

TRANSPORTATION ECONOMIC DEVELOPMENT FUND (EXCERPT)
Act 231 of 1987

247.911 Bonds; issuance; purpose; appropriation of fund revenue; percentages; distribution to certain targeted industries.

Sec. 11. (1) Bonds may be issued as authorized by the commission for the purpose of funding projects under this act in the manner provided in sections 18b and 18k of 1951 PA 51, MCL 247.668b and 247.668k, and in accordance with the adopted policies of the commission. Bonds must not be committed for any project under this act until the requirements under section 3(1) have been satisfied.

(2) After the payment of interest and principal on bonds issued under this act and the appropriation for costs of administration of the fund as provided under this act, fund revenue is annually appropriated as follows:

(a) The first \$5,000,000.00 for a forest roads program. Forest roads program funds must be distributed each fiscal year to each qualified county in a percentage amount equal to the same percentage amount that the number of acres of commercial forest, national park, and national lakeshore land in each qualified county bears to the total number of acres of commercial forest, national park, and national lakeshore land in all qualified counties in this state. Revenue distributed under this subdivision must be used for the construction or reconstruction of roads.

(b) The next \$2,500,000.00 of the fund must be distributed each fiscal year for improvements within rural counties to roads and streets that are eligible for federal aid and are located inside the boundaries of an urban area or an urbanized area as determined by the most recent federal decennial census and as adjusted by the department.

(3) Of the balance remaining after funding projects under subsection (2), projects must be funded in the categories described in section 9 based on the following percentages:

(a) 50% for economic development road projects in any of the targeted industries. For the fiscal years ending September 30, 2019 through September 30, 2023 only, the allocation made under this subdivision must be reduced by \$3,000,000.00 and allocated to projects described in section 9(1)(b). The office of economic development shall use geographic distribution as a grant selection criterion for projects described in section 9(1)(b). An eligible city or village may apply for a grant for a project described in section 9(1)(b) in consecutive fiscal years. For the fiscal years ending September 30, 2020 and September 30, 2021 only, the allocation made under this subdivision must be reduced by an additional \$13,000,000.00.

(b) 25% for projects to reduce congestion on county primary and city major streets within urban counties including advanced traffic management systems. The funds must be distributed to counties with populations in excess of 400,000 in accordance with the following formula:

<u>Population</u>	<u>Percentage of Funds</u>
1,750,000 or more	16%
1,000,000 to 1,749,999	40%
700,000 to 999,999	20%
400,000 to 699,999	24%

When 2 or more counties occupy the same category, the funds must be divided equally.

Projects funded under this category must be used for the widening of county primary roads or city major streets or for advanced traffic management systems in eligible counties.

(c) 25% for projects within rural counties. These revenues must be distributed for the improvement of rural primary roads in rural counties and major streets in cities and villages with a population of 5,000 or less that are located outside the boundaries of an urban area or an urbanized area as determined by the most recent federal decennial census and as adjusted by the department. The commission shall allocate funds distributed under this subdivision to the regional rural task force areas described in section 12a in the same proportion that the rural primary mileage of the regional rural task force area bears to the total rural primary mileage of all counties. Each rural county must be credited with an allocation in the proportion that the county's rural primary mileage is to the total rural primary mileage of those rural counties within the same regional rural task force area. Projects funded under this subdivision must be limited to upgrading rural primary roads and major streets to create an all-season road network.

History: 1987, Act 231, Imd. Eff. Dec. 28, 1987;—Am. 1989, Act 218, Imd. Eff. Dec. 1, 1989;—Am. 1991, Act 188, Imd. Eff. Dec. 27, 1991;—Am. 1993, Act 149, Imd. Eff. Aug. 19, 1993;—Am. 2007, Act 168, Imd. Eff. Dec. 21, 2007;—Am. 2008, Act 364, Imd. Eff. Dec. 23, 2008;—Am. 2009, Act 136, Imd. Eff. Nov. 4, 2009;—Am. 2011, Act 145, Imd. Eff. Sept. 21, 2011;—Am. 2012, Act 621, Imd. Eff. Jan. 9, 2013;—Am. 2014, Act 302, Imd. Eff. Oct. 9, 2014;—Am. 2016, Act 273, Imd. Eff. July 1, 2016;—Am. 2016, Act 501, Imd. Eff. Jan. 9, 2017;—Am. 2018, Act 473, Eff. Mar. 29, 2019;—Am. 2020, Act 204, Imd. Eff. Oct. 15, 2020;—Am. 2024, Act 203, Eff. Apr. 2, 2025.