

# SENATE BILL No. 660

November 1, 1989, Introduced by Senators BINSFELD and Arthurhultz and referred to the Committee on State Affairs, Tourism, and Transportation.

A bill to amend section 2 of Act No. 233 of the Public Acts of 1987, entitled

"An act to prescribe certain uses of and distributions from the transportation economic development fund and certain federal funds; and to prescribe the powers and duties of the state transportation commission, the state transportation department, and certain other bodies,"

as amended by Act No. 250 of the Public Acts of 1988, being section 247.932 of the Michigan Compiled Laws.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Section 1. Section 2 of Act No. 233 of the Public Acts of  
2       1987, as amended by Act No. 250 of the Public Acts of 1988, being  
3       section 247.932 of the Michigan Compiled Laws, is amended to read  
4       as follows:

5       Sec. 2. (1) The ~~commission~~ DEPARTMENT shall fund projects  
6       under this subsection in the following categories in the  
7       following amounts:

1       (a) The first \$5,000,000.00 of the fund shall be distributed  
2 each fiscal year to each qualified county in a percentage amount  
3 equal to the same percentage amount that the number of acres of  
4 commercial forest, national park, and national lakeshore land  
5 that each qualified county bears to the total number of acres of  
6 commercial forest, national park, and national lakeshore land in  
7 all qualified counties in this state. Revenue distributed under  
8 this subdivision shall be used for the construction or recon-  
9 struction of roads.

10       (b) The next \$2,500,000.00 of the fund shall be distributed  
11 each fiscal year for county roads and city and village street  
12 improvements on the federal aid to urban system in rural  
13 counties. The distribution of these funds shall be determined by  
14 the ~~commission~~ DEPARTMENT. However, funds shall not be commit-  
15 ted to any project, nor shall any project be authorized for any  
16 funds under this subdivision until the ~~commission~~ DEPARTMENT  
17 notifies the senate and house appropriations subcommittees on  
18 transportation in the manner provided in section 18k of Act  
19 No. 51 of the Public Acts of 1951, being section 247.668k of the  
20 Michigan Compiled Laws. Hearings may be conducted to afford  
21 interested parties the opportunity to address aspects of the  
22 selection process, the final project list, proposed funding, and  
23 related issues. If hearings are not conducted by the senate and  
24 house appropriations subcommittees on transportation within 60  
25 days after project notification by the ~~commission~~ DEPARTMENT,  
26 the ~~commission~~ DEPARTMENT may proceed with project  
27 authorization for funding.

1       (2) The ~~commission~~ DEPARTMENT may fund projects for  
2 development within rural counties utilizing not less than 25% of  
3 the balance of the transportation economic development fund reve-  
4 nues after deducting the amounts distributed under subsection (1)  
5 and not less than 16.5% of any 85% minimum floor funds pursuant  
6 to federal law available in any year. These revenues shall be  
7 distributed for the improvement of rural primary roads in rural  
8 counties and major streets in cities and villages with a popula-  
9 tion of 5,000 or less. Projects funded under this subsection  
10 shall be limited to upgrading rural primary roads and major  
11 streets to create an all-season road network. Funds distributed  
12 under this subsection shall be allocated by the commission to the  
13 regional rural primary task force areas in the same proportion  
14 that the rural primary mileage of the regional rural primary task  
15 force area bears to the total rural primary mileage of all  
16 counties. Each rural county shall be credited with an allocation  
17 in the proportion that the county's rural primary mileage is to  
18 the total rural primary mileage of those rural counties within  
19 the same regional rural primary task force area.

20       (3) Matching funds of not less than 25% of the total eligi-  
21 ble costs of a project shall be required for those projects  
22 authorized in subsection (2). The ~~commission~~ DEPARTMENT may  
23 set aside this requirement in the case of extreme economic hard-  
24 ship for projects authorized in subsection (2) in the local unit  
25 in which the project is located.

26       (4) The regional rural primary task force which represents  
27 each county shall make recommendations to the ~~commission~~

1 DEPARTMENT for funding projects under subsection (2) within their  
2 respective regions. If any county fails to submit sufficient  
3 qualified projects to obligate its allocation after 3 consecutive  
4 years, those funds shall be reallocated to the remaining counties  
5 in the same regional rural primary task force area. The regional  
6 rural primary task force areas shall coincide with the boundaries  
7 of the 14 state planning and development regions. In a regional  
8 rural primary task force area that is composed of 5 or more coun-  
9 ties, subtask forces of 2 or more of the counties may be formed  
10 with the approval of the primary task force.

11 (5) The regional rural primary task force shall be composed  
12 of a representative of each county road commission within the  
13 regional area plus an equal number of representatives from incor-  
14 porated cities and villages with a population of 5,000 or less  
15 within the regional area, and a representative selected by the  
16 ~~commission~~ DEPARTMENT. The regional rural primary task force  
17 shall select the projects for submission to the ~~commission~~  
18 DEPARTMENT for funding under subsection (2) as follows:

19 (a) Projects shall be on the federal aid secondary system  
20 unless otherwise waived by the regional rural primary task  
21 force.

22 (b) Projects shall be on existing hard surface roads unless  
23 otherwise waived by the regional rural primary task force.

24 (c) Construction shall be to all-season standards.

25 (d) These funds shall be used for physical construction only  
26 and shall not include costs of right-of-way acquisition and  
27 engineering.

1       (6) The ~~commission, through the~~ department ~~,~~ shall  
2 administer the programs and projects authorized in subsection (2)  
3 in the same manner as the current local federal aid secondary  
4 program.

5       (7) The ~~commission~~ DEPARTMENT shall be the contracting  
6 agent for all projects to be funded under this act.