

**SUBSTITUTE FOR
HOUSE BILL NO. 5408**

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 section 9a (MCL 247.659a), as amended by 2012 PA 298.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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

2 (a) "Asset management" means an ongoing process of
3 maintaining, **PRESERVING**, upgrading, and operating physical assets
4 cost-effectively, based on a continuous physical inventory and
5 condition assessment **AND INVESTMENT TO ACHIEVE ESTABLISHED**
6 **PERFORMANCE GOALS**.

7 **(B) "ASSET MANAGEMENT PLAN" MEANS A PLAN CREATED BY THE**
8 **DEPARTMENT OR BY A LOCAL ROAD AGENCY AND APPROVED BY THE LOCAL ROAD**
9 **AGENCY'S GOVERNING BODY THAT INCLUDES PROVISIONS FOR ASSET**
10 **INVENTORY, PERFORMANCE GOALS, RISK OF FAILURE ANALYSIS, ANTICIPATED**
11 **REVENUES AND EXPENSES, PERFORMANCE OUTCOMES, AND COORDINATION WITH**
12 **OTHER INFRASTRUCTURE OWNERS**.

13 **(C) ~~(b)~~**"Bridge" means a structure including supports erected
14 over a depression or an obstruction, such as water, a highway, or a
15 railway, for the purposes of carrying traffic or other moving
16 loads, and having an opening measuring along the center of the

1 roadway of more than 20 feet between undercopings of abutments or
2 spring lines of arches, or extreme ends of openings for multiple
3 boxes where the clear distance between openings is less than 1/2 of
4 the smaller contiguous opening.

5 (D) ~~(e)~~ "Central storage data agency" means ~~that~~ **AN** agency or
6 office chosen by the council where the data collected is stored and
7 maintained.

8 ~~(d) "Council" means the transportation asset management~~
9 ~~council created by this section.~~

10 (e) "Department" means the state transportation department.

11 (f) "Federal-aid eligible" means a public road or bridge that
12 is eligible for federal aid to be spent for the construction,
13 repair, or maintenance of that road or bridge.

14 (g) "Local road agency" means a county road commission or
15 designated county road agency or city or village that is
16 responsible for the construction or maintenance of public roads
17 within the state under this act.

18 (H) **"MICHIGAN INFRASTRUCTURE COUNCIL" MEANS THE MICHIGAN**
19 **INFRASTRUCTURE COUNCIL CREATED IN SECTION 3 OF THE MICHIGAN**
20 **INFRASTRUCTURE COUNCIL ACT.**

21 (I) ~~(h)~~ "Multiyear program" means a compilation of road and
22 bridge projects anticipated to be contracted for by the department
23 or a local road agency during a 3-year period. The multiyear
24 program shall include a listing of each project to be funded in
25 whole or in part with state or federal funds.

26 (J) **"REGION" MEANS THE GEOGRAPHIC JURISDICTION OF ANY OF THE**
27 **FOLLOWING:**

1 (i) A REGIONAL PLANNING COMMISSION CREATED UNDER 1945 PA 281,
2 MCL 125.11 TO 125.25.

3 (ii) A REGIONAL ECONOMIC DEVELOPMENT COMMISSION CREATED UNDER
4 1966 PA 46, MCL 125.1231 TO 125.1237.

5 (iii) A METROPOLITAN AREA COUNCIL FORMED UNDER THE
6 METROPOLITAN COUNCILS ACT, 1989 PA 292, MCL 124.651 TO 124.729.

7 (iv) A MICHIGAN METROPOLITAN PLANNING ORGANIZATION ESTABLISHED
8 UNDER THE MOVING AHEAD FOR PROGRESS IN THE 21ST CENTURY ACT, PUBLIC
9 LAW 112-141.

10 (v) AN AGENCY DIRECTED AND FUNDED BY SECTION 822F OF 2016 PA
11 268, TO ENGAGE IN JOINT DECISION-MAKING PRACTICES RELATED TO, BUT
12 NOT LIMITED TO, COMMUNITY DEVELOPMENT, ECONOMIC DEVELOPMENT,
13 TALENT, AND INFRASTRUCTURE OPPORTUNITIES.

14 (K) ~~(i)~~ "State planning and development regions" means those
15 agencies required by ~~section 134 of title 23 of the United States~~
16 ~~Code,~~ 23 USC 134, and those agencies established by Executive
17 Directive 1968-1.

18 (l) "WATER ASSET MANAGEMENT COUNCIL" MEANS THE WATER ASSET
19 MANAGEMENT COUNCIL CREATED IN SECTION 5002 OF THE NATURAL RESOURCES
20 AND ENVIRONMENTAL PROTECTION ACT, 1994 PA 451, MCL 324.5002.

21 (2) In order to provide a coordinated, unified effort by the
22 various ~~roadway~~ ROAD agencies within the ~~the~~ THIS state, the
23 transportation asset management council is hereby created within
24 the state transportation commission. ~~and is charged with advising~~
25 UPON CREATION OF THE MICHIGAN INFRASTRUCTURE COUNCIL, THE
26 TRANSPORTATION ASSET MANAGEMENT COUNCIL SHALL BE PLACED WITHIN THE
27 MICHIGAN INFRASTRUCTURE COUNCIL.

1 **(3) THE TRANSPORTATION ASSET MANAGEMENT COUNCIL SHALL ADVISE**
 2 the ~~commission~~ **MICHIGAN INFRASTRUCTURE COUNCIL** on a statewide
 3 **TRANSPORTATION** asset management strategy and the processes and
 4 ~~necessary tools~~ needed to implement ~~such a~~ **THAT** strategy, beginning
 5 with the federal-aid eligible highway system ~~, and once completed,~~
 6 ~~continuing on with the county road and municipal systems, in a~~
 7 ~~cost-effective, efficient manner. Nothing in this~~ **AND**
 8 **INFRASTRUCTURE ASSETS THAT IMPACT SYSTEM PERFORMANCE, SAFETY, OR**
 9 **RISK MANAGEMENT, INCLUDING SIGNALS AND CULVERTS. THIS** section shall
 10 **DOES NOT** prohibit a local road agency from using an asset
 11 management process on its non-federal-aid eligible system.

12 **(4)** The **TRANSPORTATION ASSET MANAGEMENT** council shall consist
 13 of 10 voting members appointed by the state transportation
 14 commission. The **TRANSPORTATION ASSET MANAGEMENT** council shall
 15 include 2 members from the ~~county road association~~ **COUNTY ROAD**
 16 **ASSOCIATION** of Michigan, 2 members from the Michigan ~~municipal~~
 17 ~~league,~~ **MUNICIPAL LEAGUE**, 2 members from the state planning and
 18 development regions, 1 member from the Michigan ~~townships~~
 19 ~~association,~~ **TOWNSHIPS ASSOCIATION**, 1 member from the Michigan
 20 ~~association~~ **ASSOCIATION** of ~~counties,~~ **COUNTIES**, and 2 members from
 21 the department. Nonvoting members shall include 1 person from the
 22 agency or office selected as the location for central data storage.
 23 Each agency with voting rights shall submit a list of 2 nominees to
 24 the state transportation commission from which the appointments
 25 shall be made. The Michigan ~~townships association~~ **TOWNSHIPS**
 26 **ASSOCIATION** shall submit 1 name, and the Michigan ~~association~~
 27 **ASSOCIATION** of ~~counties~~ **COUNTIES** shall submit 1 name. Names shall

1 be submitted within 30 days after July 3, 2002. The state
 2 transportation commission shall make the appointments within 30
 3 days after receipt of the lists.

4 (5) ~~(3)~~—The positions for the department **ON THE TRANSPORTATION**
 5 **ASSET MANAGEMENT COUNCIL** shall be permanent. The position of the
 6 central data storage agency shall be nonvoting and shall be for as
 7 long as the agency continues to serve as the data storage
 8 repository. The member from the Michigan ~~association~~ **ASSOCIATION** of
 9 ~~counties~~ **COUNTIES** shall be initially appointed for 2 years. The
 10 member from the Michigan ~~townships association~~ **TOWNSHIPS**
 11 **ASSOCIATION** shall be initially appointed for 3 years. Of the
 12 members first appointed from the ~~county road association~~ **COUNTY**
 13 **ROAD ASSOCIATION** of Michigan, the Michigan ~~municipal league,~~
 14 **MUNICIPAL LEAGUE**, and the state planning and development regions, 1
 15 member of each group shall be appointed for 2 years and 1 member of
 16 each group shall be appointed for 3 years. At the end of the
 17 initial appointment, all terms shall be for 3 years. The
 18 chairperson shall be selected from among the voting members of the
 19 **TRANSPORTATION ASSET MANAGEMENT** council. **A MEMBER OF THE**
 20 **TRANSPORTATION ASSET MANAGEMENT COUNCIL MAY BE REMOVED FOR**
 21 **INCOMPETENCE, DERELICTION OF DUTY, MALFEASANCE DURING HIS OR HER**
 22 **TENURE IN OFFICE, OR ANY OTHER CAUSE CONSIDERED APPROPRIATE BY THE**
 23 **MICHIGAN INFRASTRUCTURE COUNCIL.**

24 (6) ~~(4)~~—The department shall provide qualified administrative
 25 staff and the state planning and development regions shall provide
 26 qualified technical assistance to the **TRANSPORTATION ASSET**
 27 **MANAGEMENT** council.

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

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

24 **(7) THE TRANSPORTATION ASSET MANAGEMENT COUNCIL MAY APPOINT**
25 **SUBCOMMITTEES OR TECHNICAL ADVISORY COMMITTEES WHOSE MEMBERS SHALL**
26 **SERVE AS NEEDED TO PROVIDE RESEARCH ON ISSUES AND PROJECTS AS**
27 **DIRECTED BY THE MICHIGAN INFRASTRUCTURE COUNCIL. A RECOMMENDATION**

1 FROM A SUBCOMMITTEE OR A TECHNICAL ADVISORY COMMITTEE APPOINTED
2 UNDER THIS SUBSECTION IS ADVISORY ONLY AND IS NOT BINDING ON THE
3 MICHIGAN INFRASTRUCTURE COUNCIL.

4 (8) EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION, COSTS
5 INCURRED FOR DATA COLLECTION, ANALYSIS, OR SUBMITTAL, OTHER THAN
6 COSTS COVERED BY THE COUNCIL FOR THE FEDERAL-AID ELIGIBLE HIGHWAY
7 SYSTEM, ARE THE RESPONSIBILITY OF THE OWNER OF THE DATA. A LOCAL
8 ROAD AGENCY MAY REQUEST THAT THE REGION COLLECT DATA ON LOCAL ROADS
9 OR STREETS WITHIN THAT REGION. THE REGION SHALL DETERMINE WHERE TO
10 COLLECT LOCAL ROAD OR STREET DATA TO EXPEND ITS REMAINING DATA
11 COLLECTION MONEY BASED UPON REQUESTS RECEIVED FROM LOCAL ROAD
12 AGENCIES.

13 (9) THE TRANSPORTATION ASSET MANAGEMENT COUNCIL SHALL PROMOTE
14 AND OVERSEE THE IMPLEMENTATION OF RECOMMENDATIONS FROM THE REGIONAL
15 INFRASTRUCTURE ASSET MANAGEMENT PILOT PROGRAM ON A STATEWIDE LEVEL
16 AS THE PROGRAM RELATES TO ROADS, BRIDGES, AND RELATED
17 TRANSPORTATION INFRASTRUCTURE.

18 (10) NO LATER THAN OCTOBER 1, 2019, THE TRANSPORTATION ASSET
19 MANAGEMENT COUNCIL SHALL DEVELOP A TEMPLATE FOR AN ASSET MANAGEMENT
20 PLAN FOR USE BY LOCAL ROAD AGENCIES RESPONSIBLE FOR 100 OR MORE
21 CERTIFIED MILES OF ROAD AND REQUIRE ITS SUBMISSION TO THE
22 TRANSPORTATION ASSET MANAGEMENT COUNCIL AS PROVIDED IN SUBSECTION
23 (12). NO LATER THAN OCTOBER 1, 2019, THE TRANSPORTATION ASSET
24 MANAGEMENT COUNCIL SHALL ESTABLISH A SCHEDULE FOR THE SUBMISSION OF
25 ASSET MANAGEMENT PLANS BY LOCAL ROAD AGENCIES DESCRIBED IN
26 SUBSECTION (11) (B) THAT ENSURES THAT 1/3 OF THOSE LOCAL ROAD
27 AGENCIES SUBMIT AN ASSET MANAGEMENT PLAN EACH YEAR. THE TEMPLATE

1 REQUIRED BY THIS SUBSECTION SHALL INCLUDE, BUT IS NOT LIMITED TO,
2 ALL OF THE FOLLOWING:

3 (A) ASSET INVENTORY, INCLUDING THE LOCATION, MATERIAL, SIZE,
4 AND CONDITION OF THE ASSETS, IN A FORMAT THAT ALLOWS FOR DIGITAL
5 MAPPING. ALL STANDARDS AND PROTOCOLS FOR ASSETS SHALL BE CONSISTENT
6 WITH GOVERNMENT ACCOUNTING STANDARDS. STANDARDS AND PROTOCOLS FOR
7 ASSETS THAT ARE ELIGIBLE FOR FEDERAL AID SHALL BE CONSISTENT WITH
8 FEDERAL REQUIREMENTS AND REGULATIONS.

9 (B) PERFORMANCE GOALS, INCLUDING THE DESIRED CONDITION AND
10 PERFORMANCE OF THE ASSETS, WHICH SHALL BE SET BY THE LOCAL ROAD
11 AGENCY. PERFORMANCE GOALS MAY VARY AMONG ASSET CLASSES UNDER THE
12 LOCAL ROAD AGENCY'S JURISDICTION. IF A LOCAL ROAD AGENCY HAS
13 JURISDICTION OVER ROADS OR BRIDGES THAT ARE DESIGNATED AS PART OF
14 THE FEDERAL NATIONAL HIGHWAY SYSTEM, PERFORMANCE GOALS FOR THAT
15 PORTION OF THE SYSTEM SHALL BE CONSISTENT WITH ESTABLISHED FEDERAL
16 PERFORMANCE TARGETS.

17 (C) RISK OF FAILURE ANALYSIS, INCLUDING THE IDENTIFICATION OF
18 THE PROBABILITY AND CRITICALITY OF A FAILURE OF THE MOST CRITICAL
19 ASSETS AND ANY CONTINGENCY PLANS.

20 (D) ANTICIPATED REVENUES AND EXPENSES, INCLUDING A DESCRIPTION
21 OF ALL REVENUE SOURCES AND ANTICIPATED RECEIPTS FOR THE PERIOD
22 COVERED BY THE ASSET MANAGEMENT PLAN AND EXPECTED INFRASTRUCTURE
23 REPAIR AND REPLACEMENT EXPENDITURES, INCLUDING PLANNED IMPROVEMENTS
24 AND CAPITAL RECONSTRUCTION.

25 (E) PERFORMANCE OUTCOMES, INCLUDING A DETERMINATION OF HOW THE
26 LOCAL ROAD AGENCY'S INVESTMENT STRATEGY WILL ACHIEVE THE DESIRED
27 LEVELS OF SERVICE AND PERFORMANCE GOALS AND THE STEPS NECESSARY TO

1 ENSURE ASSET CONDITIONS MEET OR ACHIEVE STATED GOALS AND A
2 DESCRIPTION AND EXPLANATION OF ANY GAP BETWEEN ACHIEVABLE CONDITION
3 AND PERFORMANCE THROUGH THE INVESTMENT STRATEGY AND DESIRED GOALS.

4 (F) A DESCRIPTION OF HOW THE LOCAL ROAD AGENCY PLANS TO
5 COORDINATE WITH OTHER INFRASTRUCTURE OWNERS, INCLUDING NEIGHBORING
6 JURISDICTIONS AND UTILITIES, TO MINIMIZE DUPLICATION OF EFFORT
7 REGARDING INFRASTRUCTURE PRESERVATION AND MAINTENANCE.

8 (G) PROOF OF ACCEPTANCE, CERTIFICATION, OR ADOPTION BY THE
9 LOCAL ROAD AGENCY'S GOVERNING BODY.

10 (11) ~~(7)~~—The department, each county road commission, and each
11 city and village of this state shall annually submit a report ON
12 **INFRASTRUCTURE CONDITIONS AND INVESTMENT** to the transportation
13 asset management council. This report shall include a multiyear
14 program developed through the asset management process described in
15 this section. **ALL OF THE FOLLOWING APPLY TO A MULTIYEAR PROGRAM**
16 **REQUIRED BY THIS SUBSECTION:**

17 (A) Projects contained in the department's annual multiyear
18 program shall be consistent with the department's asset management
19 process and **ASSET MANAGEMENT PLAN, AND** shall be reported consistent
20 with categories established by the transportation asset management
21 council.

22 (B) Projects contained in the annual multiyear program of each
23 local road agency **RESPONSIBLE FOR 100 OR MORE CERTIFIED MILES OF**
24 **ROAD** shall be consistent with the asset management process **AND**
25 **ASSET MANAGEMENT PLAN** of each ~~—~~**THAT** local road agency and shall be
26 reported consistent with categories established by the
27 transportation asset management council.

1 (C) PROJECTS CONTAINED IN THE ANNUAL MULTIYEAR PROGRAM OF EACH
2 LOCAL ROAD AGENCY RESPONSIBLE FOR LESS THAN 100 CERTIFIED MILES OF
3 ROAD SHALL BE CONSISTENT WITH THE ASSET MANAGEMENT PROCESS OF THAT
4 LOCAL ROAD AGENCY AND SHALL BE REPORTED CONSISTENT WITH CATEGORIES
5 ESTABLISHED BY THE TRANSPORTATION ASSET MANAGEMENT COUNCIL.

6 (12) BEGINNING OCTOBER 1, 2020, EACH LOCAL ROAD AGENCY
7 DESCRIBED IN SUBSECTION (11) (B) SHALL BEGIN SUBMITTING AN ASSET
8 MANAGEMENT PLAN TO THE TRANSPORTATION ASSET MANAGEMENT COUNCIL
9 ACCORDING TO THE 3-YEAR SCHEDULE DESCRIBED IN SUBSECTION (10). THE
10 ASSET MANAGEMENT PLAN SHALL COVER A PERIOD OF AT LEAST 3 YEARS, AND
11 SHALL BE CONSISTENT WITH A TEMPLATE PROVIDED BY THE TRANSPORTATION
12 ASSET MANAGEMENT COUNCIL. A LOCAL ROAD AGENCY THAT IS REQUIRED TO
13 SUBMIT AN ASSET MANAGEMENT PLAN UNDER THIS SUBSECTION THAT HAS NOT
14 SUBMITTED THE ASSET MANAGEMENT PLAN BY OCTOBER 1, 2024 IS OUT OF
15 COMPLIANCE WITH THIS ACT AND WILL NOT RECEIVE FUNDING UNDER THIS
16 ACT UNTIL IT SUBMITS AN ASSET MANAGEMENT PLAN TO THE TRANSPORTATION
17 ASSET MANAGEMENT COUNCIL THAT SATISFIES THE REQUIREMENTS OF THIS
18 SECTION.

19 (13) THE TRANSPORTATION ASSET MANAGEMENT COUNCIL SHALL REVIEW
20 AN ASSET MANAGEMENT PLAN SUBMITTED UNDER SUBSECTION (12) NO LATER
21 THAN 6 MONTHS AFTER RECEIPT OF THE ASSET MANAGEMENT PLAN. THE
22 TRANSPORTATION ASSET MANAGEMENT COUNCIL SHALL COMPARE THE ASSET
23 MANAGEMENT PLAN TO THE MINIMUM REQUIREMENTS OF THIS ACT AND THE
24 TEMPLATE CREATED BY THE TRANSPORTATION ASSET MANAGEMENT COUNCIL,
25 AND DETERMINE WHETHER THE ASSET MANAGEMENT PLAN IS IN COMPLIANCE
26 WITH THOSE STANDARDS. IF THE ASSET MANAGEMENT PLAN DOES NOT MEET
27 THOSE STANDARDS, THE TRANSPORTATION ASSET MANAGEMENT COUNCIL SHALL

1 SEEK CONCURRENCE FROM THE DEPARTMENT THAT THE ASSET MANAGEMENT PLAN
2 DOES NOT MEET THE TRANSPORTATION ASSET MANAGEMENT COUNCIL'S
3 STANDARDS. IF THE DEPARTMENT CONCURS, THE TRANSPORTATION ASSET
4 MANAGEMENT COUNCIL SHALL REQUIRE THE LOCAL ROAD AGENCY TO REVISE
5 ITS ASSET MANAGEMENT PLAN TO CONFORM TO THE STANDARDS WITHIN 6
6 MONTHS AFTER NOTIFYING THE LOCAL ROAD AGENCY THAT THE ASSET
7 MANAGEMENT PLAN DOES NOT MEET THE TRANSPORTATION ASSET MANAGEMENT
8 COUNCIL'S STANDARDS.

9 (14) BEGINNING OCTOBER 1, 2025, A LOCAL ROAD AGENCY DESCRIBED
10 IN SUBSECTION (11) (B) THAT CANNOT DEMONSTRATE THAT IT HAS MADE
11 PROGRESS TOWARD ACHIEVING THE CONDITION GOALS DESCRIBED IN ITS
12 ASSET MANAGEMENT PLAN FOR ITS FEDERAL-AID ELIGIBLE COUNTY PRIMARY
13 ROAD SYSTEM OR CITY MAJOR STREET SYSTEM, AS APPLICABLE, SHALL NOT
14 SHIFT FUNDS DISTRIBUTED TO IT UNDER THIS ACT FROM A COUNTY PRIMARY
15 ROAD SYSTEM TO A COUNTY LOCAL ROAD SYSTEM OR FROM A CITY MAJOR
16 STREET SYSTEM TO A CITY LOCAL STREET SYSTEM, AS APPLICABLE. A LOCAL
17 ROAD AGENCY MAY SUBMIT A REVISED ASSET MANAGEMENT PLAN TO THE
18 TRANSPORTATION ASSET MANAGEMENT COUNCIL.

19 (15) AN ANNUAL REPORT SHALL BE PREPARED BY THE STAFF ASSIGNED
20 TO THE TRANSPORTATION ASSET MANAGEMENT COUNCIL REGARDING THE
21 RESULTS OF ACTIVITIES CONDUCTED DURING THE PRECEDING YEAR AND THE
22 EXPENDITURE OF FUNDS RELATED TO THE PROCESSES AND ACTIVITIES
23 IDENTIFIED BY THE MICHIGAN INFRASTRUCTURE COUNCIL. THE REPORT SHALL
24 ALSO INCLUDE A SUMMARY ANALYSIS OF THE ASSET MANAGEMENT PLANS AND
25 ANNUAL REPORTS RECEIVED FROM LOCAL ROAD AGENCIES, A DETERMINATION
26 OF HOW INVESTMENTS ARE ACHIEVING DESIRED LEVELS OF SERVICE AND
27 PERFORMANCE GOALS, AN IDENTIFICATION OF ANY ADDITIONAL STEPS THAT

1 MAY BE NEEDED TO ACHIEVE DESIRED LEVELS OF SERVICE AND PERFORMANCE
2 GOALS, AND AN OVERVIEW OF THE ACTIVITIES IDENTIFIED FOR THE
3 SUCCEEDING YEAR. THE TRANSPORTATION ASSET MANAGEMENT COUNCIL SHALL
4 SUBMIT THIS REPORT TO THE MICHIGAN INFRASTRUCTURE COUNCIL, THE
5 STATE TRANSPORTATION COMMISSION, THE LEGISLATURE, AND THE
6 TRANSPORTATION COMMITTEES OF THE HOUSE AND SENATE BY MAY 2 OF EACH
7 YEAR.

8 (16) ~~(8)~~—Funding necessary to support the activities described
9 in this section shall be provided by an annual appropriation from
10 the Michigan transportation fund to the state transportation
11 commission. **BEGINNING ON THE EFFECTIVE DATE OF THE AMENDATORY ACT**
12 **THAT AMENDED THIS SUBSECTION, THE ANNUAL APPROPRIATION PROVIDED FOR**
13 **IN THIS SUBSECTION SHALL BE ALLOCATED TO THE MICHIGAN**
14 **INFRASTRUCTURE COUNCIL AND SHALL BE USED TO SUPPORT THE ACTIVITIES**
15 **DESCRIBED IN THIS SECTION.**

16 (17) ~~(9)~~—The department and each local road agency shall keep
17 accurate and uniform records on all road and bridge work performed
18 and funds expended for the purposes of this section, according to
19 the procedures developed by the **TRANSPORTATION ASSET MANAGEMENT**
20 council. Each local road agency and the department shall annually
21 report to the **TRANSPORTATION ASSET MANAGEMENT** council the mileage
22 and condition of the road and bridge system under their
23 jurisdiction and the receipts and disbursements of road and street
24 funds in the manner prescribed by the **TRANSPORTATION ASSET**
25 **MANAGEMENT** council, which shall be consistent with any current
26 accounting procedures. ~~An annual report shall be prepared by the~~
27 ~~staff assigned to the council regarding the results of activities~~

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

8 **(18) A LOCAL ROAD AGENCY MAY SEEK AND USE FEDERAL GRANTS OR**
9 **LOANS TO ACHIEVE THE GOALS AND MANAGE THE ASSET INVENTORY DESCRIBED**
10 **IN ITS ASSET MANAGEMENT PLAN.**

11 Enacting section 1. This amendatory act takes effect 90 days
12 after the date it is enacted into law.

13 Enacting section 2. This amendatory act does not take effect
14 unless all of the following bills of the 99th Legislature are
15 enacted into law:

16 (a) House Bill No. 5335.

17 (b) House Bill No. 5406.