$ 24,447,500
19	Appropriated from:	
20	Special revenue funds:	
21	Economic development fund.....	24,447,500
22	State general fund/general purpose.....	\$ 0
23	Sec. 114. AERONAUTICS SERVICES	
24	Full-time equated classified positions.....	54.0
25	Aviation services--54.0 FTE positions.....	\$ 7,648,800
26	Air service program.....	<u>250,000</u>
27	GROSS APPROPRIATION.....	\$ 7,898,800

1 Appropriated from:
 2 Special revenue funds:
 3 State aeronautics fund..... 7,898,800
 4 State general fund/general purpose..... \$ 0
 5 **Sec. 115. PUBLIC TRANSPORTATION SERVICES**
 6 Full-time equated classified positions..... 36.0
 7 Passenger transportation services--36.0 FTE positions \$ 5,740,500
 8 GROSS APPROPRIATION..... \$ 5,740,500
 9 Appropriated from:
 10 Federal revenues:
 11 Federal aid - transportation programs..... 972,100
 12 Special revenue funds:
 13 Comprehensive transportation fund..... 4,768,400
 14 State general fund/general purpose..... \$ 0
 15 **Sec. 116. BUS TRANSIT DIVISION: STATUTORY OPERATING**
 16 Local bus operating..... \$ 186,250,000
 17 Nonurban operating/capital..... 26,027,900
 18 GROSS APPROPRIATION..... \$ 212,277,900
 19 Appropriated from:
 20 Federal revenues:
 21 Federal aid - transportation programs..... 24,027,900
 22 Special revenue funds:
 23 Local funds..... 2,000,000
 24 Comprehensive transportation fund..... 186,250,000
 25 State general fund/general purpose..... \$ 0
 26 **Sec. 117. INTERCITY PASSENGER**
 27 Full-time equated classified positions..... 39.0

1	Office of rail--39.0 FTE positions.....	\$	6,427,700
2	Freight property management.....		1,000,000
3	Detroit/Wayne County Port Authority.....		468,200
4	Intercity services.....		6,250,000
5	Rail operations and infrastructure.....		118,894,800
6	Marine passenger service.....		400,000
7	Terminal development.....		<u>300,000</u>
8	GROSS APPROPRIATION.....	\$	133,740,700
9	Appropriated from:		
10	Federal revenues:		
11	Federal aid - transportation programs.....		64,600,000
12	Special revenue funds:		
13	Local funds.....		150,000
14	Private funds.....		100,000
15	Comprehensive transportation fund.....		60,043,000
16	Intercity bus equipment fund.....		100,000
17	Michigan transportation fund.....		2,029,100
18	Rail freight fund.....		6,000,000
19	State trunkline fund.....		718,600
20	State general fund/general purpose.....	\$	0
21	Sec. 118. PUBLIC TRANSPORTATION DEVELOPMENT		
22	Specialized services.....	\$	17,938,900
23	Municipal credit program.....		2,000,000
24	Transit capital.....		53,907,100
25	Van pooling.....		195,000
26	Service initiatives.....		2,889,200
27	Transportation to work.....		<u>3,700,000</u>

1	GROSS APPROPRIATION.....	\$	80,630,200
2	Appropriated from:		
3	Federal revenues:		
4	Federal aid - transportation programs.....		26,850,000
5	Special revenue funds:		
6	Local funds.....		5,760,000
7	Comprehensive transportation fund.....		48,020,200
8	State general fund/general purpose.....	\$	0
9	Sec. 119. CAPITAL OUTLAY		
10	(1) BUILDINGS AND FACILITIES		
11	Special maintenance, remodeling, and additions.....	\$	<u>3,001,500</u>
12	GROSS APPROPRIATION.....	\$	3,001,500
13	Appropriated from:		
14	State trunkline fund.....		3,001,500
15	State general fund/general purpose.....	\$	0
16	(2) AIRPORT IMPROVEMENT PROGRAMS		
17	Airport safety, protection and improvement program...	\$	97,824,000
18	Detroit Metropolitan Wayne County Airport.....		<u>8,775,000</u>
19	GROSS APPROPRIATION.....	\$	106,599,000
20	Appropriated from:		
21	Federal revenues:		
22	Federal aid - transportation programs.....		79,000,000
23	Special revenue funds:		
24	Local funds.....		12,508,500
25	State aeronautics fund.....		6,315,500
26	Qualified airport fund.....		8,775,000
27	State general fund/general purpose.....	\$	0

Sec. 120. ONE-TIME BASIS ONLY APPROPRIATIONS

Special grants.....	\$	<u>8,500,000</u>
GROSS APPROPRIATION.....	\$	8,500,000
Appropriated from:		
State general fund/general purpose - one-time.....	\$	8,500,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2016-2017

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2016-2017 is \$2,745,227,700.00 and state spending from state resources to be paid to local units of government for fiscal year 2016-2017 is \$1,590,461,200.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

STATE TRANSPORTATION DEPARTMENT

Grants to regional planning councils.....	\$	488,800
Grants to local programs.....		33,000,000
Rail grade crossing.....		3,000,000
Rail grade crossing - surface improvements.....		3,000,000
Local bridge program.....		27,468,600
Grants to county road commissions.....		797,470,600
Grants to cities and villages.....		444,625,500
Economic development fund.....		23,823,800

1	Air service program.....	250,000
2	Local bus operating.....	186,250,000
3	Detroit/Wayne County Port Authority.....	468,200
4	Marine passenger service.....	400,000
5	Terminal development.....	300,000
6	Specialized services.....	3,853,900
7	Municipal credit program.....	2,000,000
8	Transit capital.....	37,357,100
9	Service initiatives.....	914,200
10	Transportation to work.....	3,700,000
11	Airport safety, protection, and improvement	
12	program.....	6,315,500
13	Detroit metropolitan Wayne County airport	8,775,000
14	Special grants.....	<u>7,000,000</u>
15	Total payments to local units of government	\$ 1,590,461,200

16 Sec. 202. The appropriations authorized under this part and
17 part 1 are subject to the management and budget act, 1984 PA 431,
18 MCL 18.1101 to 18.1594.

19 Sec. 203. As used in this part and part 1:

- 20 (a) "CTF" means comprehensive transportation fund.
- 21 (b) "Department" means the state transportation department.
- 22 (c) "Director" means the director of the department.
- 23 (d) "DOT" means the United States Department of
- 24 Transportation.
- 25 (e) "DOT-FHWA" means DOT, Federal Highway Administration.
- 26 (f) "FTE" means full-time equated.
- 27 (g) "IDG" means interdepartmental grant.

1 (h) "IRS" means the Internal Revenue Service.

2 (i) "MTF" means Michigan transportation fund.

3 (j) "SAF" means state aeronautics fund.

4 (k) "STF" means state trunkline fund.

5 Sec. 204. The departments and agencies receiving
6 appropriations in part 1 shall use the Internet to fulfill the
7 reporting requirements of this part. This requirement may include
8 transmission of reports via electronic mail to the recipients
9 identified for each reporting requirement, or it may include
10 placement of reports on an Internet or Intranet site.

11 Sec. 205. 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 shall 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. In addition, preference shall be given to goods or
18 services, or both, that are manufactured or provided by Michigan
19 businesses owned and operated by veterans, if they are
20 competitively priced and of comparable quality.

21 Sec. 206. The director shall take all reasonable steps to
22 ensure businesses in deprived and depressed communities compete for
23 and perform contracts to provide services or supplies, or both.
24 Each director shall strongly encourage firms with which the
25 department contracts to subcontract with certified businesses in
26 depressed and deprived communities for services, supplies, or both.

27 Sec. 207. The departments and agencies receiving

1 appropriations in part 1 shall prepare a report on out-of-state
2 travel expenses not later than January 1 of each year. The travel
3 report shall be a listing of all travel by classified and
4 unclassified employees outside this state in the immediately
5 preceding fiscal year that was funded in whole or in part with
6 funds appropriated in the department's budget. The report shall be
7 submitted to the senate and house appropriations committees, the
8 house and senate fiscal agencies, and the state budget director.
9 The report shall include the following information:

10 (a) The dates of each travel occurrence.

11 (b) The transportation and related costs of each travel
12 occurrence, including the proportion funded with state general
13 fund/general purpose revenues, the proportion funded with state
14 restricted revenues, the proportion funded with federal revenues,
15 and the proportion funded with other revenues.

16 Sec. 208. Funds appropriated in part 1 shall not be used by a
17 principal executive department, state agency, or authority to hire
18 a person to provide legal services that are the responsibility of
19 the attorney general. This prohibition does not apply to legal
20 services for bonding activities and for those activities that the
21 attorney general authorizes.

22 Sec. 209. Not later than November 30, the state budget office
23 shall prepare and transmit a report that provides for estimates of
24 the total general fund/general purpose appropriation lapses at the
25 close of the prior fiscal year. This report shall summarize the
26 projected year-end general fund/general purpose appropriation
27 lapses by major departmental program or program areas. The report

1 shall be transmitted to the chairpersons of the senate and house of
2 representatives standing committees on appropriations and the
3 senate and house fiscal agencies.

4 Sec. 210. (1) In addition to the funds appropriated in part 1,
5 there is appropriated an amount not to exceed \$200,000,000.00 for
6 federal contingency funds. These funds are not available for
7 expenditure until they have been transferred to another line item
8 in part 1 pursuant to section 393(2) of the management and budget
9 act, 1984 PA 431, MCL 18.1393.

10 (2) In addition to the funds appropriated in part 1, there is
11 appropriated an amount not to exceed \$40,000,000.00 for state
12 restricted contingency funds. These funds are not available for
13 expenditure until they have been transferred to another line item
14 in part 1 pursuant to section 393(2) of the management and budget
15 act, 1984 PA 431, MCL 18.1393.

16 (3) In addition to the funds appropriated in part 1, there is
17 appropriated an amount not to exceed \$1,000,000.00 for local
18 contingency funds. These funds are not available for expenditure
19 until they have been transferred to another line item in part 1
20 pursuant to section 393(2) of the management and budget act, 1984
21 PA 431, MCL 18.1393.

22 (4) In addition to the funds appropriated in part 1, there is
23 appropriated an amount not to exceed \$1,000,000.00 for private
24 contingency funds. These funds are not available for expenditure
25 until they have been transferred to another line item in part 1
26 pursuant to section 393(2) of the management and budget act, 1984
27 PA 431, MCL 18.1393.

1 Sec. 211. The department shall cooperate with the department
2 of technology, management, and budget to maintain a searchable
3 website accessible by the public at no cost that includes, but is
4 not limited to, all of the following:

5 (a) Fiscal year-to-date expenditures by category.

6 (b) Fiscal year-to-date expenditures by appropriation unit.

7 (c) Fiscal year-to-date payments to a selected vendor,
8 including the vendor name, payment date, payment amount, and
9 payment description.

10 (d) The number of active department employees by job
11 classification.

12 (e) Job specifications and wage rates.

13 Sec. 212. Within 14 days after the release of the executive
14 budget recommendation, the department shall cooperate with the
15 state budget office to provide the senate and house appropriations
16 chairs, the senate and house appropriations subcommittees on
17 transportation, respectively, and the senate and house fiscal
18 agencies with an annual report on estimated state restricted fund
19 balances, state restricted fund projected revenues, and state
20 restricted fund expenditures for the fiscal years ending September
21 30, 2016 and September 30, 2017.

22 Sec. 213. The department shall maintain, on a publicly
23 accessible website, a department scorecard that identifies, tracks,
24 and regularly updates key metrics that are used to monitor and
25 improve the agency's performance.

26 Sec. 214. Total authorized appropriations from all sources
27 under part 1 for legacy costs for the fiscal year ending September

1 30, 2017 are \$70,450,500.00. From this amount, total agency
2 appropriations for pension-related legacy costs are estimated at
3 \$39,063,000.00. Total agency appropriations for retiree health care
4 legacy costs are estimated at \$31,387,500.00.

5 Sec. 215. A department shall not take disciplinary action
6 against an employee for communicating with a member of the
7 legislature or his or her staff.

8 Sec. 216. In addition to the metrics required under section
9 447 of the management and budget act, 1984 PA 431, MCL 18.1447, for
10 each new program or program enhancement for which funds in excess
11 of \$500,000.00 are appropriated in part 1, the department shall
12 provide not later than November 1 of each year a list of program-
13 specific metrics intended to measure its performance based on a
14 return on taxpayer investment. The department shall deliver the
15 program-specific metrics to members of the senate and house
16 subcommittees that have subject matter jurisdiction for this
17 budget, fiscal agencies, and the state budget director. The
18 department shall provide an update on its progress in tracking
19 program-specific metrics and the status of program success at an
20 appropriations subcommittee meeting called for by the subcommittee
21 chair.

22 Sec. 217. The department shall provide notice to the speaker
23 of the house, the house minority leader, the senate majority
24 leader, the senate minority leader, the house and senate standing
25 committees on transportation, the appropriate house and senate
26 appropriations subcommittees on transportation, and the house and
27 senate fiscal agencies on proposed federal rule changes related to

1 the department that would require amendments to the laws of this
2 state. The notice shall be given within 30 business days of the
3 proposed federal rule being posted to the federal register and
4 shall include a description of the proposed federal rule, the
5 publication date, the date when public comment closes, the document
6 citation, and a description of the statutory changes needed when
7 the rule is finalized.

8 Sec. 270. In order to reduce costs and maintain quality, it is
9 the intent of the legislature that, excluding the fleet of motor
10 vehicles for the department of state police, the department will
11 prioritize the utilization of remanufactured parts as the primary
12 means of maintenance and repair for the state of Michigan's fleet
13 of motor vehicles.

14 DEPARTMENTAL SECTIONS

15 Sec. 301. (1) The department may establish a fee schedule and
16 collect fees sufficient to cover the costs to issue the permits
17 that the department is authorized by law to issue upon request,
18 unless otherwise stipulated by law. All permit fees are
19 nonrefundable application fees and shall be credited to the
20 appropriate fund to recover the direct and indirect costs of
21 receiving, reviewing, and processing the requests.

22 (2) A bridge authority shall hold 3 public hearings on an
23 increase in any toll charged by the authority at least 30 days
24 before the toll change will become effective. Two of the hearings
25 shall be held within 5 miles of the bridge over which the bridge
26 authority has jurisdiction. One hearing shall be held in Lansing.

1 Public hearings held under this section shall be conducted in
2 accordance with the open meetings act, 1976 PA 267, MCL 15.261 to
3 15.275, and shall be conducted so as to provide a reasonable
4 opportunity for public comment, including both spoken and written
5 comments.

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. (1) The department may 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 and improve the property.

19 (2) The department shall charge public transit agencies and
20 intercity bus carriers equal rates per square foot for leasing
21 space in state-owned intermodal facilities.

22 Sec. 306. (1) The amounts appropriated in part 1 to support
23 tax and fee collection, law enforcement, and other program services
24 provided to the department and to transportation funds by other
25 state departments shall be expended from transportation funds
26 pursuant to annual contracts between the department and those other
27 state departments. The contracts shall be executed prior to the

1 expenditure or obligation of those funds. The contracts shall
2 provide, but are not limited to, the following data applicable to
3 each state department:

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

5 (b) Description of services provided to the department and/or
6 transportation funds and financed with transportation funds.

7 (c) Detailed cost allocation methods appropriate to the type
8 of services being provided and the activities financed with
9 transportation funds.

10 (2) Not later than 2 months after publication of the state of
11 Michigan comprehensive annual financial report, each state
12 department receiving funding pursuant to an interdepartment
13 contract with the department shall submit a written report to the
14 department, the state budget director, and the house and senate
15 fiscal agencies stating by spending authorization account the
16 amount of estimated funds contracted with the department, the
17 amount of funds expended, the amount of funds returned to the
18 transportation funds, and any unreimbursed transportation-related
19 costs incurred but not billed to transportation funds. A copy of
20 the report shall be submitted to the auditor general, and the
21 report shall be subject to audit.

22 (3) The auditor general shall use a risk-based approach in
23 developing an audit program for the use of transportation funds.

24 Sec. 307. Before March 1 of each year, the department will
25 provide to the legislature, the state budget office, and the house
26 and senate fiscal agencies its rolling 5-year plan listing by
27 county or by county road commission all highway construction

1 projects for the fiscal year and all expected projects for the
2 ensuing fiscal years.

3 Sec. 310. The department shall provide in a timely manner
4 copies of the agenda and approved minutes of monthly transportation
5 commission meetings to the members of the house and senate
6 appropriations subcommittees on transportation, the house and
7 senate fiscal agencies, and the state budget director.

8 Sec. 313. (1) From funds appropriated in part 1, the
9 department may increase a state infrastructure bank program and
10 grant or loan funds in accordance with regulations of the state
11 infrastructure bank program of the United States Department of
12 Transportation. The state infrastructure bank is to be administered
13 by the department for the purpose of providing a revolving, self-
14 sustaining resource for financing transportation infrastructure
15 projects.

16 (2) In addition to funds provided in subsection (1), money
17 received by the state as federal grants, repayment of state
18 infrastructure bank loans, or other reimbursement or revenue
19 received by the state as a result of projects funded by the program
20 and interest earned on that money shall be deposited in the
21 revolving state infrastructure bank fund and shall be available for
22 transportation infrastructure projects. At the close of the fiscal
23 year, any unencumbered funds remaining in the state infrastructure
24 bank fund shall remain in the fund and be carried forward into the
25 succeeding fiscal year.

26 (3) The department shall submit a report to the state budget
27 director, the house and senate appropriations subcommittees on

1 transportation, and the house and senate fiscal agencies on the
2 status of the state infrastructure bank. The report shall be
3 submitted on or before December 1, 2016. The report shall include
4 all of the following:

5 (a) The balance in the state infrastructure bank at September
6 30, 2016, including a breakdown of the balance by cash and cash
7 equivalents, outstanding loans, and balance available for loan to
8 local agencies.

9 (b) A breakdown of the state infrastructure loan balance by
10 amounts designated as originating from federal sources and the
11 amounts originating from nonfederal sources.

12 (c) A list of outstanding loans by agency, original loan
13 amount, project description, loan term, and amount outstanding.

14 Sec. 319. The department shall post signs at each rest area to
15 identify the agency or contractor responsible for maintenance of
16 the rest area. The signs shall include a department telephone
17 number and shall indicate that unsafe or unclean conditions at the
18 rest area may be reported to that telephone number.

19 Sec. 353. The department shall review its contractor payment
20 process and ensure that all prime contractors are paid promptly.
21 The department shall ensure that prime contractors are in
22 compliance with special provision 109.10 regarding the prompt
23 payment of subcontractors.

24 Sec. 357. When presented with complete local federal aid
25 project submittals, the department shall complete all necessary
26 reviews and inspections required to let local federal aid projects
27 within 120 days of receipt. The department shall implement a system

1 for monitoring the local federal aid project review process.

2 Sec. 375. The department is prohibited from reimbursing
3 contractors or consultants for costs associated with groundbreaking
4 ceremonies, receptions, open houses, or press conferences related
5 to transportation projects funded, in whole or in part, by revenue
6 appropriated in part 1.

7 Sec. 376. The department shall not spend funds appropriated in
8 part 1 for the purpose of examining the potential association
9 between commercial signs, outdoor advertising signs, billboards,
10 digital billboards, or commercial electronic variable message signs
11 and motor vehicle activity or motor vehicle driver behavior.

12 Sec. 381. The department shall require as a condition of each
13 contract or subcontract for construction, maintenance, or
14 engineering services that the prequalified contractor or
15 prequalified subcontractor agree to use the E-Verify system to
16 verify that all persons hired during the contract term by the
17 contractor or subcontractor are legally present and authorized to
18 work in the United States. The department may verify this
19 information directly or may require contractors and subcontractors
20 to verify the information and submit a certification to the
21 department. The department shall report to the house and senate
22 appropriations committees and the house and senate fiscal agencies
23 by March 1 of each year describing the processes it has developed
24 and implemented under provisions of this section. As used in this
25 section, "E-Verify" means an Internet-based system operated by the
26 Department of Homeland Security, U.S. Citizenship and Immigration
27 Services in partnership with the Social Security Administration.

1 Sec. 382. In administering a contract with a county road
2 commission, city, or village that allocates costs of construction
3 or reconstruction of highways, roads, and streets as provided in
4 section 18d of 1951 PA 51, MCL 247.668d, the department shall
5 submit the final cost-sharing bill to the county road commission,
6 city, or village not later than 2 years after the date of the final
7 contract payment to the construction contractor.

8 Sec. 383. (1) The department shall prepare a report on use of
9 department-owned aircraft during the fiscal year ending September
10 30, 2016. With respect to each department-owned aircraft, the
11 report shall include all of the following:

12 (a) Total hours of usage.

13 (b) Description of specific flights including dates of travel,
14 names of passengers including state agency, university, or local
15 government affiliation, travel origin and destination, and total
16 estimated costs associated with the air travel.

17 (2) The report shall be submitted to the senate and house
18 appropriations subcommittees on transportation and the house and
19 senate fiscal agencies no later than February 1, 2017.

20 (3) The department shall maintain a system for recovering the
21 cost of operating department-owned aircraft through charges to
22 aircraft users.

23 (4) From the funds appropriated in part 1, the department is
24 prohibited from transporting legislators or legislative staff on
25 state-owned aircraft without prior approval from the senate
26 majority leader or the speaker of the house of representatives and
27 only when the aircraft is already scheduled by state agencies on

1 related official state business.

2 (5) It is the intent of the legislature that the department
3 work with the Michigan state police to establish a reciprocal
4 agreement on employing fixed-wing aircraft with specifically
5 designed equipment for use by the Michigan state police when
6 conducting operations. The department shall submit a report
7 regarding the status of a reciprocal agreement to the senate and
8 house appropriations subcommittees on transportation and the house
9 and senate fiscal agencies no later than February 1, 2017.

10 Sec. 384. (1) Except as otherwise provided in subsection (2),
11 the department shall not obligate the state to expend any state
12 transportation revenue for construction planning or construction of
13 the Detroit River International Crossing or a renamed successor. In
14 addition, except as provided in subsection (2), the department
15 shall not commit the state to any new contract related to the
16 construction planning or construction of the Detroit River
17 International Crossing or a renamed successor that would obligate
18 the state to expend any state transportation revenue. An
19 expenditure for staff resources used in connection with project
20 activities, which expenditure is subject to full and prompt
21 reimbursement from Canada, shall not be considered an expenditure
22 of state transportation revenue.

23 (2) If the legislature enacts specific enabling legislation
24 for the construction of the Detroit River International Crossing or
25 a renamed successor, subsection (1) does not apply once the
26 enabling legislation goes into effect.

27 Sec. 385. (1) The department shall submit reports to the state

1 budget director, the speaker of the house, the house minority
2 leader, the senate majority leader, the senate minority leader, the
3 house and senate appropriations subcommittees on transportation,
4 and the house and senate fiscal agencies on department activities
5 related to all nonconstruction or construction planning activities
6 related to the Detroit River International Crossing or a renamed
7 successor. The initial report shall be submitted on or before
8 December 1, 2016 and shall cover the fiscal year ending September
9 30, 2016.

10 (2) The initial report shall include, at a minimum, all of the
11 following:

12 (a) Department costs incurred in the fiscal year ending
13 September 30, 2016, including employee salaries, wages, benefits,
14 travel, and contractual services, and what activities those costs
15 were related to.

16 (b) Costs of other executive branch agencies incurred in the
17 fiscal year ending September 30, 2016, including employee salaries,
18 wages, benefits, travel, and contractual services, and what
19 activities those costs were related to.

20 (c) A breakdown of the source of funds used for the activities
21 described in subdivisions (a) and (b).

22 (d) A breakdown of reimbursements made by Canada under section
23 384(1) to the state for expenditures for staff resources used in
24 connection with project activities.

25 (e) A narrative description of the status of the Detroit River
26 International Crossing or a renamed successor, including efforts
27 undertaken to implement provisions of the crossing agreement

1 executed June 15, 2012 by representatives of the Canadian
2 government and this state.

3 (3) After submission of the initial report, a subsequent
4 report shall be submitted on March 1, 2017, June 1, 2017, and
5 September 1, 2017 and shall include the same information described
6 in subsection (2) for the applicable previous fiscal quarter.

7 Sec. 393. (1) The department shall promote best practices for
8 public transportation services in this state, including, but not
9 limited to, the following:

10 (a) Transit vehicle rehabilitation to reduce life-cycle cost
11 of public transportation through midlife rehabilitation of transit
12 buses.

13 (b) Cooperation between entities using transit, including
14 school districts, cities, townships, and counties with a view to
15 promoting cost savings through joint purchasing of fuel and other
16 procurements.

17 (c) Coordination of transportation dollars among state
18 departments which provide transit-related services, including the
19 department of health and human services. Priority should be given
20 to use of public transportation services where available.

21 (d) Promotion of intelligent transportation services for buses
22 that incorporate computer and navigation technology to make transit
23 systems more efficient, including stoplight coordinating, vehicle
24 tracking, data tracking, and computerized scheduling.

25 (2) The department shall report on efforts taken to implement
26 this section as well as section 393 of article XVII of 2011 PA 63.
27 The department shall complete and submit the report to the state

1 budget director, the house and senate appropriations subcommittees
2 on transportation, and the house and senate fiscal agencies on or
3 before March 1, 2017.

4 Sec. 394. The department and local road agencies shall make
5 the preservation of their existing road networks a funding
6 priority.

7 Sec. 395. From the funds appropriated in part 1 for state
8 trunkline federal aid road and bridge construction, the department
9 may expend up to \$10,000,000.00 on highway maintenance activities
10 to support safety-related, high-priority, and other deferred
11 routine maintenance needs on Michigan's state trunkline network.

12 Sec. 396. In soliciting proposals for contractual services,
13 other than construction contracts, the department shall obtain
14 assurance that the respondents have the financial capability,
15 equipment, work force, and prior work experience sufficient to
16 perform the proposed services.

17 **FEDERAL**

18 Sec. 402. A portion of the federal DOT-FHWA highway research,
19 planning, and construction funds made available to this state shall
20 be allocated to transportation programs administered by local
21 jurisdictions in accordance with section 10o of 1951 PA 51, MCL
22 247.660o. A local road agency, with respect to a project approved
23 for federal aid funding in a state transportation improvement
24 program, may enter into a voluntary buyout agreement with the
25 department or with another local road agency to exchange the
26 federal aid with state restricted transportation funds as agreed to

1 by the respective parties. The state restricted transportation
2 funds received in exchange for federal aid funds shall be used for
3 the same purpose as the federal aid funds were originally intended.

4 **MICHIGAN TRANSPORTATION FUND**

5 Sec. 501. The money received under the motor carrier act, 1933
6 PA 254, MCL 475.1 to 479.42, and not appropriated to the department
7 of licensing and regulatory affairs or the department of state
8 police is deposited in the Michigan transportation fund.

9 Sec. 503. (1) The funds appropriated in part 1 for the
10 economic development and local bridge programs shall not lapse at
11 the end of the fiscal year but shall carry forward each fiscal year
12 for the purposes for which appropriated in accordance with 1987 PA
13 231, MCL 247.901 to 247.913, and section 10(5) of 1951 PA 51, MCL
14 247.660.

15 (2) Interest earned in the department of transportation
16 economic development fund and local bridge fund shall remain in the
17 respective funds and shall be allocated to the respective programs
18 based on actual interest earned at the end of each fiscal year.

19 (3) In addition to the funds appropriated in part 1, the
20 department of transportation economic development fund and local
21 bridge fund may receive federal, local, or private funds or
22 restricted source funds such as interest earnings. These funds are
23 appropriated for projects that are consistent with the purposes of
24 the respective funds.

25 (4) None of the funds statutorily dedicated to the
26 transportation economic development fund and local bridge fund

1 shall be diverted to other projects.

2 Sec. 504. Funds from the Michigan transportation fund shall be
3 distributed to the comprehensive transportation fund, the economic
4 development fund, the recreation improvement fund, and the state
5 trunkline fund, in accordance with this part and part 1 and part
6 711 of the natural resources and environmental protection act, 1994
7 PA 451, MCL 324.71101 to 324.71108, and may only be used as
8 specified in this part and part 1, 1951 PA 51, MCL 247.651 to
9 247.675, and part 711 of the natural resources and environmental
10 protection act, 1994 PA 451, MCL 324.71101 to 324.71108.

11 Sec. 505. If roads innovation funds are not released by a 1-
12 time concurrent resolution pursuant to section 1j(5) of 1951 PA 51,
13 MCL 247.651j, on or before October 1, 2016, the department shall
14 prepare a report that specifies the portions of total Michigan
15 transportation fund distributions to be withheld from the state
16 trunkline fund and each local road agency. The department shall
17 present the report to the state budget director, the senate and
18 house appropriations subcommittees on transportation, the senate
19 and house standing committees on transportation, and the senate and
20 house fiscal agencies on or before November 1, 2016.

21 **STATE TRUNKLINE FUND**

22 Sec. 601. (1) The department shall work with the road
23 construction industry and engineering consulting community to
24 develop a warranty program for capital road and bridge
25 construction, reconstruction, and rehabilitation projects. In
26 developing the warranty program, the department shall consider all

1 of the following:

2 (a) Scope of warranties, including warranties on materials and
3 workmanship, pavement or bridge performance criteria, and the
4 application of warranties to design/build projects.

5 (b) Length of warranty.

6 (c) Costs and benefits associated with scope of warranty and
7 various warranty provisions, including length of warranty.

8 (d) Any other relevant factors that might determine the use of
9 warranties, scope of warranty, or length of warranty.

10 (e) Use of warranties on local agency projects administered by
11 the department.

12 (f) Other measures used to identify premature failure of road
13 pavement or bridge elements and the related cause of those
14 failures.

15 (2) The department shall report on March 1 of each year to the
16 house of representatives and senate appropriations subcommittees on
17 transportation and the house and senate fiscal agencies on
18 provisions of the department's warrant program described under
19 subsection (1). The department shall timely inspect warrantied
20 projects prior to the expiration of any associated warranty.

21 (3) The department shall report to the legislature all of the
22 following with regard to road and bridge construction projects:

23 (a) An update on procedures involving the attorney general's
24 office regarding nonresponsive contractors that had received notice
25 but failed to fulfill the terms of a warranty.

26 (b) An update on any upgrades and improvements to the
27 statewide warranty administrative database.

1 (c) The number of active road and bridge construction
2 warranties.

3 (d) The number of road and bridge project warranties that
4 required corrective action, and the date or dates of any corrective
5 action.

6 (e) The number of warrantied projects that required corrective
7 action but expired prior to the contractor receiving notice and the
8 total cost of each of those projects.

9 (f) The number of instances where a contractor was notified of
10 the need for corrective action more than 60 days after the
11 associated warranty period.

12 (g) The number of unresolved corrective actions outstanding
13 beyond 15 months, and the department's findings and any changes to
14 existing policies and procedures as required in subsection (5).

15 (4) The report required under subsection (3) is due on March 1
16 of each calendar year, shall reflect the prior 12-month period, and
17 shall be transmitted to the house of representatives and senate
18 appropriations subcommittees on transportation, the state budget
19 director, and the house and senate fiscal agencies.

20 (5) The department shall maintain documentation to support
21 initial acceptance of warrantied projects, interim and final
22 inspections, and notifications to contractors that the warranty
23 period had expired. The department also shall review and evaluate
24 consultant evaluation requirements or recommendations and update
25 existing policies and procedures accordingly.

26 Sec. 604. At the close of the fiscal year, any unencumbered
27 and unexpended balance in the state trunkline fund shall remain in

1 the state trunkline fund and shall carry forward and is
2 appropriated for federal aid road and bridge programs for projects
3 contained in the annual state transportation program.

4 Sec. 610. The department shall have as a priority the removal
5 of dead deer and other large animal remains from the traveled
6 portion and shoulder of state highways. The department, and
7 counties that perform state highway maintenance under contract,
8 shall remove animal remains, wherever practicable and when funds
9 are available, away from the traveled portion and shoulder of state
10 highways.

11 Sec. 612. The department shall establish guidelines governing
12 incentives and disincentives provided under contracts for state
13 trunkline projects. The guidelines shall include specific financial
14 information concerning incentives and disincentives. On or before
15 January 1 of each year, the department shall prepare a report for
16 the immediately preceding fiscal year regarding contract incentives
17 and disincentives. This report shall include a list, by project, of
18 the contractors that received contract incentives and/or
19 disincentives, the amount of the incentives and/or disincentives,
20 the fund source of any incentives, and the number of days that each
21 project was completed either ahead or past the contracted
22 completion date. This report shall be provided to the senate and
23 house appropriations subcommittees on transportation, the senate
24 and house standing committees on transportation, and the senate and
25 house fiscal agencies.

26 Sec. 660. (1) The legislature encourages the department to
27 examine the use of alternative road surface materials, including

1 recycled materials, and to develop criteria and specifications for
2 their use in both department-managed and contracted projects.

3 (2) The department shall report on efforts taken to implement
4 this section. The report shall include descriptions of specific
5 materials evaluated, evaluation methods, and results of specific
6 field or laboratory tests. The department shall complete and submit
7 the report to the state budget director, the house and senate
8 appropriations subcommittees on transportation, and the house and
9 senate fiscal agencies on or before March 1 of each year.

10 **TRANSIT AND RAIL RELATED FUNDS**

11 Sec. 701. The department shall establish an intercity bus
12 equipment and facility fund as a subsidiary fund within the
13 comprehensive transportation fund created under section 10b of 1951
14 PA 51, MCL 247.660b. Proceeds received by this state from the sale
15 of state-owned intercity bus equipment shall be credited to the
16 intercity bus equipment and facility fund for the purchase and
17 repair of intercity bus equipment, as appropriated. Security
18 deposits not returned to a lessee of state-owned intercity bus
19 equipment under terms of the lease agreement shall be credited to
20 the intercity bus equipment and facility fund for the repair of
21 intercity bus equipment, as appropriated. Money received by the
22 department from lease payments for state-owned intercity bus
23 equipment, and facility maintenance charges under terms of leases
24 of state-owned intercity facilities, shall be credited to the
25 intercity bus equipment and facility fund for the purchase and
26 repair of intercity bus equipment or for the maintenance and

1 rehabilitation of state-owned intercity facilities, as
2 appropriated. At the close of the fiscal year, any funds remaining
3 in the intercity bus equipment and facility fund shall remain in
4 the fund and be carried forward into the succeeding fiscal year.

5 Sec. 702. Money that is received by this state as repayment
6 for loans made for rail or water freight capital projects, and as a
7 result of the sale of property or equipment used or projected to be
8 used for rail or water freight projects shall be deposited in the
9 rail freight fund created by section 17 of the state transportation
10 preservation act of 1976, 1976 PA 295, MCL 474.67. At the close of
11 the fiscal year, any funds remaining in the rail freight fund shall
12 remain in the fund and be carried forward into the succeeding
13 fiscal year.

14 Sec. 703. After receiving notification from a railroad company
15 pursuant to section 8 of the state transportation preservation act
16 of 1976, 1976 PA 295, MCL 474.58, the department shall immediately
17 notify the house of representatives and senate appropriations
18 subcommittees on transportation and the state budget office that
19 the railroad company has filed with the appropriate governmental
20 agencies for abandonment of a line.

21 Sec. 704. From the funds appropriated in part 1, the
22 department shall prepare and transmit a report that provides detail
23 regarding the department's expenditures for programs funded under
24 the appropriation in part 1 for rail operations and infrastructure.
25 The report shall include a breakdown of the appropriation by
26 program, year-to-date expenditures under each program itemized by
27 project, and an estimate of future expenditures under each program

1 itemized by project for the remainder of the fiscal year. The
2 initial report shall be submitted to the senate and house
3 appropriations subcommittees on transportation, and the senate and
4 house fiscal agencies, on or before October 30, 2016. The
5 department also shall update and resubmit the report on or before
6 February 1 of each year.

7 Sec. 705. It is the intent of the legislature that the
8 department will provide assistance, whether administrative or
9 otherwise, to the city of Woodhaven so that the city may meet
10 funding needs for a rail and street separation project.

11 Sec. 706. The Detroit/Wayne County Port Authority shall issue
12 a complete operations assessment and a financial disclosure
13 statement. The operations assessment shall include operational
14 goals for the next 5 years and recommendations to improve land
15 acquisition and development efficiency. The report shall be
16 completed and submitted to the house of representatives and senate
17 appropriations subcommittees on transportation, the state budget
18 director, and the house and senate fiscal agencies by June 30 of
19 each fiscal year for the prior fiscal year.

20 Sec. 711. (1) As prescribed in subsection (2), the department
21 shall submit reports to the state budget director, the house and
22 senate appropriations subcommittees on transportation, and the
23 house and senate fiscal agencies on rail passenger service provided
24 by Amtrak under a contractual agreement with the department. The
25 report shall be submitted on or before May 1 of each year.

26 (2) The report shall include all of the following:

27 (a) Passenger counts for the preceding fiscal year for each

1 Amtrak service route in Michigan.

2 (b) Revenue and operating expenses by Amtrak route.

3 (c) Total state operating payments to Amtrak in the preceding
4 fiscal year by Amtrak route.

5 (d) A discussion of major factors affecting route costs and
6 revenue and net state costs in the preceding fiscal year, and
7 factors affecting route costs and revenue and net state costs
8 anticipated in the current and future fiscal years.

9 Sec. 735. For the fiscal year ending September 30, 2017, the
10 appropriation to a street railway pursuant to section 10e(22) of
11 1951 PA 51, MCL 247.660e, is \$0.

12 **AERONAUTICS FUND**

13 Sec. 801. Except as otherwise provided in section 903 for
14 capital outlay, at the close of the fiscal year, any unobligated
15 and unexpended balance in the state aeronautics fund created in the
16 aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.1
17 to 259.208, shall lapse to the state aeronautics fund and be
18 appropriated by the legislature in the immediately succeeding
19 fiscal year.

20 Sec. 802. The legislature encourages the department to find
21 private entities or local public agencies to assume ownership and
22 operating responsibility for airports currently owned by the
23 department.

24 Sec. 803. Not later than December 1, 2016, the department, in
25 cooperation with the department of technology, management, and
26 budget, shall release a request for proposal seeking competitive

1 bids for the award of a contract for third party management and
2 sale of the department's aging aircraft. Third party management
3 shall include, but not be limited to: aircraft transportation
4 services, aircraft, aircraft personnel including pilots and
5 technicians, aircraft maintenance, aircraft facilities, and
6 aircraft fuel.

7 **CAPITAL OUTLAY**

8 Sec. 901. (1) From federal-state-local project appropriations
9 contained in part 1 for the purpose of assisting political entities
10 and subdivisions of this state in the construction and improvement
11 of publicly used airports and landing fields within this state, the
12 state transportation department may permit the award of contracts
13 on behalf of units of local government for the authorized locations
14 not to exceed the indicated amounts, of which the state allocated
15 portion shall not exceed the amount appropriated in part 1.

16 (2) Political entities and subdivisions shall provide not less
17 than 5% of the cost of any project under this section, unless a
18 total nonfederal share greater than 10% is otherwise specified in
19 federal law. State money shall not be allocated until local money
20 is allocated. State money for any 1 project shall not exceed 1/3 of
21 the total appropriation in part 1 from state funds for airport
22 improvement programs.

23 (3) The Michigan aeronautics commission may take those steps
24 necessary to match federal money available for airport construction
25 and improvement within this state and to meet the matching
26 requirements of the federal government. Whether acting alone or

1 jointly with another political subdivision or public agency or with
2 this state, a political subdivision or public agency of this state
3 shall not submit to any agency of the federal government a project
4 application for airport planning or development unless it is
5 authorized in this part and part 1 and the project application is
6 approved by the governing body of each political subdivision or
7 public agency making the application and by the Michigan
8 aeronautics commission.

9 Sec. 903. The appropriations in part 1 for capital outlay
10 shall be carried forward at the end of the fiscal year consistent
11 with the provisions of section 248 of the management and budget
12 act, 1984 PA 431, MCL 18.1248.

13 **ONE-TIME BASIS ONLY APPROPRIATION**

14 Sec. 1001. The funds appropriated in part 1 for special grants
15 shall be used to fund the following road improvement projects:

16 (a) Berrien County: US-31 right-of-way acquisition.

17 (b) Lenawee County: upgrading Weston Road and Rodesiler
18 Highway to provide an all-season truck route between M-52 and US-
19 223.

20 (c) Macomb County: M-53 at 33 Mile Road access.

21 PART 2A

22 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

23 FOR FISCAL YEAR 2017-2018

24 **GENERAL SECTIONS**

1 Sec. 1201. It is the intent of the legislature to provide
2 appropriations for the fiscal year ending on September 30, 2018 for
3 the line items listed in part 1. The fiscal year 2017-2018
4 appropriations are anticipated to be the same as those for fiscal
5 year 2016-2017, except that the line items will be adjusted for
6 changes in caseload and related costs, federal fund match rates,
7 economic factors, and available revenue. These adjustments will be
8 determined after the January 2017 consensus revenue estimating
9 conference.