

SENATE BILL NO. 437

August 20, 2019, Introduced by Senator SCHMIDT and referred to the Committee on Transportation and Infrastructure.

A bill to amend 1976 PA 295, entitled
"State transportation preservation act of 1976,"
(MCL 474.51 to 474.70) by adding section 15b.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 15b. (1) The office of rail within the department shall
2 create and operate the freight railroad preservation and
3 development grant program for the maintenance, development, and
4 improvement of the freight railroad transportation system in this
5 state.

6 (2) The grant program shall provide 70% of the freight

1 railroad project costs. Projects undertaken pursuant to this
2 section shall include a 30% cash or in-kind matching contribution
3 from a private source, which may include a railroad, a regional
4 authority, a private industry, a local government source, or a
5 combination of these sources.

6 (3) The office of rail shall establish a detailed application,
7 approval, compliance, and grant distribution process and publish it
8 on the department's website.

9 (4) The freight railroad preservation and development grant
10 fund is created within the state treasury.

11 (5) The state treasurer may receive money or other assets from
12 any source for deposit into the fund. The state treasurer shall
13 direct the investment of the fund. The state treasurer shall credit
14 to the fund interest and earnings from fund investments.

15 (6) Money in the fund at the close of the fiscal year shall
16 remain in the fund and shall not lapse to the general fund.

17 (7) The department shall be the administrator of the fund for
18 auditing purposes.

19 (8) The department shall expend money from the fund, upon
20 appropriation, only to fund the grant program created in subsection
21 (1).

22 (9) The director of the office of rail may consult with other
23 agencies or their designated representatives concerning freight
24 rail projects to be undertaken under this section.

25 (10) As used in this section:

26 (a) "Freight railroad preservation and development grant fund"
27 or "fund" means the freight railroad preservation and development
28 grant fund created in subsection (4).

29 (b) "Freight railroad preservation and development grant

1 program" or "grant program" means the freight railroad preservation
2 and development grant program created in subsection (1).

3 (c) "Office of rail" means the office of rail within the
4 department.