

HOUSE BILL No. 5408

January 11, 2018, Introduced by Rep. Cole and referred to the Committee on Transportation and Infrastructure.

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) "Bridge" means a structure including supports erected over
8 a depression or an obstruction, such as water, a highway, or a
9 railway, for the purposes of carrying traffic or other moving
10 loads, and having an opening measuring along the center of the
11 roadway of more than 20 feet between undercopings of abutments or
12 spring lines of arches, or extreme ends of openings for multiple
13 boxes where the clear distance between openings is less than 1/2 of
14 the smaller contiguous opening.

15 (c) "Central storage data agency" means ~~that~~ **AN** agency or
16 office chosen by the council where the data collected is stored and

1 maintained.

2 (d) "Council" means the transportation asset management
3 council created by this section.

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

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

8 (g) "Local road agency" means a county road commission or
9 designated county road agency or city or village that is
10 responsible for the construction or maintenance of public roads
11 within the state under this act.

12 **(H) "MICHIGAN INFRASTRUCTURE COUNCIL" MEANS THE MICHIGAN**
13 **INFRASTRUCTURE COUNCIL CREATED IN SECTION 3 OF THE MICHIGAN**
14 **INFRASTRUCTURE COUNCIL ACT.**

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

20 **(J) "REGION" MEANS THE GEOGRAPHIC JURISDICTION OF ANY OF THE**
21 **FOLLOWING:**

22 **(i) A REGIONAL PLANNING COMMISSION CREATED UNDER 1945 PA 281,**
23 **MCL 125.11 TO 125.25.**

24 **(ii) A REGIONAL ECONOMIC DEVELOPMENT COMMISSION CREATED UNDER**
25 **1966 PA 46, MCL 125.1231 TO 125.1237.**

26 **(iii) A METROPOLITAN AREA COUNCIL FORMED UNDER THE**
27 **METROPOLITAN AREA COUNCILS ACT, 1989 PA 292, MCL 124.651 TO**

1 124.729.

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

5 (v) AN AGENCY DIRECTED AND FUNDED BY SECTION 822F OF 2016 PA
6 268, TO ENGAGE IN JOINT DECISION-MAKING PRACTICES RELATED TO, BUT
7 NOT LIMITED TO, COMMUNITY DEVELOPMENT, ECONOMIC DEVELOPMENT,
8 TALENT, AND INFRASTRUCTURE OPPORTUNITIES.

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

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

16 (2) In order to provide a coordinated, unified effort by the
17 various ~~roadway~~ ROAD agencies within ~~the~~ THIS state, the
18 ~~transportation asset management council~~ is hereby created within
19 the state transportation commission ~~and is charged with advising~~
20 UNTIL THE MICHIGAN INFRASTRUCTURE COUNCIL IS CREATED. UPON CREATION
21 OF THE MICHIGAN INFRASTRUCTURE COUNCIL, THE COUNCIL SHALL BE PLACED
22 WITHIN THE MICHIGAN INFRASTRUCTURE COUNCIL AND SHALL SERVE AT THE
23 PLEASURE OF THE MICHIGAN INFRASTRUCTURE COUNCIL.

24 (3) THE COUNCIL SHALL ADVISE the commission on a statewide
25 TRANSPORTATION asset management strategy and the processes and
26 ~~necessary~~ tools needed to implement ~~such a~~ THAT strategy, beginning
27 with the federal-aid eligible highway system, ~~and once completed,~~

1 ~~continuing on with the county road and municipal systems, in a~~
2 ~~cost-effective, efficient manner. Nothing in this section shall~~
3 ~~prohibit a local road agency from using an asset management process~~
4 ~~on its non-federal-aid eligible system.~~ **IN ORDER TO MEET FEDERAL**
5 **PERFORMANCE MANAGEMENT REQUIREMENTS THAT MAY BE IMPOSED AS A**
6 **CONDITION OF FEDERAL AID, AND INCLUDING PAVEMENT AND BRIDGE**
7 **CONDITIONS ON THE FEDERAL-AID ELIGIBLE HIGHWAY SYSTEM AND**
8 **INFRASTRUCTURE ASSETS THAT IMPACT SYSTEM PERFORMANCE, SAFETY, OR**
9 **RISK MANAGEMENT, INCLUDING SIGNALS AND CULVERTS.**

10 (4) The **TRANSPORTATION ASSET MANAGEMENT** council shall consist
11 of ~~10~~ **12** voting members appointed by the state transportation
12 commission, **WHO WILL SERVE AT THE PLEASURE OF THE CHAIRPERSON OF**
13 **THE STATE TRANSPORTATION COMMISSION OR, UPON ITS CREATION, THE**
14 **MICHIGAN INFRASTRUCTURE COUNCIL.** The council shall include 2
15 members from the ~~county road association of Michigan~~ **ROAD AGENCIES,**
16 ~~2~~ **6** members from the ~~Michigan municipal league,~~ **ASSOCIATIONS**
17 **REPRESENTING LOCAL UNITS OF GOVERNMENT,** 2 members from the state
18 planning and development regions, ~~1 member from the Michigan~~
19 ~~townships association,~~ ~~1 member from the Michigan association of~~
20 ~~counties,~~ and 2 members from the department **OR OTHER MEMBERS**
21 **SELECTED BY THE COUNCIL.** Nonvoting members shall include 1 person
22 from the agency or office selected as the location for central data
23 storage. ~~Each agency with voting rights shall submit a list of 2~~
24 ~~nominees to the state transportation commission from which the~~
25 ~~appointments shall be made. The Michigan townships association~~
26 ~~shall submit 1 name, and the Michigan association of counties shall~~
27 ~~submit 1 name. Names shall be submitted within 30 days after July~~

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

3 **(5) (3)**—The positions for the department **ON THE COUNCIL** shall
4 be permanent. The position of the central data storage agency shall
5 be nonvoting and shall be for as long as the agency continues to
6 serve as the data storage repository. ~~The member from the Michigan~~
7 ~~association of counties shall be initially appointed for 2 years.~~
8 ~~The member from the Michigan townships association shall be~~
9 ~~initially appointed for 3 years. Of the members first appointed~~
10 ~~from the county road association of Michigan, the Michigan~~
11 ~~municipal league, and the state planning and development regions, 1~~
12 ~~member of each group shall be appointed for 2 years and 1 member of~~
13 ~~each group shall be appointed for 3 years. At the end of the~~
14 ~~initial appointment, all terms shall be for 3 years. **ALL OTHER**~~
15 **MEMBERS OF THE COUNCIL SHALL SERVE STAGGERED 3-YEAR TERMS.** The
16 chairperson shall be selected from among the voting members of the
17 council.

18 **(6) A VACANCY ON THE COUNCIL SHALL BE FILLED FROM A LIST OF NO**
19 **MORE THAN 3 RECOMMENDED CANDIDATES PROVIDED BY THE ASSOCIATION THAT**
20 **MEMBER WOULD REPRESENT. THE STATE TRANSPORTATION COMMISSION, OR,**
21 **AFTER ITS CREATION, THE MICHIGAN INFRASTRUCTURE COUNCIL, SHALL**
22 **SELECT THE NEW MEMBER FROM THE LIST OF CANDIDATES PROVIDED UNDER**
23 **THIS SUBSECTION.**

24 **(7) (4)**—The department shall provide qualified administrative
25 staff and the state planning and development regions shall provide
26 qualified technical assistance to the council.

27 ~~—(5) The council shall develop and present to the state~~

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

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

23 **(8) THE COUNCIL MAY APPOINT SUBCOMMITTEES OR TECHNICAL**
24 **ADVISORY COMMITTEES WHOSE MEMBERS SHALL SERVE AS NEEDED TO PROVIDE**
25 **RESEARCH ON ISSUES AND PROJECTS AS DIRECTED BY THE COUNCIL. A**
26 **RECOMMENDATION FROM A SUBCOMMITTEE OR A TECHNICAL ADVISORY**
27 **COMMITTEE APPOINTED UNDER THIS SUBSECTION IS ADVISORY ONLY AND IS**

1 NOT BINDING ON THE COUNCIL.

2 (9) THE COUNCIL SHALL ADVISE THE COMMISSION AND THE MICHIGAN
3 INFRASTRUCTURE COUNCIL ON A STATEWIDE TRANSPORTATION ASSET
4 MANAGEMENT STRATEGY AND THE PROCESSES AND TOOLS NEEDED TO IMPLEMENT
5 THAT STRATEGY, BEGINNING WITH THE FEDERAL-AID ELIGIBLE HIGHWAY
6 SYSTEM, IN ORDER TO MEET FEDERAL PERFORMANCE MANAGEMENT
7 REQUIREMENTS THAT MAY BE IMPOSED AS A CONDITION OF FEDERAL AID. THE
8 COUNCIL SHALL ALSO ADVISE THE COMMISSION AND THE MICHIGAN
9 INFRASTRUCTURE COUNCIL ON THE PAVEMENT AND BRIDGE CONDITION OF THE
10 FEDERAL-AID ELIGIBLE HIGHWAY SYSTEM, AS WELL AS INFRASTRUCTURE
11 ASSETS THAT IMPACT SYSTEM PERFORMANCE, SAFETY, OR RISK MANAGEMENT,
12 INCLUDING, BUT NOT LIMITED TO, SIGNALS AND CULVERTS.

13 (10) WHEN ASSET MANAGEMENT EFFORTS ON THE FEDERAL-AID ELIGIBLE
14 HIGHWAY SYSTEM ARE COMPLETED, THE MICHIGAN INFRASTRUCTURE COUNCIL
15 MAY DIRECT THE COUNCIL TO CONTINUE COLLECTING DATA FOR THE
16 REMAINING NON-FEDERAL-AID ELIGIBLE HIGHWAY SYSTEM IN A COST-
17 EFFECTIVE AND EFFICIENT MANNER.

18 (11) THIS SECTION DOES NOT PROHIBIT A LOCAL ROAD AGENCY FROM
19 USING AN ASSET MANAGEMENT PROCESS FOR A NON-FEDERAL-AID ELIGIBLE
20 ROAD OR STREET SYSTEM WITHIN ITS JURISDICTION, IF THE USE OF THAT
21 ASSET MANAGEMENT PROCESS DOES NOT INTERFERE WITH PROGRESS TOWARD
22 OTHER HIGHWAY SYSTEM GOALS.

23 (12) EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION, COSTS
24 INCURRED FOR DATA COLLECTION, ANALYSIS, OR SUBMITTAL, OTHER THAN
25 COSTS COVERED BY THE COUNCIL FOR THE FEDERAL-AID ELIGIBLE HIGHWAY
26 SYSTEM, ARE THE RESPONSIBILITY OF THE OWNER OF THE DATA. IF ANY
27 MONEY REMAINS AFTER DATA COLLECTION FOR THE FEDERAL-AID ELIGIBLE

1 HIGHWAY SYSTEM IN A REGION IS COMPLETE, A LOCAL ROAD AGENCY MAY
2 REQUEST THAT THE REGION COLLECT DATA ON LOCAL ROADS OR STREETS
3 WITHIN THAT REGION. THE REGION SHALL DETERMINE WHERE TO COLLECT
4 LOCAL ROAD OR STREET DATA TO EXPEND ITS REMAINING DATA COLLECTION
5 MONEY BASED UPON REQUESTS RECEIVED FROM LOCAL ROAD AGENCIES.

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

11 (14) NO LATER THAN OCTOBER 1, 2019, THE COUNCIL SHALL DEVELOP
12 A TEMPLATE FOR AN ASSET MANAGEMENT PLAN FOR USE BY LOCAL ROAD
13 AGENCIES RESPONSIBLE FOR 100 OR MORE CERTIFIED MILES OF ROAD AND
14 REQUIRE ITS SUBMISSION TO THE TRANSPORTATION ASSET MANAGEMENT
15 COUNCIL AS PROVIDED IN SUBSECTION (17). THE TEMPLATE REQUIRED BY
16 THIS SUBSECTION SHALL INCLUDE, BUT IS NOT LIMITED TO, ALL OF THE
17 FOLLOWING:

18 (A) ASSET INVENTORY, INCLUDING THE LOCATION, MATERIAL, SIZE,
19 AND CONDITION OF THE ASSETS, IN A FORMAT THAT ALLOWS FOR DIGITAL
20 MAPPING. ALL QUALITY CONTROL STANDARDS AND PROTOCOLS FOR ASSETS
21 SHALL BE CONSISTENT WITH EXISTING FEDERAL REQUIREMENTS AND
22 REGULATIONS AND GOVERNMENT ACCOUNTING STANDARDS.

23 (B) PERFORMANCE GOALS, INCLUDING THE DESIRED CONDITION AND
24 PERFORMANCE OF THE ASSETS. THE PERFORMANCE GOALS SHALL BE
25 CONSISTENT WITH FEDERALLY REQUIRED EFFORTS TO SET PERFORMANCE
26 TARGETS AND ACHIEVE PERFORMANCE GOALS FOR FEDERAL-AID ELIGIBLE
27 ROADS AND BRIDGES. PERFORMANCE GOALS MAY VARY AMONG ASSETS UNDER

1 THE LOCAL ROAD AGENCY'S JURISDICTION TO ENSURE THAT INVESTMENT OF
2 MONEY RECEIVED UNDER THIS ACT ACHIEVES THE GREATEST BENEFIT FOR THE
3 GREATEST NUMBER OF ROAD USERS.

4 (C) RISK OF FAILURE ANALYSIS, INCLUDING THE IDENTIFICATION OF
5 THE PROBABILITY AND CRITICALITY OF A FAILURE OF THE MOST CRITICAL
6 ASSETS AND ANY CONTINGENCY PLANS.

7 (D) ANTICIPATED REVENUES AND EXPENSES, INCLUDING A DESCRIPTION
8 OF ALL REVENUE SOURCES AND ANTICIPATED RECEIPTS FOR THE PERIOD
9 COVERED BY THE ASSET MANAGEMENT PLAN AND EXPECTED INFRASTRUCTURE
10 REPAIR AND REPLACEMENT EXPENDITURES, INCLUDING PLANNED IMPROVEMENTS
11 AND CAPITAL RECONSTRUCTION.

12 (E) PERFORMANCE OUTCOMES, INCLUDING A DETERMINATION OF HOW THE
13 LOCAL ROAD AGENCY'S INVESTMENT STRATEGY WILL ACHIEVE THE DESIRED
14 LEVELS OF SERVICE AND PERFORMANCE GOALS AND THE STEPS NECESSARY TO
15 ENSURE ASSET CONDITIONS MEET OR ACHIEVE STATED GOALS AND A
16 DESCRIPTION AND EXPLANATION OF ANY GAP BETWEEN ACHIEVABLE CONDITION
17 AND PERFORMANCE THROUGH THE INVESTMENT STRATEGY AND DESIRED GOALS.

18 (F) A DESCRIPTION OF HOW THE LOCAL ROAD AGENCY PLANS TO
19 COORDINATE WITH OTHER INFRASTRUCTURE OWNERS, INCLUDING NEIGHBORING
20 JURISDICTIONS AND UTILITIES, TO MINIMIZE DUPLICATION OF EFFORT
21 REGARDING INFRASTRUCTURE PRESERVATION AND MAINTENANCE.

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

24 (15) ~~(7) The~~ AS A CONDITION OF RECEIVING FUNDS UNDER THIS ACT,
25 THE department, each county road commission, and each city and
26 village of this state shall annually submit a report ON
27 INFRASTRUCTURE CONDITIONS AND INVESTMENT to the transportation

1 ~~asset management~~ council. This report shall include a multiyear
2 program developed through the asset management process described in
3 this section. **ALL OF THE FOLLOWING APPLY TO A MULTIYEAR PROGRAM**
4 **REQUIRED BY THIS SUBSECTION:**

5 (A) ~~Projects~~ **BEGINNING ON JANUARY 1, 2020, PROJECTS** contained
6 in the department's annual multiyear program shall be consistent
7 with the department's asset management process and **PLAN, AND** shall
8 be reported consistent with categories established by the
9 ~~transportation asset management~~ council.

10 (B) ~~Projects~~ **BEGINNING ON JANUARY 1, 2022, PROJECTS** contained
11 in the annual multiyear program of each local road agency
12 **RESPONSIBLE FOR 100 OR MORE CERTIFIED MILES OF ROAD** shall be
13 consistent with the asset management process **AND PLAN** of each ~~THAT~~
14 local road agency and shall be reported consistent with categories
15 established by the ~~transportation asset management~~ council.

16 (C) **PROJECTS CONTAINED IN THE ANNUAL MULTIYEAR PROGRAM OF EACH**
17 **LOCAL ROAD AGENCY RESPONSIBLE FOR LESS THAN 100 CERTIFIED MILES OF**
18 **ROAD SHALL BE CONSISTENT WITH THE ASSET MANAGEMENT PROCESS OF THAT**
19 **LOCAL ROAD AGENCY AND SHALL BE REPORTED CONSISTENT WITH CATEGORIES**
20 **ESTABLISHED BY THE COUNCIL.**

21 (16) **NO LATER THAN OCTOBER 1, 2019, THE COUNCIL SHALL**
22 **ESTABLISH A SCHEDULE FOR THE SUBMISSION OF ASSET MANAGEMENT PLANS**
23 **BY LOCAL ROAD AGENCIES DESCRIBED IN SUBSECTION (15) (B) THAT ENSURES**
24 **THAT 1/3 OF THOSE LOCAL ROAD AGENCIES SUBMIT AN ASSET MANAGEMENT**
25 **PLAN EACH YEAR.**

26 (17) **BEGINNING OCTOBER 1, 2020, EACH LOCAL ROAD AGENCY**
27 **DESCRIBED IN SUBSECTION (15) (B) SHALL BEGIN SUBMITTING AN ASSET**

1 MANAGEMENT PLAN TO THE COUNCIL ACCORDING TO THE 3-YEAR SCHEDULE
2 DESCRIBED IN SUBSECTION (16). THE ASSET MANAGEMENT PLAN SHALL COVER
3 A PERIOD OF AT LEAST 3 YEARS, AND SHALL BE CONSISTENT WITH A
4 TEMPLATE PROVIDED BY THE COUNCIL. A LOCAL ROAD AGENCY THAT IS
5 REQUIRED TO SUBMIT AN ASSET MANAGEMENT PLAN UNDER THIS SUBSECTION
6 THAT HAS NOT SUBMITTED THE PLAN BY OCTOBER 1, 2024 IS OUT OF
7 COMPLIANCE WITH THIS ACT AND WILL NOT RECEIVE FUNDING UNDER THIS
8 ACT UNTIL IT SUBMITS AN ASSET MANAGEMENT PLAN TO THE COUNCIL THAT
9 SATISFIES THE REQUIREMENTS OF THIS SECTION.

10 (18) THE COUNCIL SHALL REVIEW A PLAN SUBMITTED UNDER
11 SUBSECTION (17) NO LATER THAN 6 MONTHS AFTER RECEIPT OF THE PLAN.
12 THE COUNCIL SHALL COMPARE THE PLAN TO THE MINIMUM REQUIREMENTS OF
13 THIS ACT, AND THE TEMPLATE CREATED BY THE COUNCIL, AND DETERMINE
14 WHETHER THE PLAN IS IN COMPLIANCE WITH THOSE STANDARDS. IF THE PLAN
15 DOES NOT MEET THOSE STANDARDS, THE COUNCIL SHALL SEEK CONCURRENCE
16 FROM THE DEPARTMENT THAT THE PLAN DOES NOT MEET THE COUNCIL'S
17 STANDARDS. IF THE DEPARTMENT CONCURS, THE COUNCIL SHALL REQUIRE THE
18 LOCAL ROAD AGENCY TO REVISE ITS PLAN TO CONFORM TO THE STANDARDS
19 WITHIN 6 MONTHS AFTER NOTIFYING THE LOCAL ROAD AGENCY THAT THE PLAN
20 DOES NOT MEET THE COUNCIL'S STANDARDS.

21 (19) BEGINNING OCTOBER 1, 2025, A LOCAL ROAD AGENCY DESCRIBED
22 IN SUBSECTION (15) (B) THAT CANNOT DEMONSTRATE THAT IT HAS MADE
23 ANNUAL PROGRESS TOWARD ACHIEVING THE PERFORMANCE GOALS DESCRIBED IN
24 ITS ASSET MANAGEMENT PLAN SHALL NOT SHIFT FUNDS DISTRIBUTED TO IT
25 UNDER THIS ACT FROM A COUNTY PRIMARY ROAD SYSTEM TO A COUNTY LOCAL
26 ROAD SYSTEM OR FROM A CITY MAJOR STREET SYSTEM TO A CITY LOCAL
27 STREET SYSTEM, AS APPLICABLE.

1 (20) THE DEPARTMENT SHALL SUBMIT ITS TRANSPORTATION ASSET
2 MANAGEMENT PLAN TO THE FEDERAL HIGHWAY ADMINISTRATION FOR APPROVAL
3 AS PROVIDED IN 23 USC 119(E) .

4 (21) AN ANNUAL REPORT SHALL BE PREPARED BY THE STAFF ASSIGNED
5 TO THE COUNCIL REGARDING THE RESULTS OF ACTIVITIES CONDUCTED DURING
6 THE PRECEDING YEAR AND THE EXPENDITURE OF FUNDS RELATED TO THE
7 PROCESSES AND ACTIVITIES IDENTIFIED BY THE COUNCIL. THE REPORT
8 SHALL ALSO INCLUDE A SUMMARY ANALYSIS OF THE ASSET MANAGEMENT PLANS
9 AND ANNUAL REPORTS RECEIVED FROM LOCAL ROAD AGENCIES, A
10 DETERMINATION OF HOW INVESTMENTS ARE ACHIEVING DESIRED LEVELS OF
11 SERVICE AND PERFORMANCE GOALS, AN IDENTIFICATION OF ANY ADDITIONAL
12 STEPS THAT MAY BE NEEDED TO ACHIEVE DESIRED LEVELS OF SERVICE AND
13 PERFORMANCE GOALS, AND AN OVERVIEW OF THE ACTIVITIES IDENTIFIED FOR
14 THE SUCCEEDING YEAR. THE COUNCIL SHALL SUBMIT THIS REPORT TO THE
15 STATE TRANSPORTATION COMMISSION, THE MICHIGAN INFRASTRUCTURE
16 COUNCIL, THE LEGISLATURE, AND THE TRANSPORTATION COMMITTEES OF THE
17 HOUSE AND SENATE BY MAY 2 OF EACH YEAR.

18 (22) ~~(8)~~—Funding necessary to support the activities described
19 in this section shall be provided by an annual appropriation from
20 the Michigan transportation fund to the state transportation
21 commission. **UPON CREATION OF THE MICHIGAN INFRASTRUCTURE COUNCIL,**
22 **THE ANNUAL APPROPRIATION PROVIDED FOR IN THIS SUBSECTION SHALL BE**
23 **ALLOCATED TO THE MICHIGAN INFRASTRUCTURE COUNCIL AND SHALL BE USED**
24 **TO SUPPORT THE ACTIVITIES DESCRIBED IN THIS SECTION.**

25 (23) ~~(9)~~—The department and each local road agency shall keep
26 accurate and uniform records on all road and bridge work performed
27 and funds expended for the purposes of this section, according to

1 the procedures developed by the council. Each local road agency and
2 the department shall annually report to the council the mileage and
3 condition of the road and bridge system under their jurisdiction
4 and the receipts and disbursements of road and street funds in the
5 manner prescribed by the council, which shall be consistent with
6 any current accounting procedures. ~~An annual report shall be
7 prepared by the staff assigned to the council regarding the results
8 of activities conducted during the preceding year and the
9 expenditure of funds related to the processes and activities
10 identified by the council. The report shall also include an
11 overview of the activities identified for the succeeding year. The
12 council shall submit this report to the state transportation
13 commission, the legislature, and the transportation committees of
14 the house and senate by May 2 of each year.~~

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