

SUPPORT SERVICES

Communications	\$	411,200
Total	\$	19,899,200

Appropriations subject to MCL 18.1101 to 18.1594.

Sec. 202. The appropriations authorized under this article are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Definitions.

Sec. 203. As used in this article:

- (a) "AFIS" means the automated fingerprint identification system.
- (b) "Department" means the department of state police.
- (c) "DHS" means the United States department of homeland security.
- (d) "DNA" means deoxyribonucleic acid.
- (e) "DOJ" means the United States department of justice.
- (f) "DOT" means the United States department of transportation.
- (g) "FEMA" means the federal emergency management agency.
- (h) "FTE" means full-time equated.
- (i) "IDG" means interdepartmental grant.
- (j) "IDT" means intradepartmental transfer.
- (k) "LEIN" means law enforcement information network.
- (l) "MCOLES" means the Michigan commission on law enforcement standards.
- (m) "MDCH" means the Michigan department of community health.
- (n) "MDMB" means the Michigan department of management and budget.
- (o) "MDOC" means the Michigan department of corrections.
- (p) "MDOS" means the Michigan department of state.
- (q) "MDOT" means the Michigan department of transportation.
- (r) "MDTR" means the Michigan department of treasury.

Billing by department of civil service.

Sec. 204. The department of civil service shall bill departments and agencies at the end of the first fiscal quarter for the 1% charge authorized by section 5 of article XI of the state constitution of 1963. Payments shall be made for the total amount of the billing by the end of the second fiscal quarter.

Hiring freeze; exceptions.

Sec. 205. (1) Beginning October 1, a hiring freeze is imposed on the state classified civil service. State departments and agencies are prohibited from hiring any new full-time state classified civil service employees and prohibited from filling any vacant state classified civil service positions. This hiring freeze does not apply to internal transfers of classified employees from 1 position to another within a department.

(2) The state budget director shall grant exceptions to this hiring freeze when the state budget director believes that the hiring freeze will result in rendering a state department or agency unable to deliver basic services, cause loss of revenue to the state, result in the inability of the state to receive federal funds, or necessitate additional expenditures that exceed any savings from maintaining a vacancy. The state budget director shall report by the last business day of each month to the chairpersons of the senate and house of representatives

standing committees on appropriations the number of exceptions to the hiring freeze approved during the previous month and the justification for the exception.

Privatization; project plan.

Sec. 207. At least 60 days before beginning any effort to privatize, the department shall submit a complete project plan to the appropriate senate and house of representatives appropriations subcommittees and the senate and house fiscal agencies. The plan shall include the criteria under which the privatization initiative will be evaluated. The evaluation shall be completed and submitted to the appropriate senate and house of representatives appropriations subcommittees and the senate and house fiscal agencies within 30 months.

Reporting requirements; use of Internet.

Sec. 208. Unless otherwise specified, the department shall use the Internet to fulfill the reporting requirements of this article. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement or it may include placement of reports on an Internet or Intranet site.

Purchase of foreign goods or services; preference to Michigan businesses.

Sec. 209. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference should be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.

Businesses in deprived or depressed communities; contracts to provide services or supplies.

Sec. 210. The director of each department receiving appropriations in part 1 shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both, for the department. The director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services or supplies, or both.

Requests for reimbursement.

Sec. 211. It is the intent of the legislature that personnel of the department who request and are eligible for reimbursement of expenses related to the operation of the department be reimbursed from the appropriations provided in this article within 30 days after submitting a request, or the eligible personnel shall be paid an additional amount equal to 0.75% of the payment due. The department shall pay an additional amount equal to 0.75% of the payment due for the first month and each succeeding month or portion of a month the payment remains past due.

Contractual services provided by department.

Sec. 213. (1) It is the intent of the legislature that the department shall not provide any subsidy for contractual services it provides.

(2) When the department provides contractual services to a local unit of government, the department shall be reimbursed for all costs incurred in providing the services, including, but not limited to, retirement and overtime costs.

(3) Contractual services provided to an entity other than a local unit of government may be provided by department personnel, but only on an overtime basis outside the normal work schedule of the personnel.

(4) This section does not apply to state agencies.

Receipt and retention of reports.

Sec. 214. The departments and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. The department shall follow all federal guidelines and state laws regarding short-term and long-term retention of records.

Casino gaming oversight; report.

Sec. 215. Not later than January 1, 2007, the department shall report to the state police appropriations subcommittees of the house and senate and the house and senate fiscal agencies. The report shall contain the following information regarding the department's activities related to casino gaming oversight during fiscal year 2005-2006:

- (a) The amount of money received and expended.
- (b) The nature and structure of the casino gaming oversight unit.
- (c) The positions and classifications of employees assigned.
- (d) The number of full-time and part-time employees and the aggregate number of FTEs.
- (e) The number of enlisted and civilian positions.
- (f) The duties and responsibilities of the assigned employees.
- (g) The immediate past position of the enlisted employees assigned.

Availability of vehicle identification number in state accident data collection system; bulk access to accident records.

Sec. 216. The department shall collect and computerize the vehicle identification number (VIN) of all vehicles that are entered into the state accident data collection system and make this and other vehicle information available to the public at cost. For bulk access to the accident records in which the VIN has been collected and computerized, the department shall make those records available to the public at cost, provided that the name and address have been excluded.

Threats of school violence or certain conduct by juveniles; toll-free hotline.

Sec. 217. From the funds appropriated in part 1, the department shall maintain a toll-free hotline in collaboration with the department of education. The toll-free hotline shall be operated 24 hours per day, 7 days per week, and shall provide students, school officials, and other individuals an opportunity to report specific threats of imminent school violence or other suspicious or criminal conduct by juveniles to the appropriate local law enforcement entities for investigation. The department may expend funds for the promotion of the hotline.

Expenditures for at-post troopers; conduct of trooper school; reports.

Sec. 218. (1) Funds appropriated in part 1 for at-post troopers shall only be expended for trooper salaries, wages, benefits, retirement, equipment, supplies, and other expenses directly related to state troopers assigned to general law enforcement duties at a department post, detachment, satellite office, or a resident trooper function.

(2) From the funds appropriated in part 1 for at-post troopers, a trooper school shall be conducted beginning not later than August 15, 2007 for the purpose of graduating not fewer than 50 new troopers with the goal of maintaining at-post trooper strength of at least 1,075 on September 30, 2007.

(3) The department shall submit quarterly written reports to the senate and house appropriations subcommittees on state police and military and veterans affairs no later than December 1, 2006, March 1, 2007, June 1, 2007, and September 1, 2007 which shall include a trooper strength report and the status of the department's plan for accomplishing the goal of subsection (2). If the department determines that insufficient appropriations exist

under part 1 to accomplish the goal of subsection (2), the department shall submit a proposal outlining a plan to accomplish the goal including an accounting of any additional funding necessary to that end.

Closure or consolidation of state police posts; notification.

Sec. 219. The department of state police shall notify the house and senate appropriations subcommittees on state police and military and veterans affairs and the house and senate fiscal agencies not less than 180 days before recommending to close or consolidate any state police posts. The notification shall include a local and state impact study of the proposed post closure or consolidation.

Communities underserved or without local law enforcement resources; general law enforcement assistance.

Sec. 220. The department of state police, in keeping with its role as the general law enforcement agency of the state and as the law enforcement agency of last resort for communities that are either without local law enforcement resources or are seriously underserved by local law enforcement resources, shall provide general law enforcement assistance to those communities until adequate law enforcement services can be provided to those communities by other means.

State police post in Calhoun county; new facility.

Sec. 221. The department of state police may pursue entering into an agreement with Calhoun County to build a new facility in Marshall which would serve as a new state police post to replace the current state police post in Battle Creek.

Out-of-state travel; exceptions; report.

Sec. 223. (1) Due to the current budgetary problems in this state, out-of-state travel for the fiscal year ending September 30, 2007 shall be limited to situations in which 1 or more of the following conditions apply:

- (a) The travel is required by legal mandate or court order or for law enforcement purposes.
- (b) The travel is necessary to protect the health or safety of Michigan citizens or visitors or to assist other states in similar circumstances.
- (c) The travel is necessary to produce budgetary savings or to increase state revenues, including protecting existing federal funds or securing additional federal funds.
- (d) The travel is necessary to comply with federal requirements.
- (e) The travel is necessary to secure specialized training for staff that is not available within this state.
- (f) The travel is financed entirely by federal or nonstate funds.

(2) If out-of-state travel is necessary but does not meet 1 or more of the conditions in subsection (1), the state budget director may grant an exception to allow the travel. Any exceptions granted by the state budget director shall be reported on a monthly basis to the senate and house of representatives standing committees on appropriations.

(3) Not later than January 1 of each year, each department shall prepare a travel report listing all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the chairs and members of the senate and house of representatives standing committees on appropriations, the fiscal agencies, and the state budget director. The report shall include the following information:

- (a) The name of each person receiving reimbursement for travel outside this state or whose travel costs were paid by this state.

- (b) The destination of each travel occurrence.
- (c) The dates of each travel occurrence.
- (d) A brief statement of the reason for each travel occurrence.
- (e) The transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.
- (f) A total of all out-of-state travel funded for the immediately preceding fiscal year.

Communication of employee with legislative member or staff.

Sec. 224. The department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Michigan justice training fund grants.

Sec. 225. It is the intent of the legislature that the administration, working with the MCOLES, continue the long-held practice that all revenue made available to the department from the Michigan justice training fund be used solely for costs directly related to the delivery of Michigan justice training fund grants, so that in the future, eligible entities as provided under 1982 PA 302, MCL 18.421 to 18.429, will have a stable and accurate source of training funds.

State, local, and regional tactical interoperable communication plans; establishment; report.

Sec. 226. The department of state police, in cooperation with the department of information technology and others, shall take steps to encourage the development of state, local, and regional tactical interoperable communication plans with the ultimate goal being to ensure that effective and efficient communication interoperability between radio communication systems of local, regional, state, and federal agencies is established in every area of the state. The department shall provide a written report to the senate and house appropriations subcommittees on state police and military and veterans affairs no later than April 1, 2007 on the current status of reaching this objective. The report shall include an accounting of exactly where within the state desired interoperability has been achieved and what cooperative measures and use of technology were used to achieve this interoperability, and which areas of the state have not yet achieved such status. The report shall also include a description of what strategies need to be employed to ensure that the remaining areas of the state, and the state as a whole, will have a communication system with efficient and effective interoperability, particularly on occasions when a multijurisdictional response to an emergency is warranted.

Transportation of individuals on state-owned aircraft; prohibition; limitation; exception.

Sec. 227. (1) From the funds appropriated in part 1, the department of state police is prohibited from transporting employees of institutions of higher education on state-owned aircraft.

(2) From the funds appropriated in part 1, the department is prohibited from transporting legislators or legislative staff on state-owned aircraft without prior approval from the senate majority leader or the speaker of the house of representatives, or both.

(3) From the funds appropriated in part 1, the department is prohibited from transporting local government employees on state-owned aircraft.

(4) It is the intent of the legislature that state elected officials use commercial or other private air service, unless air travel on state-owned aircraft is part of official state business.

(5) This section shall not apply to transportation that is related to law enforcement or homeland security activities.

State police retirement system; retirees who accrued overtime from 1957 through 1963.

Sec. 229. From the unexpended and unencumbered balance of the appropriation for the department contained in 2005 PA 159, it is the intent of the legislature that funds may be used in support of the state police retirement system for retirees who accrued overtime from 1957 through 1963. The funds shall be available for appropriation in the fiscal year ending September 30, 2007.

Establishment of trooper school; use of funds.

Sec. 230. From the unexpended and unencumbered balance of the appropriation for the department contained in 2005 PA 159, over and above that which is necessary to fulfill the objectives of section 229, shall be used toward the establishment of a trooper school. The funds shall be available for appropriation in the fiscal year ending September 30, 2007.

Trooper recruit school; recruitment of MCOLES certified police officers; report.

Sec. 232. The department shall place emphasis on recruiting MCOLES certified police officers for the trooper recruit school. Emphasis shall be given in the hiring process to those officers who are on layoff and possess valid MCOLES certification. Any emphasis given in the recruiting and selection process shall be consistent with the department's hiring standards and in accordance with civil service rules. The department shall report to the chairpersons of the senate and house of representatives standing committees on appropriations the results of its recruitment and selection process, including the actual number of certified officers selected for the recruit school by September 30, 2007.

INFORMATION TECHNOLOGY

Computer services; funding by LEIN user fees.

Sec. 301. The money appropriated in part 1 for computer services shall be funded by LEIN user fees sufficient to pay 1/3 of the service and contract maintenance costs of the LEIN system.

Technology-related services and projects; payment of user fees.

Sec. 302. From the funds appropriated in part 1 for information technology, departments and agencies shall pay user fees to the department of information technology for technology-related services and projects. These user fees shall be subject to provisions of an interagency agreement between the department and the department of information technology.

Information technology; amounts designated as work projects; carrying forward funds; availability for expenditure.

Sec. 303. Amounts appropriated in part 1 for information technology may be designated as work projects and carried forward to support technology projects under the direction of the department of information technology. Funds designated in this manner are not available for expenditure until approved as work projects under section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a.

Access to and use of information from LEIN system; policies; report.

Sec. 304. A portion of the funds appropriated in part 1 shall be used by the department to produce a written report detailing departmental policies regarding access to and use of information from the LEIN system. The report shall include a description of departmental measures to protect the security of information in the LEIN system including safeguards that would prevent unauthorized persons from obtaining information from the LEIN system. The department shall submit a copy of this report to the senate and house appropriations committees not later than April 1, 2007.

Unauthorized access or misuse of information from LEIN system.

Sec. 305. The criminal justice information systems policy council shall encourage members of the law enforcement agencies in the state to be sensitive to, and note when necessary, activities or circumstances that may suggest the unauthorized access or misuse of information from the LEIN system. The criminal justice information systems policy council shall advise LEIN auditors, as a part of their audit of law enforcement agencies, to investigate in depth all suspected incidents of improper access or improper use of information from the LEIN system and determine whether or not those incidents were illegal. In those incidents that may be determined to be illegal, the executive secretary for the council shall determine whether those incidents were of a negligent or criminal nature. If an incident is determined to be an illegal act, the council shall inform the chairs of both the senate and house appropriations committees.

Placement of probation information on LEIN system; procedures; proposed amendments.

Sec. 306. (1) The department of state police, working with the criminal justice information systems policy council, shall implement procedures by which all probation information is placed on the LEIN system. The LEIN system shall include information on each probationer, including any probation conditions placed on a probationer and the name of the probation officer assigned to a probationer. The LEIN system shall also include any nonstandard probation terms.

(2) If the department determines that amendments to the code of criminal procedure, 1927 PA 175, MCL 760.1 to 777.69, are required to include all probation information on the LEIN system, the department shall deliver to members of the senate and house appropriations subcommittees on state police and military affairs amendments to the code of criminal procedure, 1927 PA 175, MCL 760.1 to 777.69, that, in the department's view, are necessary to accomplish this goal. These proposed amendments shall be delivered to subcommittee members not later than December 1, 2006.

Michigan public safety communications system towers; use by local public safety agencies; report.

Sec. 307. The department of state police shall serve as an active liaison between the department of information technology and local public safety agencies to facilitate the use of the Michigan public safety communications system towers by those local public safety agencies that have an interest in using the towers as a part of their own communications system. The department of state police shall deliver a written report to the senate and house appropriations subcommittees on state police and military and veterans affairs by April 1, 2007, which shall include an assessment of the progress toward establishing local public safety agency use of the Michigan public safety communications system towers, an accounting of problems that may be preventing local use of the towers, and any recommendations the department has that may foster this utilization.

LEIN fee increase; report.

Sec. 308. The department of state police shall report any LEIN fee increase to the senate and house appropriations subcommittees on state police and military and veterans affairs 60 days prior to the effective date of that increase. The report shall contain the following information: the current fee structure and the total revenue earned each year; the new fee structure and the total revenue it is expected to earn annually; the total annual cost of the LEIN system; and the total amount of LEIN fees paid by the department under both the old and the new structure.

HIGHWAY SAFETY PLANNING**Secondary road patrol grant program; status of assessments collected and authorized; report.**

Sec. 401. On a quarterly basis, the department shall report to the senate and house appropriations subcommittees on state police and military affairs on the status of assessments collected and authorized under section 629e of the Michigan vehicle code, 1949 PA 300, MCL 257.629e, for the purposes of supporting the secondary road patrol grant program. Each quarterly report shall contain updated information on collection levels, revised projected grant allotments to counties for the year, a comparison of projected collections and grant distribution levels with the funds appropriated in part 1 for the secondary road patrol program, and the extent collection levels have exceeded or failed to meet appropriated levels for the current fiscal year or expenditure levels from the previous fiscal year.

FORENSIC SCIENCES**DNA analysis samples and records; protocol for retaining and purging.**

Sec. 501. (1) The department shall distribute a copy of the department's protocol for retaining and purging DNA analysis samples and records to each police agency in this state.

(2) The department shall report to the house and senate appropriations subcommittees on state police and military and veterans affairs and the house and senate fiscal agencies when any changes to the department's DNA protocol are made.

“Standard Recommended Procedures for the Emergency Treatment of Sexual Assault Victims”; use in collection of evidence.

Sec. 502. The department shall work with the department of community health, the Michigan health and hospital association, the Michigan state medical society, and the Michigan nurses association to ensure that the recommendations included in the “Standard Recommended Procedures for the Emergency Treatment of Sexual Assault Victims” are followed in the collection of evidence.

MICHIGAN COMMISSION ON LAW ENFORCEMENT STANDARDS**Maintenance and delivery of training.**

Sec. 601. The money appropriated to the MCOLES for maintenance and delivery of training to locals is provided in accordance with a state reimbursement policy in which 100% of the determined state reimbursement rate shall be distributed upon certification by the MCOLES.

Content and application of federal firearms laws; curricula.

Sec. 602. From the appropriations in part 1 for the training of new state troopers and other new police officers in the state and for the continuing education of all law enforcement officers in the state, sufficient funds shall be used to include curricula on the content and application of federal firearms laws, including the procedures necessary for law enforcement to turn appropriate cases over to the federal bureau of alcohol, tobacco, and firearms or any other applicable federal criminal justice agency.

EMERGENCY MANAGEMENT**State director of emergency management; expenditures; powers; report; receipt and expenditure of money from local, private, federal, or state sources; notification to legislative committees.**

Sec. 801. (1) The state director of emergency management may expend money appropriated under this article to call upon any agency or department of the state or any resource of the state to protect life or property or to provide for the health or safety of the population in any area of the state in which the governor proclaims a state of emergency or state of disaster under 1945 PA 302, MCL 10.31 to 10.33, or under the emergency management act, 1976 PA 390, MCL 30.401 to 30.421. The state director of emergency management may expend the amounts the director considers necessary to accomplish these purposes. The director shall submit to the state budget director as soon as possible a complete report of all actions taken under the authority of this section. The report shall contain, as a separate item, a statement of all money expended that is not reimbursable from federal money. The state budget director shall review the expenditures and submit recommendations to the legislature in regard to any possible need for a supplemental appropriation.

(2) In addition to the money appropriated in this article, the department may receive and expend money from local, private, federal, or state sources for the purpose of providing emergency management training to local or private interests and for the purpose of supporting emergency preparedness, response, recovery, and mitigation activity. If additional expenditure authorization in the Michigan administrative information network is approved by the state budget office under this section, the department and the state budget office shall notify the house and senate appropriations subcommittees on state police and military and veterans affairs and the house and senate fiscal agencies within 10 days after the approval. The notification shall include the amount and source of the additional authorization, the date of its approval, and the projected use of funds to be expended under the authorization.

Statewide emergency management computer network; purchases; authorization.

Sec. 802. The department shall not make any purchases related to a statewide emergency management computer network unless authorized to do so by the director of the department of information technology.

Emergency management division; duties.

Sec. 803. The department's emergency management division shall make every effort to ensure both of the following:

(a) That homeland security grants offered by the federal government and channeled through the department are allocated to first responder entities in the highest percentage possible.

(b) That homeland security grants awarded to the city of Detroit shall not be used to supplant city general funds designated to support first responder operations.

POST UNIFORM SERVICES

State police traffic personnel; response to crimes or emergency situations.

Sec. 901. State police enlisted personnel who are employed to enforce traffic laws as provided in section 629e of the Michigan vehicle code, 1949 PA 300, MCL 257.629e, shall not be prohibited from responding to crimes in progress or other emergency situations, and are responsible for protecting every citizen of this state from harm.

State services fee fund; appropriation of surplus funds to traffic law enforcement and safety fund.

Sec. 902. For the fiscal year ending September 30, 2007, surplus funds of \$8,500,000.00 in the state services fee fund are appropriated to the traffic law enforcement and safety fund.

STATEWIDE FIELD OPERATIONS

Sale of aircraft; application of proceeds; additional expenditure authorization; notification.

Sec. 1001. In addition to the appropriations in part 1 to the department of state police for the aviation program, the department is authorized to sell its aircraft and the proceeds from the sale are appropriated and may be applied to the renovation cost of replacement aircraft, cost of enhancing and maintaining existing aircraft, pilot training cost, and reimbursement for use of other state agency aircraft. If additional expenditure authorization in the Michigan administrative information network is approved by the state budget office under this section, the department and the state budget office shall notify the house and senate appropriations subcommittees on state police and military and veterans affairs and the house and senate fiscal agencies within 10 days after the approval. The notification shall include the amount and source of the additional authorization, the date of its approval, and the projected use of funds to be expended under the authorization.

Privately donated money; use; money privately donated to canine unit.

Sec. 1002. Money privately donated to the department is appropriated under part 1 to be used for the purposes designated by the donor of the money. Money privately donated to the department's canine unit shall be used to purchase equipment and other items to enhance the operation of the canine unit. It is the intent of the legislature that money from private donations not supplant general fund appropriations.

SPECIAL INVESTIGATIONS

Special investigations; availability by temporary or permanent assignment of detective.

Sec. 1101. (1) There is sufficient money appropriated in part 1 to special investigations to ensure that the citizens in a service area of any state police post in the vicinity of a state prison do not experience a downgrading of state police services in their area. Special investigations shall be available by temporary or permanent assignment of a detective when either a temporary or permanent prison facility is opened.

(2) If the department is unable to comply with subsection (1) and there is a prison scheduled to open, the department shall provide troopers to serve as investigators on an interim basis.

Methamphetamine-related criminal activities; report.

Sec. 1102. From the funds appropriated in part 1 for special investigations, the department shall provide a report to the chairpersons of the senate and house of representatives standing committees on appropriations no later than April 1, 2007 concerning methamphetamine-related criminal activities.

MOTOR CARRIER ENFORCEMENT

Inspection of school buses and other motor vehicles; report; certificate.

Sec. 1201. (1) The department shall report to the house and senate appropriations subcommittees on state police and the house and senate fiscal agencies by March 1, 2007 regarding the inspection of school buses and other motor vehicles under section 715a of the Michigan vehicle code, 1949 PA 300, MCL 257.715a, and section 39 of the pupil transportation act, 1990 PA 187, MCL 257.1839. The report shall include the following information regarding inspections conducted in calendar year 2006:

- (a) The number of buses and vehicles inspected by the department.
- (b) The number of buses and vehicles passing and failing inspection.
- (c) The estimated number of buses and vehicles not inspected.

(2) If each school bus within a school system receives a 100% successful state inspection on its first inspection in a given year, the department shall award a certificate to that school system.

ARTICLE 18

TRANSPORTATION

PART 1

LINE-ITEM APPROPRIATIONS

Appropriations; state transportation department.

Sec. 101. Subject to the conditions set forth in this article, the amounts listed in this part are appropriated for the state transportation department and certain state purposes designated in this article for the fiscal year ending September 30, 2007, from the funds indicated in this part. The following is a summary of the appropriations in this part:

STATE TRANSPORTATION DEPARTMENT

APPROPRIATION SUMMARY:

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	3,030.3	
GROSS APPROPRIATION		\$ 3,442,167,300

	For Fiscal Year Ending Sept. 30, 2007
Total interdepartmental grants and intradepartmental transfers	\$ 0
ADJUSTED GROSS APPROPRIATION.....	\$ 3,442,167,300
Federal revenues:	
DOT, federal transit act	60,338,100
DOT-FHWA, highway research, planning, and construction.....	1,107,898,200
DOT-FRA, local rail service assistance.....	100,000
DOT-FRA, rail passenger/HSGT	1,000,000
Total federal revenues.....	1,169,336,300
Special revenue funds:	
Total local revenues	47,500,000
Total private revenues.....	0
Total local and private revenues.....	47,500,000
Michigan transportation fund	1,094,650,400
Local bridge fund.....	33,455,300
Economic development fund.....	57,315,000
State trunkline fund	743,852,400
State aeronautics fund	14,934,000
Comprehensive transportation fund	260,781,700
Blue Water Bridge fund	17,342,200
Intercity bus equipment fund.....	1,000,000
Rail preservation fund.....	2,000,000
Total other state restricted revenues.....	2,225,331,000
State general fund/general purpose	\$ 0

Debt service (mobility).

Sec. 102. DEBT SERVICE (MOBILITY)

State trunkline	\$ 152,300,400
Economic development	15,025,800
Local bridge fund.....	3,000,000
Blue Water Bridge fund.....	2,878,600
Airport safety and protection plan.....	5,000,000
Comprehensive transportation.....	29,415,200
GROSS APPROPRIATION	\$ 207,620,000

Appropriated from:

Federal revenues:	
DOT-FHWA, highway research, planning, and construction.....	55,000,000
Special revenue funds:	
Comprehensive transportation fund	28,807,800
Local bridge fund.....	3,000,000
State trunkline fund	97,300,400
Blue Water Bridge fund	2,878,600
Economic development fund.....	15,025,800
State aeronautics fund	5,607,400
State general fund/general purpose	\$ 0

Collection, enforcement, and other agency support services (mobility).

Sec. 103. COLLECTION, ENFORCEMENT, AND OTHER AGENCY SUPPORT SERVICES (MOBILITY)

MTF grant to department of environmental quality	\$ 1,020,800
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For Fiscal Year
Ending Sept. 30,
2007

MTF grant to department of state for collection of revenue and fees	\$	20,000,000
MTF grant to legislative auditor general		204,300
MTF grant to department of treasury		8,801,500
STF grant to department of attorney general.....		2,708,300
STF grant to department of civil service		2,700,000
STF grant to department of management and budget		1,366,500
STF grant to department of state police		7,967,000
STF grant to department of history, arts, and libraries.....		73,500
STF grant to department of treasury		212,900
STF grant to legislative auditor general		474,600
SAF grant to department of attorney general		151,400
SAF grant to department of civil service		55,000
SAF grant to department of management and budget.....		38,600
SAF grant to department of history, arts, and libraries		2,100
SAF grant to department of treasury		74,300
SAF grant to legislative auditor general.....		19,600
CTF grant to department of attorney general		153,400
CTF grant to department of civil service.....		95,000
CTF grant to department of management and budget.....		62,400
CTF grant to department of history, arts, and libraries		3,400
CTF grant to department of treasury		2,400
CTF grant to legislative auditor general.....		25,200
GROSS APPROPRIATION.....	\$	46,212,200
Appropriated from:		
Special revenue funds:		
Comprehensive transportation fund		341,800
Michigan transportation fund		30,026,600
State aeronautics fund.....		341,000
State trunkline fund.....		15,502,800
State general fund/general purpose	\$	0

Executive direction (mobility).

Sec. 104. EXECUTIVE DIRECTION (MOBILITY)

Full-time equated unclassified positions	6.0
Full-time equated classified positions.....	31.3
Unclassified salaries	\$ 532,200
Asset management council.....	1,626,400
Commission audit—31.3 FTE positions.....	3,382,900
GROSS APPROPRIATION.....	\$ 5,541,500
Appropriated from:	
Special revenue funds:	
Michigan transportation fund	1,626,400
State trunkline fund	3,915,100
State general fund/general purpose	\$ 0

Business support (mobility).

Sec. 105. BUSINESS SUPPORT (MOBILITY)

Full-time equated classified positions.....	56.5
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	For Fiscal Year Ending Sept. 30, 2007
Business support services—25.5 FTE positions	\$ 3,177,100
Property management	7,331,500
Human resources—22.0 FTE positions	2,487,800
Human resources optimization user charges	199,500
Economic development and enhancement programs— 9.0 FTE positions.....	1,131,000
Worker’s compensation.....	2,136,000
GROSS APPROPRIATION	\$ 16,462,900
Appropriated from:	
Special revenue funds:	
Economic development fund.....	485,300
State aeronautics fund.....	886,500
Comprehensive transportation fund	1,354,700
Michigan transportation fund	175,800
State trunkline fund	13,560,600
State general fund/general purpose	\$ 0

Information technology (mobility).

Sec. 106. INFORMATION TECHNOLOGY (MOBILITY)

Information technology services and projects.....	\$ 27,876,500
GROSS APPROPRIATION	\$ 27,876,500

Appropriated from:

Federal revenues:

DOT-FHWA, highway research, planning, and construction.....	1,446,900
Special revenue funds:	
Blue Water Bridge fund.....	47,000
Comprehensive transportation fund	234,300
Economic development fund.....	37,100
Michigan transportation fund	243,400
State aeronautics fund.....	143,700
State trunkline fund	25,724,100
State general fund/general purpose	\$ 0

Finance, contracts, and support services (mobility).

Sec. 107. FINANCE, CONTRACTS, AND SUPPORT SERVICES (MOBILITY)

Full-time equated classified positions255.5

Financial operations—79.0 FTE positions	\$ 7,638,500
Contract services—34.1 FTE positions	3,172,400
Technical and support services—75.4 FTE positions	8,645,300
Performance excellence—12.0 FTE positions	1,386,100
Welcome center operations—55.0 FTE positions.....	4,709,100
GROSS APPROPRIATION	\$ 25,551,400

Appropriated from:

Special revenue funds:

Michigan transportation fund.....	1,403,900
State trunkline fund	24,147,500
State general fund/general purpose	\$ 0

For Fiscal Year
Ending Sept. 30,
2007

Transportation planning (mobility).

Sec. 108. TRANSPORTATION PLANNING (MOBILITY)

Full-time equated classified positions	174.0		
Statewide planning services—122.0 FTE positions		\$	12,913,200
Data collection services—52.0 FTE positions			5,480,700
Specialized planning services and local studies.....			16,798,200
Grants to regional planning councils			488,800
GROSS APPROPRIATION		\$	35,680,900
Appropriated from:			
Federal revenues:			
DOT-FHWA, highway research, planning, and construction.....		\$	22,000,000
Special revenue funds:			
State aeronautics fund			261,900
Comprehensive transportation fund			1,060,300
Michigan transportation fund			6,304,500
State trunkline fund			6,054,200
State general fund/general purpose		\$	0

Design and engineering services (mobility).

Sec. 109. DESIGN AND ENGINEERING SERVICES (MOBILITY)

Full-time equated classified positions	1,516.4		
Engineering services—802.2 FTE positions.....		\$	55,537,900
Program services—703.7 FTE positions			36,996,600
Intelligent transportation systems operations—10.5 FTE positions...			9,977,600
GROSS APPROPRIATION		\$	102,512,100
Appropriated from:			
Federal revenues:			
DOT-FHWA, highway research, planning, and construction.....			15,226,200
Special revenue funds:			
Michigan transportation fund			5,331,200
State trunkline fund			81,954,700
State general fund/general purpose		\$	0

Highway maintenance (mobility).

Sec. 110. HIGHWAY MAINTENANCE (MOBILITY)

Full-time equated classified positions	825.6		
State trunkline operations—825.6 FTE positions		\$	129,341,200
Contract operations.....			145,823,700
GROSS APPROPRIATION		\$	275,164,900
Appropriated from:			
Special revenue funds:			
State trunkline fund			275,164,900
State general fund/general purpose		\$	0

Road and bridge programs (mobility).

Sec. 111. ROAD AND BRIDGE PROGRAMS (MOBILITY)

State trunkline federal aid and road and bridge construction		\$	988,064,200
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	For Fiscal Year Ending Sept. 30, 2007
Local federal aid and road and bridge construction.....	\$ 259,689,000
Grants to local programs.....	33,000,000
Rail grade crossing.....	3,000,000
Local bridge program.....	30,455,300
County road commissions.....	649,447,500
Cities and villages.....	362,096,000
GROSS APPROPRIATION.....	\$ 2,325,752,000
Appropriated from:	
Federal revenues:	
DOT-FHWA, highway research, planning, and construction.....	1,014,225,100
Special revenue funds:	
Local funds.....	30,000,000
Blue Water Bridge fund.....	3,000,000
Michigan transportation fund.....	1,047,543,500
Local bridge fund.....	30,455,300
State trunkline fund.....	200,528,100
State general fund/general purpose.....	\$ 0

Blue water bridge (mobility).

Sec. 112. BLUE WATER BRIDGE (MOBILITY)

Full-time equated classified positions.....	41.0
Blue Water Bridge operations—41.0 FTE positions.....	\$ 11,416,600
GROSS APPROPRIATION.....	\$ 11,416,600
Appropriated from:	
Special revenue funds:	
Blue Water Bridge fund.....	11,416,600
State general fund/general purpose.....	\$ 0

Transportation economic development (mobility).

Sec. 113. TRANSPORTATION ECONOMIC DEVELOPMENT (MOBILITY)

Forest roads.....	\$ 5,040,000
Rural county urban system.....	2,500,000
Target industries/economic redevelopment.....	18,863,400
Urban county congestion.....	7,681,700
Rural county primary.....	7,681,700
GROSS APPROPRIATION.....	\$ 41,766,800
Appropriated from:	
Special revenue funds:	
Economic development fund.....	41,766,800
State general fund/general purpose.....	\$ 0

Aeronautics services (mobility).

Sec. 114. AERONAUTICS SERVICES (MOBILITY)

Full-time equated classified positions.....	56.0
Airport improvement services—30.0 FTE positions.....	\$ 2,872,800
Aviation services—26.0 FTE positions.....	4,120,700
Air service program.....	700,000
GROSS APPROPRIATION.....	\$ 7,693,500

For Fiscal Year
Ending Sept. 30,
2007

Appropriated from:

Special revenue funds:

State aeronautics fund.....	\$	7,693,500
State general fund/general purpose	\$	0

Public transportation and freight service (mobility).

Sec. 115. PUBLIC TRANSPORTATION AND FREIGHT

SERVICE (MOBILITY)

Full-time equated classified positions.....	74.0	
Freight and safety services—36.0 FTE positions	\$	4,121,100
Passenger transportation services—38.0 FTE positions		4,111,100
GROSS APPROPRIATION.....	\$	8,232,200

Appropriated from:

Federal revenues:

DOT, federal transit act		738,100
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Special revenue funds:

Comprehensive transportation fund		5,499,000
Michigan transportation fund		1,995,100
State general fund/general purpose	\$	0

Bus transit division: statutory operating (mobility).

Sec. 116. BUS TRANSIT DIVISION: STATUTORY

OPERATING (MOBILITY)

Local bus operating.....	\$	166,624,000
Nonurban operating/capital		18,000,000
GROSS APPROPRIATION.....	\$	184,624,000

Appropriated from:

Federal revenues:

DOT, federal transit act		16,000,000
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Special revenue funds:

Comprehensive transportation fund		166,624,000
Local funds.....		2,000,000
State general fund/general purpose	\$	0

Intercity passenger and freight (mobility).

Sec. 117. INTERCITY PASSENGER AND FREIGHT

(MOBILITY)

Freight property management.....	\$	1,000,000
Detroit/Wayne County port authority		500,000
Intercity bus equipment.....		2,800,000
Rail passenger service		8,200,000
Freight preservation and development.....		5,192,900
Rail infrastructure loan program.....		1,100,000
Intercity bus service development.....		4,850,000
Marine passenger service.....		400,000
Terminal development.....		1,751,300
GROSS APPROPRIATION.....	\$	25,794,200

Appropriated from:

Federal revenues:

DOT, federal transit act		3,500,000
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	For Fiscal Year Ending Sept. 30, 2007
DOT-FRA, local rail service assistance.....	\$ 100,000
DOT-FRA, rail passenger/HSGT	1,000,000
Special revenue funds:	
Rail preservation fund.....	2,000,000
Intercity bus equipment fund.....	1,000,000
Comprehensive transportation fund	18,144,200
Local funds.....	50,000
State general fund/general purpose	\$ 0

Public transportation development (mobility).

Sec. 118. PUBLIC TRANSPORTATION DEVELOPMENT

(MOBILITY)

Specialized services	\$ 11,300,100
Municipal credit program.....	2,000,000
Bus capital.....	64,726,500
Van pooling	195,000
Service initiatives	1,200,000
Transportation to work	14,844,000
GROSS APPROPRIATION.....	\$ 94,265,600
Appropriated from:	
Federal revenues:	
DOT, federal transit act	40,100,000
Special revenue funds:	
Comprehensive transportation fund	38,715,600
Local funds.....	15,450,000
State general fund/general purpose	\$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS

Total state spending; payments to local units of government.

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 2006-2007 is \$2,225,331,000.00 and state spending from state resources to be paid to local units of government for fiscal year 2006-2007 is \$1,304,085,600.00. The itemized statement below identifies appropriations from which spending to units of local government will occur:

DEPARTMENT OF TRANSPORTATION

Grants to local programs.....	\$ 33,000,000
Economic development fund.....	22,903,400
Grants to cities and villages	362,096,000
Grants to county road commissions.....	649,447,500
Local bridge fund.....	30,455,300

Grants to regional planning councils.....	\$	488,800
Local bus operating.....		166,624,000
Bus capital.....		27,226,500
Marine passenger service.....		400,000
Detroit/Wayne County port authority.....		500,000
Municipal credit program.....		2,000,000
Specialized services.....		4,100,100
Transportation to work.....		4,844,000
Total payments to local units of government.....	\$	<u>1,304,085,600</u>

Appropriations subject to MCL 18.1101 to 18.1594.

Sec. 202. The appropriations authorized under this article are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Definitions.

Sec. 203. As used in this article:

- (a) “CTF” means comprehensive transportation fund.
- (b) “Department” means the department of transportation.
- (c) “DOT” means the United States department of transportation.
- (d) “DOT-FHWA” means DOT, federal highway administration.
- (e) “DOT-FRA” means DOT, federal railroad administration.
- (f) “DOT-FRA, rail passenger/HSGT” means DOT, federal railroad administration, high-speed ground transportation.
- (g) “EDF” means economic development fund.
- (h) “FTE” means full-time equated.
- (i) “MTF” means Michigan transportation fund.
- (j) “RIF” means recreation improvement fund.
- (k) “SAF” means state aeronautics fund.
- (l) “STF” means state trunkline fund.

Billing by department of civil service.

Sec. 204. The department of civil service shall bill the departments and agencies at the end of the first fiscal quarter for the 1% charge authorized by section 5 of article XI of the state constitution of 1963. Payments shall be made for the total amount of the billing by the end of the second fiscal quarter.

Hiring freeze; exceptions.

Sec. 205. (1) A hiring freeze is imposed on the state classified civil service. State departments and agencies are prohibited from hiring any new state classified civil service employees and prohibited from filling any vacant state classified civil service positions. This hiring freeze does not apply to internal transfers of classified employees from 1 position to another within a department.

(2) The state budget director may grant exceptions to this hiring freeze when the state budget director believes that the hiring freeze will result in rendering a state department or agency unable to deliver basic services, causes loss of revenue to the state, would result in the inability of the state to receive federal funds, or would necessitate additional expenditures that exceed any savings from maintaining a vacancy. The state budget director shall report by the thirtieth of each month to the chairpersons of the senate and house of representatives standing committees on appropriations the number of exceptions to the hiring freeze approved during the previous month and the reasons to justify the exception.

Privatization; project plan.

Sec. 207. At least 90 days before beginning any effort to privatize, the department shall submit a complete project plan to the appropriate senate and house of representatives appropriations subcommittees and the senate and house fiscal agencies. The plan shall include the criteria under which the privatization initiative will be evaluated. The evaluation shall be completed and submitted to the appropriate senate and house of representatives appropriations subcommittees and the senate and house fiscal agencies within 6 months. As used in this section, “privatize” or “privatization” means the transfer of state highway maintenance functions or activities currently performed by department forces, or by boards of county road commissioners, county boards of commissioners, or local units of government under contract with the department, to private contractors.

Reporting requirements; use of Internet.

Sec. 208. Unless otherwise specified, the department shall use the Internet to fulfill the reporting requirements of this article. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement or it may include placement of reports on an Internet or Intranet site.

Purchase of foreign goods or services; preference to Michigan businesses.

Sec. 209. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference should be given to goods or services, or both, manufactured or provided by Michigan businesses if they are competitively priced and of comparable quality.

Businesses in deprived and depressed communities; contracts to provide services or supplies.

Sec. 210. The director of each department receiving appropriations in part 1 may take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. The director shall encourage firms with which the department contracts to subcontract with certified businesses in deprived and depressed communities for services, supplies, or both.

Receipt and retention of reports.

Sec. 211. The departments and state agencies receiving appropriations under this article shall receive and retain copies of all reports funded from appropriations in part 1. These departments and state agencies shall follow federal and state guidelines for short-term and long-term retention of these reports and records.

Information technology amounts; designation as work projects; availability of funds for expenditure.

Sec. 258. Amounts appropriated in part 1 for information technology may be designated as work projects and carried forward to support technology projects under the direction of the department of information technology. Funds designated in this manner are not available for expenditure until approved as work projects under section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a.

Technology-related services and projects; payment of user fees.

Sec. 259. From the funds appropriated in part 1 for information technology, the department shall pay user fees to the department of information technology for technology-related services and projects. The user fees shall be subject to provisions of an interagency agreement between the department and the department of information technology.

Out-of-state travel; limitations; exception; travel report.

Sec. 260. (1) Due to the current budgetary problems in this state, out-of-state travel for the fiscal year ending September 30, 2007 shall be limited to situations in which 1 or more of the following conditions apply:

(a) The travel is required by legal mandate or court order or for law enforcement purposes.

(b) The travel is necessary to protect the health or safety of Michigan citizens or visitors or to assist other states in similar circumstances.

(c) The travel is necessary to produce budgetary savings or to increase state revenues, including protecting existing federal funds or securing additional federal funds.

(d) The travel is necessary to comply with federal requirements.

(e) The travel is necessary to secure specialized training for staff that is not available within this state, or through the Internet, computer classes, or correspondence.

(f) The travel is financed entirely by federal or nonstate funds.

(2) If out-of-state travel is necessary but does not meet 1 or more of the conditions in subsection (1), the state budget director may grant an exception to allow the travel. Any exceptions granted by the state budget director shall be reported on a monthly basis to the house and senate appropriations committees.

(3) Not later than January 1 of each year, each department shall prepare a travel report listing all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the chairs and members of the house and senate appropriations committees, the fiscal agencies, and the state budget director. The report shall include the following information:

(a) The name of each person receiving reimbursement for travel outside this state or whose travel costs were paid by this state.

(b) The destination of each travel occurrence.

(c) The dates of each travel occurrence.

(d) A brief statement of the reason for each travel occurrence.

(e) The transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

(f) A total of all out-of-state travel funded for the immediately preceding fiscal year.

Communication of employee with legislative member or staff.

Sec. 261. A department or state agency shall not take disciplinary action against an employee for communicating with a member of the legislature or their staff.

DEPARTMENTAL SECTIONS**Fee revenues; use; increase in toll charged by authority; public hearings; location; conduct.**

Sec. 301. (1) The department may establish a fee schedule and collect fees sufficient to cover the costs to issue the permits that the department is authorized by law to issue upon

request, and for fees associated with freedom of information requests. Unless otherwise authorized by statute, all fee revenue shall be credited to the state trunkline fund to recover the direct and indirect costs of receiving, reviewing, and processing the requests.

(2) A bridge authority shall hold 3 public hearings on an increase in any toll charged by the authority at least 30 days before the toll change will become effective. Two of the hearings shall be held within 5 miles of the bridge over which the bridge authority has jurisdiction. One hearing shall be held in Lansing. Public hearings held under this section shall be conducted in accordance with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275, and shall be conducted so as to provide a reasonable opportunity for public comment, including both spoken and written comments.

Receipt of money by city, village, and county road commission; report to requesting legislator.

Sec. 303. On request, the department shall provide to a legislator, in writing, a report on the amount of money to be received by each city and village and the county road commission of each county, that is included in whole or in part within the legislator's legislative district.

Bid documentation; confidentiality; disclosure.

Sec. 304. If, as a requirement of bidding on a highway project, the department requires a contractor to submit financial or proprietary documentation as to how the bid was calculated, that bid documentation shall be kept confidential and shall not be disclosed other than to a department representative without the contractor's written consent. The department may disclose the bid documentation if necessary to address or defend a claim by a contractor.

Public passenger transportation properties; revenue from tenants.

Sec. 305. The department shall permit space on public passenger transportation properties to be occupied by public or private tenants on a competitive market rate basis. The department shall require that revenue from the tenants be placed in an account to be used to pay the costs to maintain the property.

Auditor general report.

Sec. 306. Biennially, in each even-numbered fiscal year, the auditor general shall conduct an audit of charges to transportation funds by state departments for the 2 preceding fiscal years. The auditor general shall prepare a detailed report, with recommendations and conclusions, including a list of services charged to transportation funds, the appropriateness of those charges, the cost allocation methodologies used in determining the level of funding, and any unreimbursed costs. The report shall be provided to the senate and house of representatives committees on appropriations, the senate and house fiscal agencies, and the state budget director 9 months after publication of the state of Michigan comprehensive annual financial report.

Highway construction projects; rolling 5-year plan; list.

Sec. 307. Before February 1 of each year, the department will provide to the legislature, the state budget office, and the house and senate fiscal agencies its rolling 5-year plan listing by county or by county road commission all highway construction projects for the fiscal year and all expected projects for the ensuing fiscal years.

Construction and maintenance of state highways and local roads and streets; compliance with contract requirements.

Sec. 308. The department and local road agencies that receive appropriations under this article shall pursue compliance with contract specifications for construction and maintenance of state highways and local roads and streets. Work shall not be accepted and paid

for until it complies with contract requirements. Contractors with unsatisfactory performance ratings shall be restricted from future bidding through the prequalification process established by the department or a local road agency. The department, county road commissions, and cities and villages shall report to the house of representatives and senate appropriations subcommittees on transportation, the senate and house fiscal agencies, and the state budget director on their respective activities under this section.

Construction projects; reduction of administrative costs; maximum funding.

Sec. 309. The department shall reduce administrative costs and provide the maximum funding possible for construction projects.

Monthly transportation commission meetings; agenda; approved minutes.

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

Carrying forward balance in state trunkline fund; appropriation for federal aid road and bridge programs.

Sec. 312. At the close of the fiscal year, any unencumbered and unexpended balance in the state trunkline fund shall remain in the state trunkline fund and shall carry forward and is appropriated for federal aid road and bridge programs for projects contained in the annual state transportation program.

State infrastructure bank fund.

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

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

Activities of internal auditor; report.

Sec. 314. The department shall provide a report prepared by the department's internal auditor on the activities of the internal auditor for the previous fiscal year. The report shall be due on February 1, 2007 and shall be submitted to the senate and house of representatives appropriations committees, the senate and house fiscal agencies, the director of the state budget office, and the auditor general. This report shall include a list of all of the following:

(a) All work activities conducted by the internal auditor, including a listing of all audits, reviews, and investigations.

(b) The time charged to each work activity, including time charged to each audit, review, or investigation.

(c) A listing of which audits, reviews, and investigations have been completed and which audits, reviews, and investigations have had reports of the results issued.

Rest area; posting signs identifying responsible agency or contractor.

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

Construction zone traffic law enforcement.

Sec. 324. From the funds appropriated in part 1, \$500,000.00 from the state trunkline fund shall be used for enhanced construction zone traffic law enforcement and the “give ‘em a brake” campaign. The funding shall be used to reimburse law enforcement agencies for costs associated with construction zone traffic enforcement. The funding shall be provided based on approved memoranda of understanding between the department and participating law enforcement agencies.

Women- and minority-owned businesses; use; outreach and education efforts; report.

Sec. 334. The department shall continue its program to increase the use of women- and minority-owned businesses in state and local road construction projects. This program shall comprise, at a minimum, outreach and education efforts to inform women- and minority-owned firms of department competitive bidding processes and requirements, and an assessment of the availability of surety for women- and minority-owned businesses. The department shall report by March 31, 2007, to the house and senate appropriations subcommittees on transportation and the house and senate fiscal agencies of its progress in complying with this section.

Contractor payment process; prompt payment.

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

Local federal aid projects.

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

Multi-modal transportation services program.

Sec. 361. The department will notify the senate and house appropriations subcommittees on transportation, the senate and house fiscal agencies, and the state budget director of any changes to the services or function of the multi-modal transportation services program as approved by the state transportation commission.

Charter service complaint process.

Sec. 370. From the funds appropriated in part 1, the department shall maintain a complaint process to enforce the charter service prohibition contained in section 10e of 1951 PA 51, MCL 247.660e. The complaint process shall be independent from the charter service complaint process administered by the federal department of transportation, federal transit

administration under 49 CFR part 604. The process shall allow complainants to file written complaints with the director, either through the United States mail or through the department's Internet site. The process shall allow complainants and respondents to provide evidence to the director regarding the alleged complaint. The director shall dispose of all complaints within 120 days after receipt.

Employee newsletters; electronic production and distribution.

Sec. 374. The department shall produce and distribute all employee newsletters electronically.

Reimbursement to contractors or consultants for certain costs; prohibition.

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

Projects deferred from department's 5-year plan in 2003; status report.

Sec. 376. No later than October 15, 2006, the department shall report to the senate and house of representatives appropriations subcommittees on transportation on the status of the 17 projects that were initially deferred in the department's 5-year plan in 2003 and subsequently restored.

Comprehensive transportation fund revenue; certain expenditures prohibited.

Sec. 379. The department shall not spend any comprehensive transportation fund revenue appropriated in part 1 on operational planning for an eligible authority or eligible governmental agency in accordance with section 10b(3) of 1951 PA 51, MCL 247.660b.

Multi-modal transportation services bureau; use of appropriations.

Sec. 380. (1) The department only shall use those appropriations contained in sections 114 and 115 to support the operations of the multi-modal transportation services bureau. Except as provided in subsection (2), the department is prohibited from charging any costs associated with the multi-modal transportation services bureau to any appropriation in part 1, other than the appropriations contained in sections 114 and 115, regardless of their funding source without an approved legislative transfer or an enacted supplemental appropriations bill.

(2) Funds not appropriated in sections 114 and 115 may be used to fund costs associated with multi-modal transportation services, aeronautics, or freight safety services activities related to federally eligible costs for project management, inspection, and administration of federally funded projects and for construction of safety inspections of rail projects.

Production or airing of television program; payment of costs.

Sec. 381. No funds appropriated in part 1 shall be used to pay for the costs associated with the production or airing of a television program by the department, unless the program addresses traffic or safety advisories.

Transportation on state-owned aircraft; report; prohibitions; exception.

Sec. 383. (1) The department, with assistance from the departments of state police, natural resources, and military and veterans affairs, shall prepare a quarterly report on all travel by executive branch employees on state-owned, noncombat aircraft. The report shall include, by department, the name of the traveler, the travel origination location, the travel destination location, type of aircraft, and the total estimated costs associated with the air travel.

(2) From the funds appropriated in part 1, the department is prohibited from transporting employees of institutions of higher education on state-owned aircraft.

(3) From the funds appropriated in part 1, the department is prohibited from transporting legislators or legislative staff on state-owned aircraft without prior approval from the senate majority leader and/or the speaker of the house of representatives.

(4) From the funds appropriated in part 1, the department is prohibited from transporting local government employees on state-owned aircraft.

(5) It is the intent of the legislature that state elected officials use commercial or other private air service, unless air travel on state-owned aircraft is part of official state business.

(6) This section does not apply to transportation that is related to law enforcement or homeland security activities.

New crossing of Detroit River; funding for design or right-of-way acquisition prohibited.

Sec. 384. The department shall not, directly or indirectly, expend any funds appropriated in part 1 for design or right-of-way acquisition associated with a new crossing of the Detroit River between Detroit, Michigan and Windsor, Ontario.

Deputy director positions; establishment.

Sec. 391. It is the intent of the legislature that there be established within the department 2 separate deputy director positions with responsibility for public transportation programs. One position shall function as chief administrative officer for all public transportation programs, other than aeronautics programs. The second position shall function as the director of aeronautics as established in section 27 of the state aeronautics code, 1945 PA 327, MCL 259.27.

FEDERAL

Federal amounts and categories; department's recommendation for distribution of funds.

Sec. 401. When the department receives authorization from the federal government to commit transportation funds pursuant to federal appropriations, it shall present to the senate and house of representatives appropriations transportation subcommittees and the senate and house fiscal agencies, the federal amounts and categories authorized and the department's recommendation for distribution of these funds. If a recommendation or recommendations are not approved within 30 business days by both the senate and house of representatives appropriations transportation subcommittees, then the recommendation or recommendations shall be considered as disapproved. If either the senate or house of representatives appropriations transportation subcommittees disapproves the proposed distribution, then the senate and house of representatives appropriations transportation subcommittees and the department shall hold a joint meeting to develop a final distribution.

Federal DOT-FHWA highway research, planning, and construction funds; allocations to local jurisdictions.

Sec. 402. A portion of the federal DOT-FHWA highway research, planning, and construction funds made available to the state shall be allocated to transportation programs administered by local jurisdictions in accordance with section 10o of 1951 PA 51, MCL 247.660o. A local road agency, with respect to a project approved for federal aid funding in a state transportation improvement program, may enter into a voluntary buyout agreement

with the department or with another local road agency to exchange the federal aid with state restricted transportation funds as agreed to by the respective parties. The state-restricted transportation funds received in exchange for federal aid funds shall be used for the same purpose as the federal aid funds were originally intended.

MICHIGAN TRANSPORTATION FUND

Money received under motor carrier act; deposit in Michigan transportation fund.

Sec. 501. The money received under the motor carrier act, 1933 PA 254, MCL 475.1 to 479.43, and not appropriated to the department of labor and economic growth or the department of state police is deposited in the Michigan transportation fund.

Funds received by counties, cities, and villages; audits.

Sec. 502. The department of treasury shall perform audits and make investigations of the disposition of all state funds received by county road commissions or county boards of commissioners, as applicable, and cities and villages for transportation purposes to determine compliance with the terms and conditions of 1951 PA 51, MCL 247.651 to 247.675. County road commissions or county boards of commissioners, as applicable, and cities and villages shall make available to the department of treasury the pertinent records for the audit.

Economic development and local bridge programs.

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

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

(3) The department of transportation economic development fund and local bridge fund may receive and expend federal, local, or private funds or restricted source funds such as interest earnings for projects that are consistent with the programmatic mission of the respective funds in addition to funds appropriated in part 1.

(4) None of the funds statutorily dedicated to the transportation economic development fund and local bridge fund shall be diverted to other projects.

Distribution of funds.

Sec. 504. (1) Funds from the Michigan transportation fund (MTF) shall be distributed to the comprehensive transportation fund (CTF), the economic development fund (EDF), the recreation improvement fund (RIF), and the state trunkline fund (STF), in accordance with this article and part 711 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.71101 to 324.71108, and may only be used as specified in this article, 1951 PA 51, MCL 247.651 to 247.675, and part 711 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.71101 to 324.71108.

(2) The amounts appropriated and transferred to various state agencies from part 1 shall be expended from the transportation funds pursuant to annual contracts between the department and state agencies providing tax and fee collection and other services applicable to transportation funds. The contracts shall be executed prior to the transfer of these funds.

The contracts shall provide, but are not limited to, the following data applicable to each state agency:

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

(b) Description of services financed with transportation funds.

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

(3) Two months after publication of the state of Michigan comprehensive annual financial report, each state agency receiving an interdepartment and statutory contract from the department shall submit a written report to the department, the state budget director, and the house and senate fiscal agencies stating by spending authorization account the amount of estimated funds contracted with the department, the amount of funds expended, the amount of funds returned to the transportation funds, and any unreimbursed transportation-related costs incurred but not billed to transportation funds. A copy of the report shall be submitted to the auditor general and the report shall be subject to audit by the auditor general.

(4) In addition to the requirements of subsection (3), the state treasurer shall develop a cost allocation plan to identify the actual costs of work based on time and effort performed by the Michigan department of treasury for state-restricted transportation funds. The cost allocation plan shall specifically identify the costs of collecting constitutionally restricted motor fuel taxes. The cost allocation plan shall be submitted to the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house fiscal agencies, the auditor general, and the state budget director by November 1. The cost allocation plan shall be subject to audit by the auditor general.

STATE TRUNKLINE FUND

Performance and road construction warranties; report.

Sec. 601. The department shall work with the road construction industry and engineering consulting community to develop performance and road construction warranties for construction contracts. The development of warranties shall include warranties on materials, workmanship, performance criteria, and design/build projects. The department will report by September 30 of each calendar year to the house of representatives and senate appropriations subcommittees on transportation, the state budget director, and the house and senate fiscal agencies on the status of efforts to develop performance and road construction warranties.

Manufactured pipe; use; standards; test; summary of results.

Sec. 602. If the department uses manufactured pipe for road construction drainage, the department shall require that pipe used under certain load-bearing conditions beneath the roadway meets the standards established by the American society for testing and materials (ASTM) or American association of state highway and transportation officials (AASHTO). The department may also use the mandrel test for manufactured pipe 60 days after installation and provide a summary of the results of these inspections to the house of representatives and senate appropriations subcommittees on transportation and house and senate fiscal agencies.

Compiler's note: The shaded text was vetoed by the Governor, whose veto message appears in this volume under the heading "Vetoes."

Designation of roads for remediation; traffic congestion as criteria.

Sec. 603. The department shall use traffic congestion as 1 of the criteria in determining the priorities for designating which roads shall be remediated in its 5-year road plan, which must be submitted on or before February 1, 2007. Criteria for evaluating traffic congestion shall include, but not be limited to, coordination with local, county, and regional planning, improvement in traffic operations, improvement in physical roadway conditions, accident reduction, and coordination with area public transportation planning.

Unsafe pedestrian crossings and overpasses.

Sec. 607. Funding shall be made available for the remediation of unsafe pedestrian crossings on state highways. Funds from this appropriation may be expended only as matching funds for up to 50% of project cost with additional project funding to be provided by local units of government or through private contributions. Selected projects shall require the approval of the transportation commission. Maintenance of pedestrian overpasses constructed from funds made available through this appropriation shall be the responsibility of a local unit of government or public or private institutions of higher education.

Truck inspection stations.

Sec. 608. From the amounts appropriated in part 1 for forest roads from the transportation economic development fund, \$40,000.00 shall be used for the purpose of establishing 2 additional truck inspection stations. The department shall work directly with representatives of the timber industry to educate truck drivers on the use of the stations. The department shall report on the status of this program.

Animal remains; removal.

Sec. 610. It is the intent of the legislature that the department have as a priority the removal of dead deer and other large animal remains from the traveled portion and shoulder of state highways. The department, and counties that perform state highway maintenance under contract, shall remove animal remains, wherever practicable, away from the traveled portion and shoulder of state highways.

Pavement marking materials; report.

Sec. 611. From the appropriations in part 1, the department shall use high-quality pavement marking materials for all state trunkline projects with a design life of 10 years or greater. The department shall coordinate with material suppliers, equipment manufacturers, and application contractors to ensure cost-effective improvements in durability and retro-reflectivity. The department shall identify pilot projects for demonstration of wet reflective characteristics. The department shall submit a report to both the house and senate appropriations committees and the house and senate fiscal agencies by January 31, 2007, that provides a report on the wet reflective pilot projects and the use of high-quality pavement marking materials in coordination with material suppliers, equipment manufacturers, and application contractors.

Contracts for state trunkline projects; incentives and disincentives; guidelines; report.

Sec. 612. The department shall establish guidelines governing incentives and disincentives provided under contracts for state trunkline projects. The guidelines shall include specific financial information concerning incentives and disincentives. On or before January 1, 2007, the department shall prepare a report for the immediately preceding fiscal year regarding contract incentives and disincentives. This report shall include a list, by project, of the contractors that received contract incentives and/or disincentives, the amount of the incentives and/or disincentives, and the number of days that each project was completed either ahead or past the contracted completion date. This report shall be provided to the

senate and house appropriations subcommittees on transportation, the senate and house standing committees on transportation, and the senate and house fiscal agencies.

Sec. 613. From the funds appropriated in part 1, not less than \$50,000.00 shall be expended for the implementation of a comprehensive signage program on I-94, US-127, US-223, M-50, US-23, and I-69 to assist traffic coming from all directions to locate the Michigan international speedway.

Sec. 615. From the funds appropriated in part 1, the department shall proceed with the construction of a full interchange at the intersection of M-48 and I-75 in Chippewa County. The department shall develop design plans and award the construction contract for this project during the fiscal year ending September 30, 2007.

Sec. 616. From the funds appropriated in part 1, the department shall reimburse the city of Petoskey for installation of a traffic light on US-31 at the intersection with Bay Harbor in Emmet County.

Signs directing motorists to drive on right side of roadway; placement; plan and schedule.

Sec. 639. The department shall develop a plan and schedule to place signs on state highways that direct motorists to drive on the right half of the roadway in accordance with section 634 of the Michigan vehicle code, 1949 PA 300, MCL 257.634. The plan and schedule shall be submitted to the senate and house appropriations committees, the senate and house fiscal agencies, and the state budget director by November 1, 2006.

Signs directing motorists to yield right-of-way to emergency vehicles; placement; plan and schedule.

Sec. 640. The department shall develop a plan and schedule to place signs on state highways that direct motorists to yield the right-of-way to approaching emergency vehicles in accordance with section 653 of the Michigan vehicle code, 1949 PA 300, MCL 257.653. The plan and schedule shall be submitted to the senate and house appropriations committees, the senate and house fiscal agencies, and the state budget director by November 1, 2006.

Mackinac Bridge; protection of long-term viability.

Sec. 654. It is the intent of the legislature that the Mackinac Bridge Authority work to protect the long-term viability of the Mackinac Bridge.

Safe routes to schools project; Eaton Rapids.

Sec. 655. It is the intent of the legislature that the department expend not less than \$32,000.00 for a safe routes to schools project in Eaton Rapids, Michigan, involving extension of and improvements to sidewalks along North State Street from Gould to beyond Greyhound Drive, as well as connecting streets in neighborhoods near Eaton Rapids High School, Eaton Rapids Middle School, Greyhound Intermediate School, and Lockwood Elementary School.

M-49 from M-99 to US-12; upgrade.

Sec. 656. It is the intent of the legislature that the department upgrade that section of M-49 from M-99 to US-12 to standards necessary for designation as a designated highway as provided under sections 717 and 718 of the Michigan vehicle code, 1949 PA 300, MCL 257.717 and 257.718, and for inclusion as a “green” special designated highway on the department’s truck operator’s map.

US-23 from M-14 to I-96; congestion mitigation corridor study.

Sec. 657. It is the intent of the legislature that the department proceed with a congestion mitigation corridor study of US-23 from M-14 to I-96 in Washtenaw and Livingston counties, including environmental assessment of transportation improvements to US-23.

COMPREHENSIVE TRANSPORTATION FUND**Intercity bus equipment fund; deposit.**

Sec. 701. Money that is received by the state as a lease payment for state-owned intercity bus equipment is not money to be deposited in the comprehensive transportation fund under section 10b of 1951 PA 51, MCL 247.660b, but is money that is deposited in an intercity bus equipment fund for appropriation for the purchase and repair of intercity bus equipment. Proceeds received by the state from the sale of intercity bus equipment are deposited in an intercity bus equipment fund for appropriation for the purchase and repair of intercity bus equipment. Security deposits from the lease of state-owned intercity bus equipment not returned to the lessee of the equipment under terms of the lease agreement are deposited in an intercity bus equipment fund for appropriation for the repair of intercity bus equipment. At the close of the fiscal year, any funds remaining in the intercity bus equipment fund shall remain in the fund and be carried forward into the succeeding fiscal year.

Rail or water freight capital projects; disposition of money received.

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

Filing for abandonment of line; notification.

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

Rail infrastructure loan fund; credit of funds.

Sec. 705. Funds appropriated in part 1 for the rail infrastructure loan program shall be credited to the rail infrastructure loan fund established in section 15a of the state transportation preservation act of 1976, 1976 PA 295, MCL 474.65a.

Detroit/Wayne county port authority; operations assessment and financial disclosure statement; report.

Sec. 706. The Detroit/Wayne County port authority shall issue a complete operations assessment and a financial disclosure statement. The operations assessment shall include operational goals for the next 5 years and recommendations to improve land acquisition and development efficiency. The report shall be completed and submitted to the house of representatives and senate appropriations subcommittees on transportation, the state budget director, and the house and senate fiscal agencies by February 15 of each fiscal year for the prior fiscal year.

Public transportation services in urbanized areas; population requirements; grant.

Sec. 707. (1) For the fiscal year ending September 30, 2007, each eligible authority and each eligible governmental agency which provides public transportation services in urbanized areas with a Michigan population of less than or equal to 100,000 and nonurbanized areas under section 5311 of title 49 of the United States Code, 49 USC 5311, shall receive a grant of up to 60% of its eligible operating expenses. Each eligible authority and each eligible governmental agency which provides public transportation services in urbanized areas with a Michigan population of greater than 100,000 under section 5307 of title 49 of the United States Code, 49 USC 5307, shall receive a grant of up to 50% of its eligible operating expenses.

(2) If the department determines that the Detroit transportation corporation is an eligible governmental agency as defined in section 10c(c) of 1951 PA 51, MCL 247.660c, and is eligible for operating grants under section 10e of 1951 PA 51, MCL 247.660e, the Detroit transportation corporation shall receive an operating grant not to exceed the amount of the distribution it received for eligible operating expenses for the fiscal year ending September 30, 1997 as provided in section 10e(4)(a)(v) of 1951 PA 51, MCL 247.660e. The funding plan for capital construction costs of the Detroit people mover project as described and provided under 1984 PA 243, 1985 PA 111, 1986 PA 207, 1987 PA 136, 1988 PA 271, 1989 PA 54, and 1990 PA 202 represents the only funding plan for cost overruns and there is no provision or expectation of other state money of any nature or character whatsoever for the construction or operation of the project.

Private intercity bus carriers; use of state-owned or state-leased buses.

Sec. 708. If funds appropriated in part 1 are used to provide state-owned or state-leased buses to private intercity bus carriers, the department shall charge not less than \$1,000.00 per bus per year for their use.

Essential corridor; list of bus routes; changes; competing private or public carrier.

Sec. 709. (1) The following bus routes are designated as an essential corridor in Michigan:

Between St. Ignace and Escanaba	US-2
Between Escanaba and Duluth	US-2 through Ironwood to the state line
Between Calumet and Escanaba	US-41
Between Escanaba and Milwaukee	US-41 through Menominee to the state line
Between St. Ignace and Sault Ste. Marie	I-75
Between Detroit and Chicago	I-94 from Detroit to the state line
Between Detroit and Muskegon	I-96
Between Grand Rapids, Holland, and Benton Harbor	I-196 to I-94
Between Muskegon and Grand Rapids	US-31, I-96
Between Detroit and Bay City	I-75
Between Bay City and Mount Pleasant	US-10, M-20
Between Jackson and Traverse City	US-127, US-27, I-75, Grayling, Gaylord, M-72 to Traverse City
Between Jackson and Indianapolis	I-69, I-94 to the state line through Albion, Marshall, and Coldwater
Between Houghton Lake and Cadillac	M-55 and M-66

Between Detroit and Toledo	I-75 to the state line
Between the Indiana state line and Traverse City	US-31 and I-196
Between Detroit and Port Huron	I-375 and I-94
Between Toledo and Bay City	US-23, I-75, and I-675, I-75
Between Bay City and Chicago	I-75, Flint, I-69, I-94, Battle Creek, I-94 to the state line
Between Flint and Lansing	I-69, M-21, Owosso, M-52, I-69
Between Bay City and St. Ignace	I-75, US-23
Between Grand Rapids and St. Ignace	US-131, Cadillac, M-115, Mesick, M-37 to Traverse City, US-31, Acme, M-72, Kalkaska, US-131, Boyne Falls, M-75, Walloon Lake, US-131, Petoskey, US-31, I-75, St. Ignace
Between Kalamazoo and Grand Rapids	US-131

(2) Any changes to the essential corridor list in subsection (1) shall be approved by the house and senate appropriations subcommittees on transportation.

(3) No entity shall receive operating assistance for a scheduled regular route service which is competing with another private or public carrier over the same route.

Rail service between Grand Rapids and Chicago and Port Huron and Chicago.

Sec. 711. (1) From the funds appropriated in part 1 from the comprehensive transportation fund for rail passenger service, the department shall negotiate with a rail carrier to provide rail service between Grand Rapids and Chicago and between Port Huron and Chicago on a 7-day basis, consistent with the other provisions of this section.

(2) Any state subsidy for rail passenger service between Grand Rapids and Chicago and between Port Huron and Chicago shall be limited to an amount equal to revenue generated from operation of these routes, including, but not limited to, revenue from fares and concessions. The state subsidy shall not exceed \$7,100,000.00.

(3) The rail carrier shall, as a condition to receiving a state operating subsidy, maintain a system to monitor, collect, and resolve customer complaints and shall make the information available to the department, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies.

(4) The department shall submit a report to both the house and senate appropriations committees and the house and senate fiscal agencies by January 1, 2007 that provides a 5-year history on services, ridership, and subsidies.

(5) Future state support for the service between Grand Rapids and Chicago and Port Huron and Chicago is dependent on the department's ability to provide a plan and a contract for services that increase ridership and revenue, reduce operating costs, and improve on-time performance. The department shall include a section in the report required in subsection (4) detailing efforts to reduce the dependence on state operating subsidies and projected operating expenses for the next 2 years, and recommending service alternatives, for the Grand Rapids to Chicago service and the Port Huron to Chicago service.

(6) No state subsidy shall be provided from the funds appropriated in part 1 if the chosen rail carrier is Amtrak and Amtrak discontinued service or any portion of the service between Port Huron and Chicago or Grand Rapids and Chicago during the preceding fiscal year, unless the discontinuance of service was for track maintenance or was caused by acts of God.

Demand-response services.

Sec. 714. (1) The department, in cooperation with local transit agencies, shall work to ensure that demand-response services are provided throughout Michigan. The department shall continue to work with local units of government to address the unmet transit needs in Michigan.

(2) The department shall report by March 1, 2007 on its efforts to implement this section over the past 2 years.

Bus acquisition capital grants.

Sec. 721. For federal transit administration bus acquisition capital grants matched with CTF funds appropriated in part 1, transit agencies shall have 4 years from the federal approval date to carry out their projects. Contract line items unobligated 4 years after the federal approval date may be matched with CTF funds only up to 15% in the fifth and subsequent years. "Unobligated" means any line item in the contract that is not committed to a third party or purchase order. A waiver shall be granted by the department for an additional year with documented justification from the transit agency accompanied by a resolution from the board or authority seeking a waiver. If a transit agency does not carry out a line item activity in a specific authorization and the transit agency requests funds in a new authorization for that same activity, the line item shall be matched at up to 15%. This section applies only to bus acquisition capital grants. Lapsed funds under this section shall remain in the CTF.

Job access reverse commute grants; matching funds.

Sec. 722. From the funds appropriated in part 1 for transportation to work from the CTF, sufficient funds shall be used as a match for job access reverse commute grants for local transit agencies.

Intercity bus service development; use of funds for lost ridership support and/or marketing efforts.

Sec. 729. From the funds appropriated in part 1 for intercity bus service development, \$100,000.00 shall be used for lost ridership support and/or marketing efforts to increase awareness of intercity bus service, increase ridership on intercity bus carriers, and improve coordination of intercity bus service in Michigan.

Sale of state-owned intercity bus equipment; deposit of proceeds.

Sec. 730. The department shall sell all state-owned intercity bus equipment within 6 months of termination of lease agreements with intercity bus carriers. The proceeds from the sale of state-owned intercity bus equipment under this section shall be deposited in the intercity bus equipment fund, consistent with section 701.

Leasing space in state-owned intermodal facilities; rates.

Sec. 731. The department shall charge public transit agencies and intercity bus carriers equal rates per square foot for leasing space in state-owned intermodal facilities.

Operational lifts; report.

Sec. 732. (1) From the funds appropriated in part 1 for local bus operating, eligible authorities and eligible governmental agencies receiving grants under section 10e of 1951 PA 51, MCL 247.660e, shall equip vehicles with necessary operational lifts and certify to the department, in a format specified by the department, that those lifts are maintained and cycled on a regularly scheduled basis to ensure operability consistent with authority granted to the department under 1951 PA 51, MCL 247.651 to 247.675.

(2) By October 29, 2006, eligible authorities and eligible governmental agencies shall forward to the department and the senate and house fiscal agencies a report on the status of their fleet with respect to operational lifts pursuant to subsection (1). Eligible authorities and eligible governmental agencies shall specifically include information in the report on the number and percentage of the fleet with operational lifts, and the number and percentage of the fleet with operational lifts that are not in working order.

(3) An eligible authority or eligible governmental agency that reports, pursuant to subsection (2), that vehicles currently eligible for or in active service have lifts that are not operational, shall certify to the department by December 31, 2006 that the nonoperational lifts have been repaired or replaced and are operational.

(4) By April 1, 2007, the department director shall certify, in writing, to the senate and house appropriations subcommittees on transportation, senate and house fiscal agencies, and the state budget director that the information provided by each eligible authority or eligible governmental agency under subsections (2) and (3) is accurate to the best of the director's knowledge. In the event that the department director finds that the information provided by each eligible authority or eligible governmental agency under subsections (2) and (3) is inaccurate, the director shall notify the eligible authority or eligible governmental agency of the inaccuracies and require submission of a corrected report.

(5) Eligible authorities and eligible governmental agencies that report, pursuant to subsection (2), nonoperational lifts on vehicles currently eligible for or in active service, and who are unable to certify, pursuant to subsection (3), that lifts have been repaired or replaced by December 31, 2006, shall not receive 25% of their monthly local bus operating grant, beginning January 1, 2007. Persons 65 years of age or older and persons with disabilities shall be exempt from fare box charges for the period an eligible authority or eligible governmental agency has funds withheld pursuant to this subsection.

(6) If the eligible authority or eligible governmental agency certifies on or before April 30, 2007 that lifts reported as nonoperational pursuant to subsections (3) and (4) are now operational, funds withheld during the period subsequent to December 31, 2006 shall be forwarded to the applicable eligible authority or eligible governmental agency. If the applicable lifts are not operational by April 30, 2007, funds withheld pursuant to subsection (4) shall be forfeited and deposited to the comprehensive transportation fund.

(7) The department shall report to the senate and house appropriations subcommittees on transportation, senate and house fiscal agencies, and the state budget director on September 30, 2007, regarding actions taken with respect to implementation of this section.

(8) The department shall ensure that transit agencies have adequate wheelchair lifts available on demand response vehicles to meet the needs of persons with disabilities.

Public transit service; quality.

Sec. 734. (1) The department shall ensure that all public transit agencies provide the highest quality public transit service by moving people in a cost-effective, safe, and user-friendly manner that maintains and attracts residents and businesses.

(2) Public transit agencies receiving funds under part 1 shall do all of the following:

(a) Provide efficient, cost-effective, safe, well-maintained, reliable, customer-driven transportation services.

(b) Provide a quality work environment that has and fulfills employee performance, productivity, and development standards.

(c) Identify and capture all available funding or create cost-effective programs to eliminate debt and have a balanced budget.

(d) Maintain sufficient local and community funding.

(e) Support business development by providing transportation to areas of employment and commerce, emerging or established businesses, and health care facilities.

Intercity rail and bus passenger carriers; coordination; assistance.

Sec. 736. From the funds appropriated in part 1, the department shall work with intercity rail and bus passenger carriers to coordinate intercity passenger transportation in Michigan. The department shall assist in the coordination of intercity routes, schedules, and facilities.

Birmingham/Troy intermodal passenger facility.

Sec. 737. It is the intent of the legislature that the department proceed with the construction of a Birmingham/Troy intermodal passenger facility.

Hillsdale to Quincy; rehabilitation of rail track.

Sec. 738. It is the intent of the legislature that sufficient funds be allocated from the appropriation in section 117 to complete the rehabilitation of rail track between Hillsdale to Quincy.

Large-capacity vehicles; assignment; limitation.

Sec. 739. Eligible authorities and eligible governmental agencies receiving grants from funds appropriated in this article shall not assign buses longer than 40 feet to fixed route service if a reasonable estimate of ridership does not warrant the use of such large-capacity vehicles.

AERONAUTICS FUND

State aeronautics fund; lapse.

Sec. 801. At the close of the fiscal year, any unobligated and unexpended balance in the state aeronautics fund created in the aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.1 to 259.208, shall lapse to the state aeronautics fund and be appropriated by the legislature in the immediately succeeding fiscal year.

Reimbursement of comprehensive transportation fund debt service obligations.

Sec. 805. State aeronautics funds appropriated in part 1 for airport safety and protection plan debt service are transferred to the comprehensive transportation fund and are appropriated for the purpose of reimbursing comprehensive transportation fund debt service obligations for the airport safety and protection plan program.

ARTICLE 19

SUPPLEMENTAL

PART 1

LINE-ITEM APPROPRIATIONS

Appropriations; supplemental; various departments and state agencies.

Sec. 101. Subject to the conditions set forth in this article, the amounts listed in this part are appropriated for the various departments and state agencies and capital outlay

to supplement appropriations for the fiscal year ending September 30, 2006. The following is a summary of the appropriations in this part:

APPROPRIATION SUMMARY:

Full-time equated classified positions.....	20.0		
GROSS APPROPRIATION.....		\$	240,104,900
Total interdepartmental grants and intradepartmental transfers			0
ADJUSTED GROSS APPROPRIATION.....		\$	240,104,900
Total federal revenues.....			158,074,700
Total local revenues			6,457,300
Total private revenues.....			475,000
Total other state restricted revenues.....			22,323,800
State general fund/general purpose		\$	52,774,100

Department of attorney general.

Sec. 102. DEPARTMENT OF ATTORNEY GENERAL

(1) APPROPRIATION SUMMARY

GROSS APPROPRIATION.....		\$	0
Total interdepartmental grants and intradepartmental transfers			0
ADJUSTED GROSS APPROPRIATION.....		\$	0
Total federal revenues.....			0
Total local revenues			0
Total private revenues.....			0
Total other state restricted revenues.....			0
State general fund/general purpose		\$	0

(2) ATTORNEY GENERAL OPERATIONS

Attorney general operations.....		\$	0
GROSS APPROPRIATION.....		\$	0

Appropriated from:

Special revenue funds:

Merit award trust fund.....			386,800
Tobacco settlement trust fund			(386,800)
State general fund/general purpose		\$	0

Capital outlay.

Sec. 103. CAPITAL OUTLAY

(1) APPROPRIATION SUMMARY

GROSS APPROPRIATION.....		\$	500
Total interdepartmental grants and intradepartmental transfers			0
ADJUSTED GROSS APPROPRIATION.....		\$	500
Total federal revenues.....			0
Total local revenues			0
Total private revenues.....			0
Total state restricted revenues.....			0
State general fund/general purpose		\$	500

(2) STATE BUILDING AUTHORITY FINANCED

CONSTRUCTION PROJECTS

University of Michigan - Flint - French hall renovations authorized for planning in 2005 PA 10, for design and construction (total authorized cost \$9,350,000; state building authority share \$6,999,800; University of Michigan - Flint share \$2,350,000; state general fund share \$200).....		\$	100
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For Fiscal Year
Ending Sept. 30,
2006

University of Michigan - Ann Arbor - Phoenix laboratory - third of 3 components authorized for planning in 2005 PA 10, for design and construction (total authorized cost \$9,500,000; state building authority share \$6,428,200; University of Michigan - Ann Arbor share \$3,071,700; state general fund share \$100).....	\$	100
Central Michigan University - education building - authorized for planning in 2005 PA 10, for design and construction (total authorized cost \$50,000,000; state building authority share \$37,499,800; Central Michigan University share \$12,500,000; state general fund share \$200)		100
Wayne State University - engineering development center - authorized for planning in 2005 PA 10, for design and construction (total authorized cost \$27,350,000; state building authority share \$12,350,000; Wayne State University share \$11,500,000; state general fund share \$200)		100
Department of Corrections - Egeler correctional facility - fire safety improvements - for design and construction (total authorized cost \$8,300,000; state building authority share \$8,299,900; state general fund share \$100).....		100
GROSS APPROPRIATION	\$	<u>500</u>
Appropriated from:		
State general fund/general purpose	\$	500

Department of community health.

Sec. 104. DEPARTMENT OF COMMUNITY HEALTH

(1) APPROPRIATION SUMMARY

Full-time equated classified positions	5.0	
GROSS APPROPRIATION	\$	161,116,200
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	\$	161,116,200
Total federal revenues		104,598,200
Total local revenues		3,857,300
Total private revenues.....		400,000
Total other state restricted revenues		24,878,000
State general fund/general purpose	\$	27,382,700

(2) DEPARTMENTWIDE ADMINISTRATION

Departmental administration and management—1.0 FTE position...	\$	<u>31,700</u>
GROSS APPROPRIATION	\$	31,700
Appropriated from:		
Federal revenues:		
Total federal revenues		15,800
State general fund/general purpose	\$	15,900

(3) FAMILY, MATERNAL, AND CHILDREN'S HEALTH SERVICES

Family, maternal, and children's health services administration— 2.0 FTE positions.....	\$	<u>63,300</u>
GROSS APPROPRIATION	\$	63,300

For Fiscal Year
Ending Sept. 30,
2006

Appropriated from:	
Federal revenues:	
Total federal revenues	\$ 31,700
State general fund/general purpose	\$ 31,600
(4) OFFICE OF SERVICES TO THE AGING	
Respite care program	\$ 0
GROSS APPROPRIATION	\$ 0
Appropriated from:	
Special revenue funds:	
Merit award trust fund	5,000,000
Tobacco settlement trust fund	(5,000,000)
State general fund/general purpose	\$ 0
(5) MEDICAL SERVICES ADMINISTRATION	
Medical services administration—2.0 FTE positions	\$ 805,300
GROSS APPROPRIATION	\$ 805,300
Appropriated from:	
Federal revenues:	
Total federal revenues	402,700
State general fund/general purpose	\$ 402,600
(6) MEDICAL SERVICES	
Hospital services and therapy	\$ 116,400,000
Pharmaceutical services	57,500
Auxiliary medical services	9,821,400
Long-term care services	0
Health plan services	33,937,000
Elder prescription insurance coverage	0
Subtotal basic medical services program	160,215,900
GROSS APPROPRIATION	\$ 160,215,900
Appropriated from:	
Federal revenues:	
Total federal revenues	104,148,000
Special revenue funds:	
Total local revenues	3,857,300
Total private revenues	400,000
Merit award trust fund	41,418,000
Tobacco settlement trust fund	(67,000,000)
Total other state restricted revenues	50,460,000
State general fund/general purpose	\$ 26,932,600

Department of corrections.

Sec. 105. DEPARTMENT OF CORRECTIONS

(1) APPROPRIATION SUMMARY

GROSS APPROPRIATION	\$ 10,000,000
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 10,000,000
Total federal revenues	0
Total local revenues	0
Total private revenues	0

	For Fiscal Year Ending Sept. 30, 2006
Total other state restricted revenues	\$ 0
State general fund/general purpose	\$ 10,000,000
(2) NORTHERN REGION CORRECTIONAL FACILITIES	
Alger Maximum Correctional Facility - Munising	\$ 350,000
Baraga Maximum Correctional Facility - Baraga	1,124,800
Kinross Correctional Facility - Kincheloe	1,369,400
Marquette Branch Prison - Marquette	305,500
Newberry Correctional Facility - Newberry	86,800
Oaks Correctional Facility - Eastlake.....	85,800
Ojibway Correctional Facility - Marenisco	81,000
Pugsley Correctional Facility - Kingsley	589,800
Standish Maximum Correctional Facility - Standish	305,000
GROSS APPROPRIATION	\$ 4,298,100
Appropriated from:	
State general fund/general purpose	\$ 4,298,100
(3) SOUTHEASTERN MICHIGAN REGION CORRECTIONAL FACILITIES	
Charles E. Egeler Correctional Facility - Jackson.....	\$ 600,000
Huron Valley Correctional Facility - Ypsilanti.....	805,100
Mound Correctional Facility - Detroit.....	520,000
Ryan Correctional Facility - Detroit.....	520,000
Robert Scott Correctional Facility - Plymouth.....	306,200
Thumb Correctional Facility - Lapeer.....	250,000
Jackson area support and services - Jackson	347,500
GROSS APPROPRIATION	\$ 3,348,800
Appropriated from:	
State general fund/general purpose	\$ 3,348,800
(4) SOUTHWESTERN REGION CORRECTIONAL FACILITIES	
Bellamy Creek Correctional Facility - Ionia	\$ 444,300
Earnest C. Brooks Correctional Facility - Muskegon	640,900
Carson City Correctional Facility - Carson City.....	925,000
Richard A. Handlon Correctional Facility - Ionia	175,000
Ionia Maximum Correctional Facility - Ionia	167,900
GROSS APPROPRIATION	\$ 2,353,100
Appropriated from:	
State general fund/general purpose	\$ 2,353,100
Department of education.	
Sec. 106. DEPARTMENT OF EDUCATION	
(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	\$ 195,800
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION.....	\$ 195,800
Total federal revenues	0
Total local revenues	0
Total private revenues.....	0
Total other state restricted revenues.....	195,800
State general fund/general purpose	\$ 0

For Fiscal Year
Ending Sept. 30,
2006

(2) GRANT ADMINISTRATION AND SCHOOL SUPPORT SERVICES

Grant administration and school support services operations	\$	195,800
GROSS APPROPRIATION	\$	195,800
Appropriated from:		
Special revenue funds:		
Commodity distribution fees		195,800
State general fund/general purpose	\$	0

**Department of environmental quality.
Sec. 107. DEPARTMENT OF ENVIRONMENTAL QUALITY
(1) APPROPRIATION SUMMARY**

GROSS APPROPRIATION	\$	50,000
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	\$	50,000
Total federal revenues		0
Total local revenues		0
Total private revenues		0
Total other state restricted revenues		50,000
State general fund/general purpose	\$	0

(2) ENVIRONMENTAL SCIENCE AND SERVICES

Pollution prevention and technical assistance	\$	0
GROSS APPROPRIATION	\$	0
Appropriated from:		
Special revenue funds:		
Small business pollution prevention revolving loan fund		100,300
Waste reduction fee revenue		(100,300)
State general fund/general purpose	\$	0

(3) LAND AND WATER MANAGEMENT

Field permitting and project assistance	\$	0
Great Lakes shorelands		0
GROSS APPROPRIATION	\$	0
Appropriated from:		
Special revenue funds:		
Environmental protection fund		1,000,000
Land and water permit fees		(1,000,000)
State general fund/general purpose	\$	0

(4) GRANTS

Volunteer river, stream, and creek cleanup	\$	50,000
GROSS APPROPRIATION	\$	50,000
Appropriated from:		
Special revenue funds:		
Water quality protection fund		50,000
State general fund/general purpose	\$	0

**Department of human services.
Sec. 108. DEPARTMENT OF HUMAN SERVICES
(1) APPROPRIATION SUMMARY**

Full-time equated classified positions	15.0
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	For Fiscal Year Ending Sept. 30, 2006
GROSS APPROPRIATION	\$ 66,281,800
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION.....	\$ 66,281,800
Total federal revenues	52,190,900
Total local revenues	2,600,000
Total private revenues.....	0
Total other state restricted revenues.....	0
State general fund/general purpose	\$ 11,490,900
(2) CHILD AND FAMILY SERVICES	
Child care fund.....	\$ 11,300,000
GROSS APPROPRIATION.....	\$ 11,300,000
Appropriated from:	
State general fund/general purpose	\$ 11,300,000
(3) LOCAL OFFICE STAFF AND OPERATIONS	
Field staff, salaries and wages—15.0 FTE positions	\$ 203,600
Contractual services, supplies, and materials	53,000
GROSS APPROPRIATION.....	\$ 256,600
Appropriated from:	
Federal revenues:	
Total federal revenues	128,300
State general fund/general purpose	\$ 128,300
(4) CENTRAL SUPPORT ACCOUNTS	
Rent.....	\$ 15,000
Travel.....	3,500
Payroll taxes and fringe benefits.....	106,700
GROSS APPROPRIATION.....	\$ 125,200
Appropriated from:	
Federal revenues:	
Total federal revenues	62,600
State general fund/general purpose	\$ 62,600
(5) PUBLIC ASSISTANCE	
Food assistance program benefits	\$ 35,000,000
Low-income home energy assistance program	17,000,000
GROSS APPROPRIATION.....	\$ 52,000,000
Appropriated from:	
Federal revenues:	
Total federal revenues	52,000,000
State general fund/general purpose	\$ 0
(6) JUVENILE JUSTICE SERVICES	
High security juvenile services.....	\$ 500,000
Medium security juvenile services	2,100,000
GROSS APPROPRIATION.....	\$ 2,600,000
Appropriated from:	
Special revenue funds:	
Local funds - county payback.....	2,600,000
State general fund/general purpose	\$ 0

For Fiscal Year
Ending Sept. 30,
2006

Legislature.**Sec. 110. LEGISLATURE****(1) APPROPRIATION SUMMARY**

GROSS APPROPRIATION.....	\$	(500,000)
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION.....	\$	(500,000)
Total federal revenues.....		0
Total local revenues		0
Total private revenues.....		0
Total other state restricted revenues.....		0
State general fund/general purpose	\$	(500,000)

(2) LEGISLATIVE COUNCIL

Legislative council.....	\$	(500,000)
GROSS APPROPRIATION.....	\$	(500,000)
Appropriated from:		
State general fund/general purpose	\$	(500,000)

Department of military and veterans affairs.**Sec. 111. DEPARTMENT OF MILITARY AND VETERANS AFFAIRS****(1) APPROPRIATION SUMMARY**

GROSS APPROPRIATION.....	\$	1,760,600
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION.....	\$	1,760,600
Total federal revenues.....		785,600
Total local revenues		0
Total private revenues.....		75,000
Total other state restricted revenues.....		(1,000,000)
State general fund/general purpose	\$	1,900,000

(2) GRAND RAPIDS VETERANS' HOME

Grand Rapids veterans' home.....	\$	1,250,600
Board of managers		75,000
GROSS APPROPRIATION.....	\$	1,325,600

Appropriated from:

Federal revenues:		
HHS, Medicare.....		350,600
Special revenue funds:		
Income and assessments		(1,000,000)
Private - veterans' home post and posthumous funds.....		75,000
State general fund/general purpose	\$	1,900,000

(3) D. J. JACOBETTI VETERANS' HOME

D.J. Jacobetti veterans' home.....	\$	435,000
GROSS APPROPRIATION.....	\$	435,000

Appropriated from:

Federal revenues:		
DVA-VHA		395,000
HHS, Medicare.....		40,000
State general fund/general purpose	\$	0

For Fiscal Year
Ending Sept. 30,
2006

Department of natural resources.

Sec. 112. DEPARTMENT OF NATURAL RESOURCES

(1) APPROPRIATION SUMMARY

GROSS APPROPRIATION.....	\$	600,000
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION.....	\$	600,000
Total federal revenues.....		0
Total local revenues		0
Total private revenues.....		0
Total other state restricted revenues.....		600,000
State general fund/general purpose	\$	0

(2) FOREST, MINERAL, AND FIRE MANAGEMENT

Forest fire protection.....	\$	400,000
Forest and timber treatments.....		200,000
GROSS APPROPRIATION.....	\$	<u>600,000</u>
Appropriated from:		
Special revenue funds:		
Forest development fund.....		600,000
State general fund/general purpose	\$	0

Department of state.

Sec. 113. DEPARTMENT OF STATE

(1) APPROPRIATION SUMMARY

GROSS APPROPRIATION.....	\$	500,000
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION.....	\$	500,000
Total federal revenues.....		500,000
Total local revenues		0
Total private revenues.....		0
Total other state restricted revenues.....		(6,500,000)
State general fund/general purpose	\$	6,500,000

(2) REGULATORY SERVICES

Operations.....	\$	<u>0</u>
GROSS APPROPRIATION.....	\$	0
Appropriated from:		
Special revenue funds:		
Transportation administration collection fund		(6,500,000)
State general fund/general purpose	\$	6,500,000

(3) ELECTION REGULATION

Help America vote act - voting access for individuals with disabilities	\$	<u>500,000</u>
GROSS APPROPRIATION.....	\$	500,000
Appropriated from:		
Federal revenues:		
Federal funds		500,000
State general fund/general purpose	\$	0

For Fiscal Year
Ending Sept. 30,
2006

Department of state police.

Sec. 114. DEPARTMENT OF STATE POLICE

(1) APPROPRIATION SUMMARY

GROSS APPROPRIATION.....	\$	0
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION.....	\$	0
Total federal revenues.....		0
Total local revenues		0
Total private revenues.....		0
Total other state restricted revenues.....		4,100,000
State general fund/general purpose	\$	(4,100,000)

(2) UNIFORM SERVICES

At-post troopers.....	\$	0
GROSS APPROPRIATION.....	\$	0
Appropriated from:		
Special revenue funds:		
Traffic law enforcement and safety fund		4,100,000
State general fund/general purpose	\$	(4,100,000)

Department of treasury.

Sec. 115. DEPARTMENT OF TREASURY

(1) APPROPRIATION SUMMARY

GROSS APPROPRIATION.....	\$	100,000
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION.....	\$	100,000
Total federal revenues.....		0
Total local revenues		0
Total private revenues.....		0
Total other state restricted revenues.....		0
State general fund/general purpose	\$	100,000

(2) MICHIGAN STRATEGIC FUND

Michigan promotion program	\$	100,000
GROSS APPROPRIATION.....	\$	100,000
Appropriated from:		
State general fund/general purpose	\$	100,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS

Total state spending; payments to local units of government.

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 2005-2006 is \$75,097,900.00 and state spending from state resources to be paid to local units of government for fiscal year 2005-2006 is \$0.

Appropriations subject to MCL 18.1101 to 18.1594.

Sec. 202. The appropriations authorized under this article are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

CAPITAL OUTLAY**University of Michigan - Ann Arbor - Phoenix laboratory.**

Sec. 250. The appropriation for the University of Michigan - Ann Arbor - Phoenix laboratory contained in part 1 shall not be allocated until the joint capital outlay subcommittee approves the project.

DEPARTMENT OF STATE**Voting access for individuals with disabilities.**

Sec. 301. The funds appropriated in part 1 to the department of state, help America vote act - voting access for individuals with disabilities, are designated as work project appropriations and shall not lapse at the end of the fiscal year. Any unencumbered or unallotted funds shall continue to be available for expenditure until the project has been completed. The total cost is estimated at \$500,000.00 and the tentative completion date is September 30, 2007.

DEPARTMENT OF STATE POLICE**State services fee fund; appropriation of surplus funds to traffic law enforcement and safety fund.**

Sec. 401. For the fiscal year ending September 30, 2006, surplus funds of \$6,000,000.00 in the state services fee fund are hereby appropriated to the traffic law enforcement and safety fund.

DEPARTMENT OF TREASURY**Detroit zoological institute.**

Sec. 501. From the funds appropriated in part 1 for the Michigan promotion program, \$100,000.00 shall be allocated to promote the Detroit zoological institute. These funds are designated as work project appropriations and shall not lapse at the end of the fiscal year. Any unencumbered or unallotted funds shall continue to be available for expenditure until the project has been completed. The total cost is estimated at \$100,000.00 and the tentative completion date is September 30, 2007.

REPEALER**Repeal of section 301 of 2006 PA 153.**

Sec. 1001. Section 301 of 2006 PA 153 is repealed.

This act is ordered to take immediate effect.

Approved August 15, 2006.

Filed with Secretary of State August 16, 2006.

[No. 346]**(SB 1362)**

AN ACT to amend 1980 PA 119, entitled “An act to prescribe a privilege tax for the use of public roads and highways of this state by motor carriers by imposing a specific tax upon the use of motor fuel within this state; to provide for certain credits against this tax and certain mechanisms for paying, collecting, and enforcing this tax; to provide for the licensing of motor carriers and for exemptions from licensure; to require the keeping and providing for the examination of certain reports; to provide review procedures for the assessment of the tax and revocation of a license; to impose certain duties upon and confer certain powers to certain state departments and agencies; to prescribe certain penalties for the violation of this act; and to make appropriations,” by amending sections 2 and 4 (MCL 207.212 and 207.214), as amended by 2002 PA 667.

The People of the State of Michigan enact:

207.212 Motor carrier fuel tax; calculation; rate; quarterly return and tax payment; form determining amount of motor fuel consumed and average miles per gallon; presumption; remittance; filing returns and paying tax for other than quarterly periods; road tax on fuel containing percentage of biodiesel; “biodiesel” defined; rate differential; determination.

Sec. 2. (1) A motor carrier licensed under this act shall pay a road tax calculated on the amount of motor fuel consumed in qualified commercial motor vehicles on the public roads or highways within this state. Except as otherwise provided under subsection (6), the tax shall be at the rate of 15 cents per gallon on motor fuel consumed on the public roads or highways within this state. In addition, qualified commercial motor vehicles licensed under this act that travel in interstate commerce will be subject to the definition of taxable motor fuels and rates as defined by the respective international fuel tax agreement member jurisdictions. A return shall be filed, and the tax due paid, quarterly to the department on or before the last day of January, April, July, and October of each year on a form prescribed and furnished by the department. Each quarterly return and tax payment shall cover the liability for the annual quarter ending on the last day of the preceding month.

(2) The amount of motor fuel consumed in the operation of a motor carrier on public roads or highways within this state shall be determined by dividing the miles traveled within Michigan by the average miles per gallon of motor fuel. The average miles per gallon of motor fuel shall be determined by dividing the miles traveled within and outside of Michigan by the total amount of motor fuel consumed within and outside of Michigan.

(3) In the absence of records showing the average number of miles operated per gallon of motor fuel, it shall be presumed that 1 gallon of motor fuel is consumed for every 4 miles traveled.

(4) The quarterly tax return shall be accompanied by a remittance covering any tax due.

(5) The commissioner, when he or she considers it necessary to ensure payment of the tax or to provide a more efficient administration of the tax, may require the filing of returns and payment of the tax for other than quarterly periods.

(6) The road tax required under this section shall be at a rate of 12 cents per gallon for diesel fuel that contains at least 5% biodiesel. As used in this subsection, "biodiesel" means a fuel composed of mono-alkyl esters of long chain fatty acids derived from vegetable oils or animal fats and, in accordance with standards specified by the American society for testing and materials, designated B100 and meeting the requirements of D-6751, as approved by the department of agriculture.

(7) Beginning on September 1, 2006, the state treasurer shall annually determine, for the 12-month period ending May 1 and for any additional times that the treasurer may determine, the difference between the amount of motor fuel tax collected and the amount of motor fuel tax that would have been collected but for the differential rates on motor fuel in section 8 of the motor fuel tax act, 2000 PA 403, MCL 207.1008, and on motor fuel in subsection (6). Subsection (6) is no longer effective the earlier of 10 years after September 1, 2006 or the first day of the first month that is not less than 90 days after the state treasurer certifies that the total cumulative rate differential due to the differential rates in section 8 of the motor fuel tax act, 2000 PA 403, MCL 207.1008, and subsection (6) from September 1, 2006 is greater than \$2,500,000.00.

(8) The legislature shall annually appropriate to the Michigan transportation fund created in 1951 PA 51, MCL 247.651 to 247.675, the amount determined as the rate differential certified by the state treasurer for the 12-month period ending on May 1 of the calendar year in which the fiscal year begins. Subsection (6) shall not be effective beginning January of any fiscal year for which the appropriation required under this subsection has not been made by the first day of the fiscal year.

207.214 Tax credit; refund; receipt required; false statement as misdemeanor; penalty.

Sec. 4. (1) A person filing a return under section 2 who purchased motor fuel in this state upon which a tax was imposed and not refunded under the motor fuel tax act, 2000 PA 403, MCL 207.1001 to 207.1170, shall be entitled to a credit against the tax imposed by this act equal to the tax paid when purchasing the motor fuel under the motor fuel tax act. The excess of a credit allowed by this subsection over tax liabilities imposed by this act shall be refunded to the taxpayer.

(2) In order to secure credit under subsection (1) for motor fuel purchased in this state the motor carrier shall secure a receipt showing the seller's name, the number of gallons of motor fuel, the type of motor fuel, the tax rate charged, the address of the seller, the license number or unit number of the commercial motor vehicle, and the date of sale.

(3) A refund, when approved by the department, shall be payable from the revenue received under this act.

(4) A person, or an agent, employee, or representative of the person, who makes a false statement in any return under this act or who submits or provides an invoice or invoices in support of the false statement upon which alterations or changes exist in the date, name of seller or purchaser, number of gallons, identity of the qualified commercial motor vehicle into which fuel was delivered or the amount of tax that was paid, or who knowingly presents any return or invoice containing a false statement, or who collects or causes to be paid a refund without being entitled to the refund, forfeits the full amount of the claim and is guilty of a misdemeanor, punishable by a fine of not more than \$5,000.00 or imprisonment for not more than 1 year, or both.

Effective date.

Enacting section 1. This amendatory act takes effect September 1, 2006.

This act is ordered to take immediate effect.

Approved September 1, 2006.

Filed with Secretary of State September 1, 2006.

[No. 347]**(HB 4264)**

AN ACT to amend 1976 PA 451, entitled “An act to provide a system of public instruction and elementary and secondary schools; to revise, consolidate, and clarify the laws relating to elementary and secondary education; to provide for the organization, regulation, and maintenance of schools, school districts, public school academies, intermediate school districts, and other public school entities; to prescribe rights, powers, duties, and privileges of schools, school districts, public school academies, intermediate school districts, and other public school entities; to provide for the regulation of school teachers and certain other school employees; to provide for school elections and to prescribe powers and duties with respect thereto; to provide for the levy and collection of taxes; to provide for the borrowing of money and issuance of bonds and other evidences of indebtedness; to establish a fund and provide for expenditures from that fund; to provide for and prescribe the powers and duties of certain state departments, the state board of education, and certain other boards and officials; to provide for licensure of boarding schools; to prescribe penalties; and to repeal acts and parts of acts,” (MCL 380.1 to 380.1852) by adding section 475.

The People of the State of Michigan enact:

380.475 Single-gender school, class, or program; establishment; availability of equal coeducational school, class, or program.

Sec. 475. (1) Subject to subsection (2), the board of a first class school district may establish and maintain a school, class, or program within a school in which enrollment is limited to pupils of a single gender if the school district also makes available to pupils a substantially equal coeducational school, class, or program and a substantially equal school, class, or program for pupils of the other gender.

(2) If the board of a first class school district establishes a single-gender school, class, or program described in subsection (1), the school district shall not require participation by any of its pupils in the single-gender school, class, or program. The board shall ensure that participation by pupils in a single-gender school, class, or program is wholly voluntary. For the purposes of this subsection, participation by a pupil in a single-gender school, class, or program is not considered to be voluntary unless the school district also makes available to the pupil a substantially equal coeducational school, class, or program.

Conditional effective date.

Enacting section 1. This amendatory act does not take effect unless all of the following bills of the 93rd Legislature are enacted into law:

(a) Senate Bill No. 1296.

(b) Senate Bill No. 1305 or House Bill No. 6247.

This act is ordered to take immediate effect.

Approved September 1, 2006.

Filed with Secretary of State September 1, 2006.

Compiler's note: Senate Bill No. 1296, referred to in enacting section 1, was filed with the Secretary of State July 20, 2006, and became 2006 PA 303, Imd. Eff. July 20, 2006.

House Bill No. 6247, also referred to in enacting section 1, was filed with the Secretary of State September 1, 2006, and became 2006 PA 348, Imd. Eff. Sept. 1, 2006.

[No. 348]

(HB 6247)

AN ACT to amend 1976 PA 453, entitled “An act to define civil rights; to prohibit discriminatory practices, policies, and customs in the exercise of those rights based upon religion, race, color, national origin, age, sex, height, weight, familial status, or marital status; to preserve the confidentiality of records regarding arrest, detention, or other disposition in which a conviction does not result; to prescribe the powers and duties of the civil rights commission and the department of civil rights; to provide remedies and penalties; to provide for fees; and to repeal certain acts and parts of acts,” (MCL 37.2101 to 37.2804) by adding section 404a.

The People of the State of Michigan enact:

37.2404a Single-gender school, class, or program; definitions.

Sec. 404a. (1) This article does not prohibit the board of a school district or intermediate school district or the board of directors of a public school academy from establishing and maintaining a single-gender school, class, or program within a school as provided under sections 475 and 1146 of the revised school code, 1976 PA 451, MCL 380.475 and 380.1146.

(2) As used in this section, “school district”, “intermediate school district”, and “public school academy” mean those terms as defined in the revised school code, 1976 PA 451, MCL 380.1 to 380.1852.

Conditional effective date.

Enacting section 1. This amendatory act does not take effect unless all of the following bills of the 93rd Legislature are enacted into law:

(a) House Bill No. 4264.

(b) Senate Bill No. 1296.

This act is ordered to take immediate effect.

Approved September 1, 2006.

Filed with Secretary of State September 1, 2006.

Compiler's note: House Bill No. 4264, referred to in enacting section 1, was filed with the Secretary of State September 1, 2006, and became 2006 PA 347, Imd. Eff. Sept. 1, 2006.

Senate Bill No. 1296, also referred to in enacting section 1, was filed with the Secretary of State July 20, 2006, and became 2006 PA 303, Imd. Eff. July 20, 2006.