05378'98 (S-1)

SUBSTITUTE FOR HOUSE BILL NO. 5594

A bill to make appropriations for the state transportation department and certain transportation purposes for the fiscal year ending September 30, 1999; to provide for the imposition of fees; to create certain work groups and committees; to provide for reports; to create certain funds and programs; to prescribe requirements for certain railroad and bus facilities; to prescribe certain powers and duties of certain state departments and officials, local units of government, committees, and work groups; and to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this act, the

amounts listed in this part are appropriated for the state transportation

TJS

86,463,800

	2 September 30, 1999
1	department and certain state purposes designated in this act for the
2	fiscal year ending September 30, 1999, from the funds indicated in this
3	part. The following is a summary of the appropriations in this part:
4	STATE TRANSPORTATION DEPARTMENT
5	APPROPRIATION SUMMARY:
6	Full-time equated unclassified positions6.0
7	Full-time equated classified positions3,120.3
8	GROSS APPROPRIATION\$ 2,824,350,250
9	Interdepartmental grant revenues:
10	Total interdepartmental grants and intradepartmental
11	transfers
12	ADJUSTED GROSS APPROPRIATION\$ 2,794,992,750
13	Federal revenues:
14	Total federal revenues
15	Special revenue funds:
16	Total local revenues
17	Total private revenues0
18	Total other state restricted revenues
19	State general fund/general purpose\$
20	Sec. 102. DEBT SERVICE
21	State trunkline\$ 46,548,200
22	Trunkline bonds, series 1989A-EDF (\$100,000,000) 11,469,600
23	Critical bridge
24	Blue Water Bridge
25	Comprehensive transportation

GROSS APPROPRIATION.....\$

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26

For Fiscal Year Ending

		3 Sep	tember 30, 1999
1	Appropriated from:		
2	Special revenue funds:		
3	Comprehensive transportation	on fund	23,078,900
4	Michigan transportation fur	nd	14,469,600
5	State trunkline fund		46,548,200
6	Blue Water Bridge fund		2,367,100
7	State general fund/general	purpose	\$ 0
8	Sec. 103. INTERDEPARTME	ENT & STATUTORY CONTRACTS	
9	Michigan transportation	n fund (MTF)	
10	MTF grant to department of	civil service	\$ 50,000
11	MTF grant to department of	environmental quality	780,000
12	MTF grant to department of	management and budget	84,200
13	MTF grant to department of	state	40,000,000
14	MTF grant to department of	state police	152,700
15	MTF grant to department of	treasury	1,717,200
16	MTF grant to legislative au	uditor general	50,900
17	State trunkline fund (S	STF)	
18	STF grant to department of	attorney general	2,246,400
19	STF grant to department of	civil service	1,050,000
20	STF grant to department of	management and budget	289,300
21	STF grant to department of	natural resources	18,150
22	STF grant to department of	state police	3,043,750
23	STF grant to department of	treasury	10,850
24	STF grant to legislative au	ditor general	190,550
25	STF grant to Michigan jobs	commission	3,978,600
26	State aeronautics fund	(SAF)	

	House Bill No. 5594 For Fiscal Year Ending September 30, 1999
1	SAF grant to department of attorney general 109,800
2	SAF grant to department of civil service
3	SAF grant to department of management and budget 21,500
4	SAF grant to department of treasury
5	SAF grant to legislative auditor general
6	Comprehensive transportation fund (CTF)
7	CTF grant to department of attorney general 116,600
8	CTF grant to department of civil service 56,350
9	CTF grant to department of management and budget 13,600
10	CTF grant to department of treasury 5,350
11	CTF grant to legislative auditor general
12	GROSS APPROPRIATION
13	Appropriated from:
14	Special revenue funds:
15	Comprehensive transportation fund
16	Michigan transportation fund
17	State aeronautics fund
18	State trunkline fund
19	State general fund/general purpose\$
20	Sec. 104. EXECUTIVE DIRECTION
21	Full-time equated unclassified positions6.0
22	Full-time equated classified positions33.3
23	Unclassified salaries\$ 462,600
24	Commission audit33.3 FTE positions
25	GROSS APPROPRIATION\$ 3,262,600
26	Appropriated from:

	House Bill No. 5594 For Fiscal Year English September 30, 19	nding 999
1	Special revenue funds:	
2	State trunkline fund	52,600
3	State general fund/general purpose \$	0
4	Sec. 105. ADMINISTRATIVE SERVICES	
5	Full-time equated classified positions135.7	
6	Administration and data center98.7 FTE positions \$ 23,60	06,000
7	Building occupancy charges-property management 3,88	39,100
8	Human resources32.0 FTE positions	52,900
9	Economic development administration5.0 FTE	
10	positions50	00,700
11	Rent	10,000
12	Worker's compensation	<u>94,400</u>
13	GROSS APPROPRIATION\$ 34,88	33,100
14	Appropriated from:	
15	Special revenue funds:	
16	General fund restricted purpose	29,800
17	State aeronautics fund	08,600
18	Comprehensive transportation fund	32,300
19	Michigan transportation fund	24,900
20	State trunkline fund	37,500
21	State general fund/general purpose\$	0
22	Sec. 106. BUREAU OF FINANCE AND ADMINISTRATION	
23	Full-time equated classified positions221.5	
24	Administration221.5 FTE positions\$ 20,05	<u>56,600</u>
25	GROSS APPROPRIATION\$ 20,05	56,600
26	Appropriated from:	

	House Bill No. 5594 For Fiscal Year Ending 6 September 30, 1999	g
1	Interdepartmental grant revenues:	
2	IDT, intradepartmental charges 5,022,70	0 (
3	Special revenue funds:	
4	Michigan transportation fund	0 (
5	State trunkline fund	0 (
6	State general fund/general purpose\$	0
7	Sec. 107. BUREAU OF TRANSPORTATION PLANNING	
8	Full-time equated classified positions182.1	
9	Administration182.1 FTE positions\$ 15,332,20	0 (
10	Grants to regional planning councils	<u>) 0</u>
11	GROSS APPROPRIATION\$ 15,821,00	0 (
12	Appropriated from:	
13	Federal revenues:	
14	DOT-FHWA, highway research, planning, and	
15	construction	0 (
16	Special revenue funds:	
17	State aeronautics fund	0 (
18	Comprehensive transportation fund	0 (
19	Michigan transportation fund	0 (
20	State trunkline fund	0 (
21	State general fund/general purpose\$	0
22	Sec. 108. BUREAU OF HIGHWAYS	
23	Full-time equated classified positions1,638.1	
24	Engineering operations821.7 FTE positions\$ 33,095,40	0 (
25	Maintenance operations80.0 FTE positions 6,806,60	0 (
26	Program services736.4 FTE positions	<u>) ()</u>

	House Bill No. 5594 For Fiscal Year Ending September 30, 1999
1	GROSS APPROPRIATION\$ 71,583,800
2	Appropriated from:
3	Interdepartmental grant revenues:
4	IDT, intradepartmental charges
5	Federal revenues:
6	DOT-FHWA, highway research, planning, and
7	construction
8	DOT-NHTSA, state and community highway safety 146,800
9	Special revenue funds:
10	Michigan transportation fund
11	State trunkline fund 55,197,500
12	State general fund/general purpose\$
13	Sec. 109. HIGHWAY MAINTENANCE
14	Full-time equated classified positions713.1
15	State trunkline operations713.1 FTE positions \$ 90,978,400
16	Contract operations
17	GROSS APPROPRIATION\$ 215,106,700
18	Appropriated from:
19	Interdepartmental grant revenues:
20	IDT, intradepartmental charges
21	Special revenue funds:
22	State trunkline fund
23	State general fund/general purpose\$
24	Sec. 110. ROAD AND BRIDGE PROGRAMS
25	State trunkline federal aid and road and bridge
26	construction\$ 942,130,562

	House Bill No. 5594 For B	Fiscal Year Ending optember 30, 1999
1	Local federal aid and road and bridge construction	180,000,000
2	Grants to local programs	33,000,000
3	Rail grade crossing	3,000,000
4	Critical bridge program	6,016,800
5	Urban economic infrastructure improvement	150
6	County road commissions	549,634,762
7	Cities and villages	306,446,016
8	GROSS APPROPRIATION	\$ 2,020,228,290
9	Appropriated from:	
10	Federal revenues:	
11	DOT-FHWA, highway research, planning, and	
12	construction	791,250,000
13	Special revenue funds:	
14	Local funds	5,000,000
15	Michigan transportation fund	897,080,778
16	Blue Water Bridge fund	10,000,000
17	State trunkline fund	316,897,512
18	State general fund/general purpose	\$ 0
19	Sec. 111. BLUE WATER BRIDGE	
20	Full-time equated classified positions32.0	
21	Blue Water Bridge fund operations32.0 FTE positions	9,944,100
22	GROSS APPROPRIATION	\$ 9,944,100
23	Appropriated from:	
24	Special revenue funds:	
25	Blue Water Bridge fund	9,944,100
26	State general fund/general purpose	\$ 0

9

For Fiscal Year Ending September 30, 1999

	9	September	30, 1999
1	Sec. 112. TRANSPORTATION ECONOMIC DEVELOPMENT	FUND	
2	Forest roads	\$	5,040,000
3	Rural county urban system		2,500,000
4	Target industries/economic redevelopment		14,899,000
5	Urban county congestion		11,434,300
6	Rural county primary	· · ·	11,434,300
7	GROSS APPROPRIATION	\$	45,307,600
8	Appropriated from:		
9	Special revenue funds:		
10	General fund restricted purpose		12,870,000
11	Michigan transportation fund		28,437,600
12	State trunkline fund		4,000,000
13	State general fund/general purpose	\$	0
14	Sec. 113. BUREAU OF AERONAUTICS		
15	Full-time equated classified positions5	6.0	
16	Administration56.0 FTE positions	\$	6,548,200
17	Air service program	· · · · <u> </u>	2,500,000
18	GROSS APPROPRIATION	\$	9,048,200
19	Appropriated from:		
20	Special revenue funds:		
21	State aeronautics fund		9,048,200
22	State general fund/general purpose	\$	0
23	Sec. 114. BUREAU OF URBAN & PUBLIC TRANSPORTAT	ION	
24	Full-time equated classified positions10	8.5	
25	Administration108.5 FTE positions	\$	8,286,900
26	GROSS APPROPRIATION	\$	8,286,900

House	Bill	No.	5594
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For Fiscal Year Ending

	10 Septem	ber 30, 1999
1	Appropriated from:	
2	Special revenue funds:	
3	Comprehensive transportation fund	6,860,200
4	Michigan transportation fund	1,426,700
5	State general fund/general purpose\$	0
6	Sec. 115. BUS TRANSIT DIVISION: STATUTORY OPERATING	
7	Local bus operating\$	152,134,000
8	Nonurban operating/capital	6,646,000
9	GROSS APPROPRIATION\$	158,780,000
10	Appropriated from:	
11	Federal revenues:	
12	DOT, federal transit act	6,546,000
13	Special revenue funds:	
14	Local funds	100,000
15	Comprehensive transportation fund	152,134,000
16	State general fund/general purpose\$	0
17	Sec. 116. INTERCITY PASSENGER AND FREIGHT	
18	Freight property management\$	2,000,000
19	Detroit/Wayne County port authority	301,800
20	Intercity bus equipment	2,824,500
21	Intercity bus passenger service	1,000,000
22	Rail passenger service	6,977,300
23	Freight preservation and development	7,500,000
24	Rail infrastructure loan program	3,300,000
25	Intercity bus service development	1,025,500
26	Marine passenger services	1,810,460

	House Bill No. 5594	For Fiscal Ye September 3	
1	Terminal development		1,000,000
2	GROSS APPROPRIATION	\$	27,739,560
3	Appropriated from:		
4	Federal revenues:		
5	DOT, federal transit act		1,000,000
6	DOT-FRA, local rail service assistance		2,000,000
7	DOT-FRA, rail passenger/HSGT		3,000,000
8	Special revenue funds:		
9	Local funds		50,000
10	Rail preservation fund		2,000,000
11	Rail infrastructure fund		300,000
12	Intercity bus equipment fund		500,000
13	Comprehensive transportation fund		18,889,560
14	State general fund/general purpose	\$	0
15	Sec. 117. PUBLIC TRANSPORTATION DEVELOPMENT		
16	Specialized services	\$	3,600,100
17	Municipal credit program		2,000,000
18	Bus capital		31,200,250
19	Ride sharing		330,700
20	Van pooling		145,000
21	Bus property management		175,000
22	Service development and new technology		1,675,000
23	Planning grants		150,000
24	Audit settlements		200,000
25	Region service coordination		1,000,000
26	Work first initiative		2,246,600

	House Bill No. 5594	For Fiscal Year September 30,	
1	Public transportation development discretionary.	<u>1</u>	,044,600
2	GROSS APPROPRIATION	\$ 43	,767,250
3	Appropriated from:		
4	Federal revenues:		
5	DOT, federal transit act	18	,600,000
6	Special revenue funds:		
7	Local funds		150,000
8	Comprehensive transportation fund	25	,017,250
9	State general fund/general purpose	\$	0
10			
11			
12	PART 2		
13	PROVISIONS CONCERNING APPROPRIA	TIONS	
14	GENERAL SECTIONS		
15	Sec. 201. (1) Pursuant to section 30 of artic	cle IX of the st	tate
16	constitution of 1963, total state spending from sta	ate sources for	fiscal
17	year 1998-1999 is estimated at \$1,957,874,950.00 as	nd state sources	s paid
18	to local units of government for fiscal year 1998-	1999 are estimat	ted at
19	\$1,100,122,288.00. The itemized list below identi-	fies appropriat:	ions
20	from which spending to units of local government w	ill occur:	
21	DEPARTMENT OF TRANSPORTATION		
22	Local grant program	\$ 33	,000,000
23	Economic development fund	30	,408,600
24	Grants to cities and villages	306	,446,016
25	Grants to county road commissions	549	,634,762
26	Critical bridge program	6	,016,800

	House Bill No. 5594 13
1	Grants to regional planning councils
2	Local bus operating
3	Bus capital
4	Marine passenger service
5	Detroit/Wayne County port authority
6	Local ride sharing operating grants
7	Planning grants
8	Municipal credit program
9	Specialized services 3,600,100
10	Total payments to local units of government \$ 1,100,122,288
11	(2) If it appears to the principal executive officer of a department
12	or branch that state spending to local units of government will be less
13	than the amount that was projected to be expended under subsection (1),
14	the principal executive officer shall immediately give notice of the
15	approximate shortfall to the department of management and budget, the
16	senate and house appropriations committees, the senate and house fiscal
17	agencies, and the state budget director.
18	Sec. 202. The expenditures and funding sources authorized under
19	this act are subject to the management and budget act, 1984 PA 431,
20	MCL 18.1101 to 18.1594.
21	Sec. 203. As used in this act:
22	(a) "CTF" means comprehensive transportation fund.
23	(b) "Department" means the department of transportation.
24	(c) "DOT" means the United States department of transportation.
25	(d) "DOT-FHWA" means DOT, federal highway administration.

(e) "DOT-FRA" means DOT, federal railroad administration.

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House Bill No. 5594

1 (f) "DOT-FRA, rail passenger/HSGT" means DOT, federal railroad

14

- 2 administration, high-speed ground transportation.
- 3 (g) "DOT-NHTSA" means DOT, national highway traffic safety
- 4 administration.
- 5 (h) "EDF" means economic development fund.
- 6 (i) "FTE" means full-time equated.
- 7 (j) "IDG" means interdepartmental grant.
- 8 (k) "MDTR" means Michigan department of treasury.
- 9 (1) "MTF" means Michigan transportation fund.
- 10 (m) "RIF" means recreation improvement fund.
- 11 (n) "SAF" means state aeronautics fund.
- 12 (o) "SEDF" means state economic development fund.
- 13 (p) "STF" means state trunkline fund.
- Sec. 204. (1) Beginning October 1, 1998, there is a hiring freeze
- 15 imposed on the state classified civil service. State departments and
- 16 agencies are prohibited from hiring any new full-time state classified
- 17 civil service employees or prohibited from filling any vacant state clas-
- 18 sified civil service positions. This hiring freeze does not apply to
- 19 internal transfers of classified employees from 1 position to another
- 20 within a department or to positions that are funded with 80% or more fed-
- 21 eral or restricted funds.
- 22 (2) The state budget director shall grant exceptions to this hiring
- 23 freeze when the director believes that the hiring freeze will result in
- 24 the state department or agency being unable to deliver basic services.
- 25 The director of the department of management and budget shall report by
- 26 the fifteenth of each month to the chairpersons of the senate and house
- 27 appropriations committees the number of exclusions to the hiring freeze

House Bill No. 5594

15

- 1 approved during the previous month and the justification for the
- 2 exclusion.
- 3 Sec. 205. The department of civil service shall bill departments
- 4 and agencies at the end of the first fiscal quarter for the 1% charges
- 5 authorized by section 5 of article XI of the state constitution of 1963.
- 6 Payments shall be made for the total amount of the billing by the end of
- 7 the second fiscal quarter.
- 8 Sec. 206. (1) In addition to the funds appropriated in part 1,
- 9 there is appropriated an amount not to exceed \$40,000,000.00 for federal
- 10 contingency funds. These funds are not available for expenditure until
- 11 they have been transferred to another line item in this act pursuant to
- 12 section 393(2) of the management and budget act, 1984 PA 431,
- **13** MCL 18.1393.
- 14 (2) In addition to the funds appropriated in part 1, there is appro-
- 15 priated an amount not to exceed \$40,000,000.00 for state restricted con-
- 16 tingency funds. These funds are not available for expenditure until they
- 17 have been transferred to another line item in this act pursuant to sec-
- 18 tion 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.
- 19 (3) In addition to the funds appropriated in part 1, there is appro-
- 20 priated an amount not to exceed \$1,000,000.00 for local contingency
- 21 funds. These funds are not available for expenditure until they have
- 22 been transferred to another line item in this act pursuant to section
- 23 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.
- 24 (4) In addition to the funds appropriated in part 1, there is appro-
- 25 priated an amount not to exceed \$1,000,000.00 for private contingency
- 26 funds. These funds are not available for expenditure until they have

16

- 1 been transferred to another line item in this act pursuant to section
- 2 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.
- 3 Sec. 207. The design of all new rail passenger facilities con-
- 4 structed in this state after the effective date of this act shall take
- 5 into consideration the published standards for rail passenger facilities
- 6 of the American railway engineering association.
- 7 Sec. 208. An agency, department, or other entity receiving funds
- 8 under part 1 shall not conduct or sponsor any activity that causes a
- 9 motor vehicle to be stopped on any highway or freeway in this state for
- 10 the purpose of disseminating literature including but not limited to a
- 11 survey.
- 12 Sec. 209. The department shall not implement an affirmative action
- 13 plan unless it has been submitted to the Michigan civil rights commission
- 14 for approval in accordance with section 210 of the Elliott-Larsen civil
- 15 rights act, 1976 PA 453, MCL 37.2210, and the Michigan civil rights com-
- 16 mission has approved the plan.
- 17 Sec. 210. (1) The department shall submit to the department of man-
- 18 agement and budget, the house and senate appropriations committees, the
- 19 house and senate fiscal agencies, and the house and senate standing com-
- 20 mittees having jurisdiction over technology issues, quarterly reports on
- 21 the department's efforts to change the department's computer software and
- 22 hardware as necessary to perform properly in the year 2000 and beyond.
- 23 These reports shall identify actual progress in comparison to the
- 24 department's approved work plan for these efforts.
- 25 (2) These reports shall also identify and forward as appropriate the
- 26 funding sources that should support the work performed.

House Bill No. 5594

1 Sec. 211. (1) This appropriation act includes funding for

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- 2 departmental operations financed in whole or in part from early
- 3 retirement savings generated through the early retirement program under
- 4 section 19f of the state employees' retirement act, 1943 PA 240, MCL
- 5 38.19f. The director shall provide a report that identifies all of the
- 6 following:
- 7 (a) The amount of these early retirement savings realized in the
- **8** 1997-98 fiscal year.
- 9 (b) The amount of these early retirement savings explicitly ear-
- 10 marked and spent for technology improvements in the 1997-98 fiscal year.
- 11 (c) The amount of these early retirement savings used for other
- 12 organizational enhancements in the 1997-98 fiscal year.
- 13 (2) The report required under subsection (1) shall be provided to
- 14 the house and senate appropriations committees and to the house and
- 15 senate fiscal agencies on or before December 15, 1998.

16 DEPARTMENTAL SECTIONS

- 17 Sec. 301. The department may establish a fee schedule and collect
- 18 fees sufficient to cover the costs to issue the permits that the depart-
- 19 ment is authorized by law to issue upon request, and for which fees are
- 20 not otherwise stipulated by law. A bridge authority shall hold 3 public
- 21 hearings on a change in any toll charged by the authority at least 30
- 22 days before the toll change will become effective. Two of the hearings
- 23 shall be held within 5 miles of the bridge over which the bridge author-
- 24 ity has jurisdiction. One hearing shall be held in Lansing.

House Bill No. 5594

18

- 1 Sec. 302. The department shall prepare an official transportation
- 2 map that shall be distributed without charge. Each legislator shall
- 3 receive a quantity of maps as determined by the legislative council, but
- 4 each senator shall receive 2 times the number of maps of each
- 5 representative.
- 6 Sec. 303. On request, the department shall provide to a legislator,
- 7 in writing, a report on the amount of money to be received by each city
- 8 and village and the county road commission of each county, that is
- 9 included in whole or in part within the legislator's legislative
- 10 district.
- 11 Sec. 304. If, as a requirement of bidding on a highway project, the
- 12 department requires a contractor to submit financial or proprietary docu-
- 13 mentation as to how the bid was calculated, that bid documentation shall
- 14 be kept confidential and shall not be disclosed other than to a depart-
- 15 ment representative without the contractor's written consent. The
- 16 department may disclose the bid documentation if necessary to address or
- 17 defend a claim by a contractor.
- 18 Sec. 305. The department may permit space on public passenger
- 19 transportation properties to be occupied by public or private tenants on
- 20 a competitive market rate basis. The department may require that revenue
- 21 from the tenants be placed in an account to be used to pay the costs to
- 22 maintain and improve the property.
- 23 Sec. 306. From the funds appropriated in part 1, the auditor gen-
- 24 eral shall conduct an audit of charges to transportation funds by state
- 25 departments. The auditor general shall prepare a detailed report, with
- 26 recommendations and conclusions, including a list of services charged to
- 27 transportation funds, the appropriateness of those charges, and the cost

HB 5594 as amended June 2, 1998 19 1 allocation methodologies used in determining the level of funding, and 2 provide the report, upon request, to any member of the senate and house 3 of representatives and to the senate and house fiscal agencies by 4 January 15, 1999. 5 Sec. 307. Before January 1 of each year, the department will pro-6 vide to the legislature a listing by county or by county road commission of all highway construction projects for the fiscal year and a list of 7 expected projects for the ensuing fiscal year. Sec. 308. Funds appropriated in part 1 shall not be used for the 9 10 purchase of foreign goods or services, or both, if competitively priced 11 American goods or services, or both, of comparable quality are 12 available. By May 1, 1999, the department shall submit a report to the 13 department of management and budget, the speaker and minority leader of 14 the house of representatives, the majority and minority leaders of the 15 senate, the chairpersons of the house and senate appropriations commit-16 tees, and the house and senate fiscal agencies on efforts to comply with 17 this section. 18 Sec. 309. The department shall aggressively pursue compliance with 19 contract specifications for construction and maintenance of state 20 highways. The department shall identify contractors who fail to meet 21 minimum standards and will actively pursue remuneration efforts. 22 Collections shall be deposited into the appropriate fund accounts. As 23 part of its annual overview of the budget, the department shall report to 24 the house and senate appropriations subcommittees on transportation on

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its activities under this section.

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HB 5594 as amended June 2, 1998
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        Sec. 311. The department shall continue its efforts to reduce
   administrative costs and provide the maximum funding possible for con-
14
   struction projects.
15
        Sec. 312. To promote more effective management of employees within
16
17
   the bureau of highways, the director of the department may temporarily
   transfer positions between appropriation units within and between the
18
19
   highway engineering and highway maintenance programs to cover functions
   that the director considers to be critical due to seasonal fluctuations
20
   and emergency situations. The department shall report at the end of the
21
   fiscal year to the department of management and budget on the temporary
23
   cross-divisional transfers of positions pursuant to this section.
24
        Sec. 313. To facilitate an informed and cooperative relationship
25 between the transportation commission and the legislature, the department
26 shall provide in a timely manner copies of the agenda and approved
27 minutes of monthly transportation commission meetings to the members of
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- 1 the house and senate appropriations subcommittees on transportation, the
- 2 house and senate fiscal agencies, and the state budget director.

21

- 3 Sec. 314. The director shall take all reasonable steps to ensure
- 4 businesses in deprived and depressed communities compete for and perform
- 5 contracts to provide services or supplies, or both. The director shall
- 6 strongly encourage firms with which the department contracts to subcon-
- 7 tract with businesses in depressed and deprived communities for services
- 8 or supplies, or both.
- 9 Sec. 315. The department shall not use funds appropriated under
- 10 part 1 on behalf of a local governmental unit to pay the amount required
- 11 for that local governmental unit to participate in the federal advance
- 12 construct program.
- 13 Sec. 316. (1) At the close of the fiscal year ending September 30,
- 14 1999, any unencumbered and unexpended balance in the state trunkline fund
- 15 shall remain in the state trunkline fund and shall be used for federal
- 16 aid road and bridge programs for projects contained in an annual state
- 17 transportation program approved by the legislature except that 2% of any
- 18 unexpended balance shall be encumbered to establish a type II soundwall
- 19 construction fund in the fiscal year ending September 30, 2000.
- 20 (2) Money from the soundwall construction fund shall be used to con-
- 21 struct soundwalls based on criteria established by the department in
- 22 localities that provide matching funds equal to 50% of the total cost.
- 23 Sec. 317. (1) From funds appropriated in part 1, the department may
- 24 establish a state infrastructure bank program and grant or loan funds in
- 25 accordance with regulations of the state infrastructure bank program of
- 26 the United States department of transportation. The state infrastructure
- 27 bank is to be administered by the department for the purpose of providing

22

- ${\bf 1}$ a revolving, self-sustaining resource for financing transportation
- 2 infrastructure projects.
- 3 (2) A state infrastructure bank fund is created. In addition to
- 4 funds provided in subsection (1), money received by the state as federal
- 5 grants, repayment of state infrastructure bank loans, or other reimburse-
- 6 ment or revenue received by the state as a result of projects funded by
- 7 the program shall be deposited in the revolving state infrastructure bank
- 8 fund and shall be available for transportation infrastructure projects.
- 9 At the close of the fiscal year, any funds remaining in the state infra-
- 10 structure bank fund shall remain in the fund and be carried forward into
- 11 the succeeding fiscal year.
- 12 Sec. 318. From funds appropriated in part 1, money received by the
- 13 department in payment for advanced purchase right-of-way, either as a
- 14 result of project programming from federal, state, local, or private
- 15 sources, or from sale as excess property, will be restricted for the pur-
- 16 chase of other advanced purchase right-of-way. At the end of the fiscal
- 17 year, unexpended funds shall remain in the advanced purchase right-of-way
- 18 fund and shall be used for this purpose in the succeeding fiscal year.
- 19 Sec. 320. The department may conduct a study concerning the pro-
- 20 posed Petoskey area US-31 beltway project. The study shall include, if
- 21 necessary, the preparation of a supplement to any draft environmental
- 22 impact statement previously prepared. The study shall be based upon the
- 23 agreement reached in February 1998 between the department, Emmet County,
- 24 the townships of Bear Creek and Resort, and the city of Petoskey.
- 25 Sec. 322. The department shall conduct a study in conjunction with
- 26 the family independence agency and the Michigan jobs commission of the
- 27 accessibility of transportation for work first clients to get them to

1 work assignments and child care. The study shall address the concept of

23

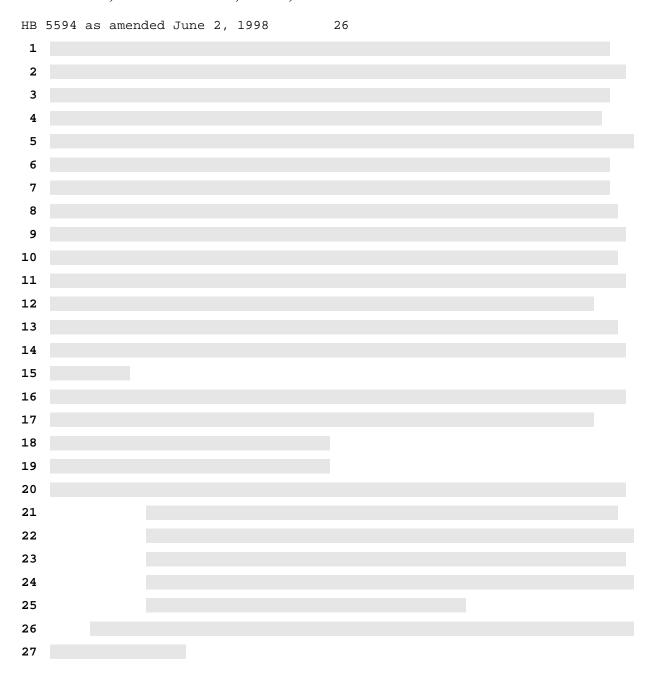
- 2 mobility managers for each zone in the state. The results of the study
- 3 shall be reported to the house and senate appropriations subcommittees on
- 4 transportation by March 1, 1999.
- 5 Sec. 323. (1) Funds appropriated in part 1 for the office of com-
- 6 mission audits shall not be expended until all authorized positions are
- 7 filled and the commission submits a written report to the house and
- 8 senate appropriations subcommittees on transportation and the house and
- 9 senate fiscal agencies providing the structure of the office, the over-
- 10 sight of the office by the commission, and specific plans and the date or
- 11 dates for implementation of those plans for improvements in the office.
- 12 (2) The chief administrative officer of the office shall be respon-
- 13 sible for the performance by the office of not less than 6 performance
- 14 audits in a fiscal year. The chief administrative officer shall provide
- 15 a report at the end of each calendar quarter to the house and senate
- 16 appropriations subcommittees on transportation and the house and senate
- 17 fiscal agencies on the status of the office, the hours spent on per-
- 18 formance audits, and the expected completion dates of audits in
- 19 progress. Copies of audits completed during the calendar quarter may be
- 20 included with the report.
- 21 Sec. 325. The department shall conduct a study on the distribution
- 22 of funds from the Michigan transportation fund. The report shall recom-
- 23 mend factors to be included in a formula which would encourage road agen-
- 24 cies to implement technologies or schedules to maximize the practical
- 25 useful life of roads and streets. The report shall be submitted to the
- 26 house and senate appropriations subcommittees on transportation and the
- 27 house and senate fiscal agencies by March 1, 1999.

- 1 Sec. 326. (1) Road authorities shall mow the right-of-way of a
- 2 highway located outside of a city or village as prescibred in this

24

- 3 section.
- 4 (2) The first mowing period shall be May 1 to June 1 in the southern
- 5 half of the state and June 1 to July 1 in the northern half of the state
- 6 with the following specified requirements:
- 7 (a) Mowing shall be 12 feet or to the leading edge of the ditch,
- 8 whichever is less, adjacent to both shoulders of the roadway.
- 9 (b) The area between the ditch bottom and the back slopes of the
- 10 rights-of-way shall be protected from mowing, spraying, or any other
- 11 machinery disturbance during this mowing period and the second mowing
- 12 period described in subsection (3).
- 13 (3) The second mowing period shall be June 10 to August 1 with the
- 14 same specified requirements as the first mowing period if necessary.
- 15 (4) The third mowing period shall be August 15 to November 1 except
- 16 that if a minimum 12-inch height of residual grass cannot be ensured on
- 17 the back slopes of the rights-of-way, the dates shall be July 15 to
- 18 September 1. Mowing may be through the entire right-of-way if needed,
- 19 including through the ditch bottom, while maintaining not less than 12
- 20 inches of grass height from the back of the ditch to the back of the
- 21 right-of-way and within the median, if applicable.
- 22 (5) The fourth mowing period shall be August 1 to March 1 and shall
- 23 consist of brush and woody stem control to whatever height is needed to
- 24 provide control and safety. Twenty-five percent of all roads shall be
- 25 designated annually for brush control that includes dormant season mowing
- 26 with follow-up herbicide treatment at the start of the next growing
- 27 season.

HB 5594 as amended June 2, 1998 25 1 (6) The mowing standards prescribed in this section shall apply to 2 all medians 70 feet wide or more. Medians 70 feet wide or more shall be 3 maintained to be as brush-free as possible and with a grass height of at 4 least 12 inches. Twenty-five percent of the medians within a district shall be annually designated for removal or treatment of unwanted brush 6 and trees. It is the intent of the legislature that the mowing standards prescribed in this section apply to medians 50 feet wide or more 3 years after the effective date of this section. (7) All mowing of the back slope and wide median areas beyond the 9 10 12-foot width from the road edge shall be performed so as to ensure a 11 minimum of 12 inches of grass remains by November 1 each year except in 12 those zones designated for brush control. Areas of brush within the 13 right-of-way shall be moved back to prevent brush from becoming established within the right-of-way. Brush or tree stumps shall be spot treated with herbicide, as needed, for long-term control. 15 (8) A right-of-way may be mowed as necessary to maintain health and 16 17 safety. 18 19 20 21 22 23 24 25 26 27



HB 5594 as amended June 2, 1998 The department shall work with the federal government regarding the development of a 4-lane limited access highway connecting south-central Michigan with Ohio. Sec. 330. The department may prepare a report on the status and operation of its pavement management system for proposed road repair and 25 construction projects. This report may also compare the costs and bene-26 fits of bituminous asphalt versus concrete paving materials used on state 27 trunkline construction, repair, and maintenance projects. This report

- HB 5594 as amended June 2, 1998
- 1 may identify and compare initial cost differences, expected pavement life

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- 2 cycles, as well as long-term maintenance and repair costs, and should be
- 3 presented to the house and senate appropriations subcommittees on trans-
- 4 portation and the house and senate fiscal agencies by March 1, 1999.
- 5 Sec. 331. Of the funds appropriated in section 101 for road and
- 6 bridge programs, the department shall not appropriate any funds for the
- 7 restoration or relocation of the Old North Park Street Bridge or any
- 8 other section or the stated bridge between Grand Rapids and Walker.
 Sec. 332. Of the funds appropriated in section 110 for distribution to counties, \$4 million shall be distributed to counties in Michigan recently declared disaster areas as a result of storms that occurred in late May 1998. Of the funds appropriated in section 110 for distribution to cities and villages, \$6 million shall be distributed to cities and villages in Michigan also declared disaster areas as a result of these same storms.
- 9 FEDERAL
- 10 Sec. 401. When the department receives authorization from the fed-
- 11 eral government to commit transportation funds pursuant to federal appro-
- 12 priations, it shall present to the senate and house appropriations trans-
- 13 portation subcommittees and the senate and house fiscal agencies, the
- 14 federal amounts and categories authorized and the department's recommen-
- 15 dation for distribution of these funds. If a recommendation or recommen-
- 16 dations are not disapproved within 30 business days by either the senate
- 17 or house appropriations transportation subcommittees, then the recommen-
- 18 dation or recommendations shall be considered as approved. If either the
- 19 senate or house appropriations transportation subcommittee disapproves
- 20 the proposed distribution, then the senate and house appropriations
- 21 transportation subcommittees and the department shall hold a joint meet-
- 22 ing on the issue to arrive at a final distribution. If no agreement is
- 23 reached between the parties, the department's distribution shall stand.
- 24 Sec. 402. (1) Twenty-three to twenty-seven percent of the remaining
- **25** DOT-FHWA highway research, planning, and construction federal funds

HB 5594 as amended June 2, 1998 29 1 appropriated in section 110 shall be allocated to programs administered 2 by local jurisdictions after deduction of the following: (a) Funds that are specifically allocated at the federal level to 3 the state or local jurisdictions. 4 5 (b) Funds allocated by the department to the state and to local jurisdictions through a competitive process. 6 7 (2) Federal aid excluded from the calculation of funding allocated to programs administered by local jurisdictions in subsection (1) includes, but is not limited to, congestion mitigation and air quality 9 funds, federal bridge funds, transportation enhancement funds, funds dis-11 tributed at the discretion of the United States secretary of transportation, and congressionally designated funds. (3) The funds shall be distributed to eligible local agencies for 13 transportation purposes in a manner consistent with state and federal 14 15 law. 16 17 18 19 20 (4) (5) It is the intent of the legislature that federal aid to highways 21 22 allocated to local jurisdictions in subsection (1) be distributed in a 23 manner that produces a 25% average allocation of applicable funds to pro-24 grams for local jurisdictions in each fiscal year through the fiscal year 25 ending September 30, 2005. Beginning in the fiscal year ending September 26 30, 1999, the average allocation of applicable federal aid to highway 27 funds to programs for local jurisdictions shall be the average of the 05378'98 (S-1)

- HB 5594 as amended June 2, 1998
- 1 amount distributed to local jurisdictions under subsection (1) and
- 2 similarly calculated distributions in each succeeding fiscal year.

 (5) The allocation percentage described in subsection (1), shall be adjusted to reflect any voluntary agreements made by the department with local jurisdictions regarding the transfer of federal aid eligible roadways or the state buy out of local federal aid.

 3 Sec. 404 The appropriation in part 1 for grants to regional plan-

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- The appropriation in part 1 for grants to regional plan-Sec. 404.
- 4 ning councils shall not be distributed until the department submits a
- 5 report to the house and senate appropriations subcommittees on transpor-
- 6 tation and the house and senate fiscal agencies. The report shall
- 7 describe how the regional planning council grants were spent in the last
- 8 5 years and assess the regional councils' effectiveness during this
- 9 period.

10 MICHIGAN TRANSPORTATION FUND

- Sec. 501. The money received under the motor carrier act, 1933 11
- PA 254, MCL 475.1 to 479.43, and not appropriated to the department of
- consumer and industry services or the department of state police, is 13
- deposited in the Michigan transportation fund. 14
- 15 Sec. 502. The department of treasury shall perform audits and make
- investigations of the disposition of all state funds received by county 16
- road commissions or county boards of commissioners, as applicable, and
- 18 cities and villages for transportation purposes to determine compliance
- 19 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, 20
- 21 and cities and villages shall make available to the department of trea-
- sury the pertinent records for the audit.
- Sec. 504. (1) The funds appropriated in part 1 for the economic 23
- 24 development programs shall not lapse at the end of the fiscal year but

- 1 shall carry forward each fiscal year for the purposes for which
- 2 appropriated in accordance with 1987 PA 231, MCL 247.901 to 247.913.

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- 3 (2) Interest earned in the department of transportation economic
- 4 development fund shall remain in the fund and shall be allocated to the
- 5 respective programs based on actual interest earned at the end of each
- 6 fiscal year.
- 7 (3) The department of transportation economic development fund may
- 8 receive and expend federal, local, or private funds or restricted source
- 9 funds such as interest earnings for projects that are consistent with the
- 10 programmatic mission of the fund in addition to funds appropriated in
- **11** part 1.
- 12 (4) None of the funds statutorily dedicated to the transportation
- 13 economic development fund shall be diverted to other projects without the
- 14 notification and approval of the house and senate appropriations subcom-
- 15 mittees on transportation.
- 16 Sec. 505. (1) Funds from the Michigan transportation fund (MTF)
- 17 shall be distributed to the comprehensive transportation fund (CTF), the
- 18 economic development fund (EDF), the recreational improvement fund (RIF),
- 19 and the state trunkline fund (STF), in accordance with this act and part
- 20 711 (recreation improvement fund) of the natural resources and environ-
- 21 mental protection act, 1994 PA 451, MCL 324.71101 to 324.71108, and may
- 22 only be used as specified in this act, 1951 PA 51, MCL 247.651 to
- 23 247.675, and part 711 (recreation improvement fund) of the natural
- 24 resources and environmental protection act, 1994 PA 451, MCL 324.71101 to
- **25** 324.71108.
- 26 (2) The amounts appropriated and transferred to various state
- 27 agencies from part 1 shall be expended from the transportation funds

1 pursuant to annual contracts between the department and state agencies

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- 2 providing tax and fee collection and other services applicable to trans-
- 3 portation funds. The contracts shall be executed prior to the transfer
- 4 of these funds. The contracts shall provide, but are not limited to, the
- 5 following data applicable to each state agency:
- 6 (a) Estimated costs to be recovered from transportation funds.
- 7 (b) Description of services financed with transportation funds.
- 8 (3) If the spending authorization accounts also are to be used for
- 9 financing other than transportation fund services, the contracts shall
- 10 include detailed cost allocation methods that are appropriate to the type
- 11 of services being provided and the activities financed and supporting
- 12 rationale for the portion of costs allocated to transportation funds.
- 13 (4) At the close of each fiscal year and before April 1, each state
- 14 agency shall submit a written report to the state budget director stating
- 15 by spending authorization account the amount of estimated funds con-
- 16 tracted with the department, the amount of funds expended, and the amount
- 17 of funds returned to the transportation funds. A copy of the report
- 18 shall be submitted to the auditor general and the report shall be subject
- 19 to audit by the auditor general.
- 20 (5) The department and the state agencies with which the department
- 21 contracts in the manner provided in subsection (2) shall work together to
- 22 explore methods of minimizing lapses or shortfalls in grants from trans-
- 23 portation funds.
- 24 (6) In addition to the reporting requirements in subsection (4), the
- 25 department of state shall submit a written report to the auditor general,
- 26 not later than May 30 of each year, stating by spending authorization
- 27 account the amount of funds contracted with the department of

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- 1 transportation that had been received during the first 6 months of the
- 2 fiscal year, the amount of funds expended during the first 6 months of
- 3 the fiscal year, a description of the services and costs that were
- 4 financed by those funds, and the rationale for the allocation of trans-
- 5 portation funds for those services and costs. The report shall be
- 6 subject to audit by the auditor general. A copy of the report shall be
- 7 submitted to the department of transportation, the house and senate
- 8 appropriations subcommittees on transportation, and the house and senate
- 9 fiscal agencies. If the report is not received by May 30 of each year,
- 10 the auditor general shall immediately notify the house and senate appro-
- 11 priations subcommittees on transportation and the house and senate fiscal
- 12 agencies in writing of the department of state's failure to submit the
- 13 required report.
- 14 Sec. 506. Of the amount appropriated in part 1 from the Michigan
- 15 transportation fund to the department of state, \$186,600.00 represents
- 16 the additional cost of issuing specialized license plates for veterans
- 17 and national guard members, as included in 1989 PAs 16, 17, 18, and 19,
- 18 MCL 257.803i, 257.803j, 257.803k, and 257.803l. The department of state
- 19 shall prepare an annual report on the number of and the additional costs
- 20 associated with the veteran license plates to the department, the state
- 21 budget director, the house and senate fiscal agencies, and the chair-
- 22 persons of the house and senate appropriations subcommittees on
- 23 transportation. Any unspent funds based on these annual reports shall
- 24 lapse to the Michigan transportation fund and be distributed in accord-
- 25 ance with 1951 PA 51, MCL 247.651 to 247.675.
- 26 Sec. 507. (1) Of the amount appropriated in part 1 from the
- 27 Michigan transportation fund to the department of state, \$187,600.00

1 represents the additional cost of issuing generic license plates for

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- 2 nonprofit fraternal or public service organizations, as included in
- 3 section 803m of the Michigan vehicle code, 1949 PA 300, MCL 257.803m.
- 4 (2) The department of state shall prepare an annual report on the
- 5 number of, and the additional costs associated with, the generic license
- 6 plates to the department, the state budget director, the house and senate
- 7 appropriations subcommittees on transportation, and the house and senate
- 8 fiscal agencies.
- 9 (3) Any unspent funds based on these annual reports shall lapse to
- 10 the Michigan transportation fund to be distributed in accordance with
- 11 1951 PA 51, MCL 247.651 to 247.675.
- 12 Sec. 508. (1) Commemorative and specialty license plate fee revenue
- 13 collected by the department of state and deposited into the Michigan
- 14 transportation fund is authorized for expenditure by the department of
- 15 state up to the amount of revenue collected, but not to exceed
- 16 \$9,353,300.00, the amount appropriated to the department of state in part
- 17 1 to administer the commemorative and specialty license plate program
- 18 pursuant to section 225 of the Michigan vehicle code, 1949 PA 300,
- **19** MCL 257.225.
- 20 (2) Commemorative and specialty license plate fee revenue collected
- 21 by the department of state and deposited in the Michigan transportation
- 22 fund in addition to that appropriated in part 1 to the department of
- 23 state shall be available for other Michigan transportation fund-supported
- 24 programs.
- 25 Sec. 509. The department, in conjunction with the Macomb county
- 26 road commission and any other local units of government in Macomb county
- 27 affected that wish to participate, may participate in a joint study on

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- 1 the effect of the proposed United States postal distribution facility at
- 2 23 Mile Road and M-53 on traffic patterns in the area and urban conges-
- 3 tion and recommend proposed solutions. The study shall be completed by
- 4 July 1, 1999 with copies distributed to the house and senate transporta-
- 5 tion appropriations subcommittees and the house and senate fiscal
- 6 agencies.

7 STATE TRUNKLINE FUND

- 8 Sec. 601. The department shall give funding priority for the funds
- 9 appropriated in part 1 for state trunkline federal aid and road and
- 10 bridge construction to projects for which funding has already been pro-
- 11 grammed and appropriate planning has been conducted. Examples of such
- 12 projects include the completion of the improvements for M-59 in Macomb
- 13 County, the Gull Road (M-43) improvement project in Kalamazoo County, and
- 14 the I-94 business loop in Battle Creek. The department shall make every
- 15 effort to ensure that such projects are completed in a timely manner.
- 16 Sec. 602. Of the amount of state funds appropriated for road and
- 17 bridge projects under this act, the department, counties, and cities and
- 18 villages shall, whenever possible, secure warranties for contracted con-
- 19 struction work.
- 20 Sec. 603. (1) From the funds appropriated in part 1, the department
- 21 shall begin the construction process, which may include land acquisition,
- 22 of 2 modern, indoor rest facilities. One shall be located along US-2 in
- 23 Delta County, another shall be constructed along M-28 between Newberry
- 24 and Marquette.

- 1 (2) The department shall convert the current rest facility as Fumee
- 2 State Park on Highway US-2 in Dickinson County to a modern, indoor rest

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- 3 facility.
- 4 Sec. 604. From the amounts appropriated in part 1 for urban county
- 5 congestion from the transportation economic development fund for the
- 6 fiscal year ending September 30, 1999, \$1,999,999.00 shall be used for
- **7** the purpose of matching, at not more than 50%, private and local funds
- 8 for the AAA Michigan road improvement program. The AAA Michigan road
- 9 improvement program, a public/private partnership, was established to
- 10 fund or assist funding road improvements in urban areas to reduce the
- 11 number and severity of crashes at high crash locations.
- 12 Sec. 605. From the amounts appropriated in part 1 for forest roads
- 13 from the transportation economic development fund in the fiscal year
- 14 ending September 30, 1999, \$40,000.00 shall be used for the purpose of
- 15 establishing 2, of the proposed 10, truck inspection stations. During
- 16 this demonstration, the department shall work directly with the
- 17 timberman's association to educate truck drivers on the use of the sta-
- 18 tions, as well as evaluate the stations' effectiveness.
- 19 Sec. 609. From the amount appropriated in section 110 for road and
- 20 bridge programs, the department shall include the following projects:
- 21 (a) The extension of the current passing lane on US-223 in Lenawee
- 22 County from Rome Road to the city of Adrian.
- 23 (b) The construction of a passing lane on US-223 between the city
- 24 limits of Palmyra and the city limits of Blissfield.
- 25 Sec. 614. The department shall conduct pilot programs to reduce
- 26 scrap tire pollution through the incorporation of scrap tires in the
- 27 preparation of asphalt paving materials and shall use scrap tires, from

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- 37
- 1 in-state collection facilities, in asphalt mixtures on state trunkline
- 2 road construction and repair projects. The department shall also recom-
- 3 mend the use of scrap tires in the preparation of asphalt paving materi-
- 4 als on all other state funded road construction projects, including those
- 5 done by county road commissions, local municipalities, and private
- 6 contractors. The department shall not provide for more than a 1 to 1 replacement of affected property on a construction project provided funds under this act, unless directed by a federal agency.
- 7 Sec. 615. The department shall undertake a study of traffic pat-
- **8** terns on I-94 in Washtenaw, Jackson, Calhoun, Kalamazoo, Van Buren, and
- 9 Berrien counties and shall provide a copy of this report to the members
- 10 of the house and senate appropriations subcommittees on transportation
- 11 and the house and senate fiscal agencies on or before September 30,
- 12 1999. This report shall make specific recommendations regarding the
- 13 expansion of bridges and overpasses on I-94 to accommodate future trans-
- 14 portation needs.
- 15 Sec. 616. If the department uses corrugated plastic pipe for road
- 16 construction drainage, the department shall inspect the pipe pursuant to
- 17 state standards before the laying of concrete or bituminous paving
- 18 materials.
- 19 Sec. 617. From the amounts appropriated in section 110 for state
- 20 trunkline federal aid and road and bridge construction, the department
- 21 shall include the following project: construction of paved shoulder for
- 22 Amish surrey traffic on 8.5 miles of Jonesville Road from Squires Road to
- 23 I-69 in Branch County.

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1 COMPREHENSIVE TRANSPORTATION FUND

- 2 Sec. 701. Money that is returned to the state as repayment for a
- 3 loan for intercity bus equipment is not money to be deposited in the com-
- 4 prehensive transportation fund under section 10b of 1951 PA 51,
- 5 MCL 247.660b, but is money that is deposited in an intercity bus equip-
- 6 ment fund for appropriation for the purchase and repair of intercity bus
- 7 equipment. Proceeds received by the state from the sale of intercity bus
- 8 equipment are deposited in an intercity bus equipment fund for appropria-
- 9 tion for the purchase and repair of intercity bus equipment. Security
- 10 deposits from the lease of state-owned intercity bus equipment not
- 11 returned to the lessee of the equipment under terms of the lease agree-
- 12 ment are deposited in an intercity bus equipment fund for appropriation
- 13 for the repair of intercity bus equipment.
- 14 Sec. 702. Money that is received by the state as repayment for
- 15 loans made for rail or water freight capital projects, and as a result of
- 16 the sale of property or equipment used or projected to be used for rail
- 17 or water freight projects shall be deposited in the fund created by sec-
- 18 tion 17 of the state transportation preservation act of 1976, 1976
- **19** PA 295, MCL 474.67.
- 20 Sec. 703. Entities that operate railroads and receive appropria-
- 21 tions under part 1 shall expend those appropriations for goods and serv-
- 22 ices of manufacturers, suppliers, and service companies located in this
- 23 state, whenever practicable, if the goods and services are comparably
- 24 priced and reasonably available.
- 25 Sec. 704. (1) The discretionary accounts in part 1 shall be used
- 26 for programs and projects as determined by the department. The
- 27 department shall inform the house and senate appropriations committees of

1 the manner in which the funds in these accounts will be expended not less

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- 2 than 30 days before expenditure.
- 3 (2) If a situation arises that is considered to be an emergency by
- 4 the director of the department, the requirement to inform the house and
- 5 senate appropriations committees shall be waived. The director shall
- 6 inform those committees of this action within 5 days of the action.
- 7 (3) If the department intends to alter a program after approval, the
- 8 department shall follow the requirements of subsection (1).
- 9 Sec. 705. (1) The departments of community health and transporta-
- 10 tion, the office of services to the aging within the department of commu-
- 11 nity health, and the family independence agency shall develop a system to
- 12 identify and collect the following information annually for each county:
- 13 (a) All operational and capital costs of services provided, con-
- 14 tracted for, or purchased, to transport clients or program participants
- 15 within the county, including all other funds received and expended for
- 16 those purposes by the state department.
- 17 (b) Population groups that utilize transportation services by a per-
- 18 centage of the total number of persons who utilize the services.
- 19 (c) Services accessed through transportation provided by percentages
- 20 of the total dollar amount expended for the services.
- 21 (d) All funding sources for transportation and amounts from each
- 22 source.
- (e) If known, provide the existence of interagency or countywide
- 24 transportation planning or coordination, and the extent to which each
- 25 state department participates.
- 26 (2) The information specified in subsection (1) shall be submitted
- ${f 27}$ to the department of transportation. The department of transportation

1 shall compile and report the information it has collected and received on

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- 2 or before December 31 of the immediately succeeding state fiscal year to
- 3 the house and senate appropriations subcommittees on transportation and
- 4 the state budget director.
- 5 (3) The report specified in subsection (2) shall include, but not be
- 6 limited to, all of the following:
- 7 (a) Current efforts to coordinate or consolidate transportation
- 8 services provided by human service agencies.
- 9 (b) Areas where coordination or consolidation of transportation
- 10 services will produce cost savings.
- 11 (c) Legislation needed to facilitate the coordination and consolida-
- 12 tion of transportation services.
- 13 (d) Steps to implement policy to more efficiently coordinate and
- 14 consolidate transportation services.
- 15 (e) The use of the amount appropriated in part 1 to regional service
- 16 coordination.
- 17 Sec. 706. The department shall submit a report to both the house
- 18 and senate appropriations subcommittees on transportation and the house
- 19 and senate fiscal agencies by March 1 of each year outlining its efforts
- 20 to develop a high-speed rail program as well as efforts to obtain funding
- 21 for this purpose.
- Sec. 707. (1) From the funds appropriated in part 1, the department
- 23 of transportation shall allocate sufficient comprehensive transportation
- 24 fund revenue to continue 7-day rail passenger service on the Pere
- 25 Marquette and the International lines.
- 26 (2) The department shall work with Amtrak and local interests on
- 27 increasing marketing efforts to promote awareness of rail passenger

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1 service and to increase ridership. The department shall also work with

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- 2 Amtrak to reduce the operating cost and to maximize the revenue of its
- 3 rail passenger lines in Michigan including, but not limited to, privati-
- 4 zation of food services aboard the train and selling of advertising space
- 5 aboard the train. The department shall submit a report to both the house
- 6 and senate appropriations subcommittees on transportation and the house
- 7 and senate fiscal agencies by January 1, 1999 that provides a 5-year his-
- 8 tory on services and ridership, as well as a 5-year plan for these
- 9 services.
- 10 Sec. 708. (1) The following rail lines are designated as an essen-
- 11 tial corridor in Michigan and shall receive priority in matters concern-
- 12 ing operation, maintenance, and rehabilitation:
- ANN ARBOR RAILROAD SYSTEM:
- 14 Toledo to north of Ann Arbor (Osmer).
- 15 Pittsfield Junction to Saline.
- STATE OF MICHIGAN OWNED RAIL LINES (ACTIVE):
- 17 North of Ann Arbor (Osmer) to Durand, Durand to Owosso via Central
- 18 Michigan Railway trackage rights, and then Owosso to Ashley to Cadillac
- 19 to Harlan.
- 20 (Tuscola and Saginaw Bay Railway)
- 21 Owosso north to St. Charles. (TSB)
- 22 Cadillac north to Petoskey via Walton Junction. (TSB
- 23 Walton Junction to Traverse City. (TSB)
- 24 Grawn via Traverse City to Williamsburg. (TSB)
- 25 (Huron and Eastern Railway)
- 26 Millington to Vassar to Munger. (HERC)

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                                  42
        Vassar to Caro to Colling. (HERC)
 1
         Iron Mountain to Ontonagon via Channing. (Escanaba and Lake
 3 Superior Railroad)
        (Indiana Northeastern Railroad)
 4
 5
        Hillsdale to Indiana State Line via Reading.
        Hillsdale to east of Quincy via Jonesville. (INRC)
 6
        Jonesville to Litchfield. (INRC)
 7
 8
        Linwood to Sallings via West Branch and Grayling. (Lake State
 9 Railway)
10
        Riga to west of Adrian. (Adrian and Blissfield Railroad)
11
        Grosvenor to River Raisin. (A&B)
12
        TUSCOLA AND SAGINAW BAY RAILWAY:
13
        Middleton to Ashley.
14
        HURON AND EASTERN RAILWAY:
15
        Denmark Junction to Harger (Saginaw).
16
        Saginaw to Bad Axe.
17
        Bad Axe to Kinde.
18
        Bad Axe to Croswell.
        Palms to Harbor Beach.
19
        Poland to Sandusky.
20
21
        Saginaw to Brown City.
        NORFOLK SOUTHERN RAILWAY COMPANY:
22
23
        Detroit to Ohio State Line via Milan.
24
        CSX TRANSPORTATION:
        Ohio State Line to Saginaw via Plymouth and Flint.
25
        Detroit to Grand Rapids via Plymouth and Lansing.
26
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- 1 Grand Rapids to Indiana State Line via Holland and St. Joseph.
- 2 Holland to Montague via Muskegon.
- 3 Holland to Hamilton.
- 4 Berry to Fremont.
- 5 Saginaw to Midland.
- 6 Saginaw to Bay City to Essexville.
- 7 Grand Rapids to Baldwin via Newaygo.
- 8 Baldwin to Ludington via Walhalla.
- 9 Walhalla to Manistee/Filer City.
- 10 Port Huron to Marine City.
- 11 <u>MID-MICHIGAN RAILROAD:</u>
- 12 Paines to Elwell via Alma.
- 13 Elmdale to Greenville.
- 14 COE RAIL, INC.:
- 15 Wixom to east of Walled Lake.
- 16 GRAND TRUNK WESTERN RAILROAD (CN NORTH AMERICA):
- 17 Port Huron to Indiana State Line via Flint, Durand, Lansing, Battle
- 18 Creek, and Cassopolis.
- 19 Durand to Detroit via Pontiac.
- 20 Dearborn to Flat Rock.
- 21 Port Huron to Detroit.
- 22 Richmond to Pontiac.
- 23 Pontiac to Lake Orion.
- 24 Detroit to Ohio State Line via Monroe.
- 25 Pavilion to Kalamazoo.
- 26 <u>INDIANA AND OHIO RAILWAY COMPANY (RAIL TEX):</u>

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- 1 Flat Rock to Ohio State Line via Dundee.
- 2 <u>WISCONSIN CENTRAL LIMITED:</u>
- 3 Canadian International Boundary at Sault Ste. Marie to Wisconsin

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- 4 State Line via Trout Lake and Gladstone.
- 5 Trout Lake to Baraga via Munising Junction and Marquette.
- 6 Munising to Munising Junction.
- 7 Baraga to Arnheim.
- 8 White Pine to Wisconsin State Line via Bergland.
- 9 <u>SAULT STE. MARIE BRIDGE COMPANY:</u>
- 10 Wisconsin State Line at Menominee to Escanaba via Powers.
- 11 Powers to Iron Mountain (Antoine).
- 12 Quinnesec to Wisconsin State Line.
- 13 Escanaba to Ishpeming.
- 14 ESCANABA AND LAKE SUPERIOR RAILROAD:
- 15 At Escanaba.
- 16 Channing to Republic.
- 17 Iron Mountain to Wisconsin State Line.
- 18 At Menominee.
- 19 LAKE SUPERIOR AND ISHPEMING RAILROAD:
- 20 Marquette to Republic Mine via Eagle Mills and Ishpeming.
- 21 Eagle Mills to Tilden Mine.
- <u>LAKE STATE RAILWAY:</u>
- Bay City to Linwood.
- 24 Pinconning to Hawks via Tawas City and Alpena.
- 25 Alabaster Junction to Alabaster.
- 26 Alpena to Paxton.

	House	Bill No. 5594	45
1		Posen to Rogers City.	
2		Sallings to Gaylord.	
3		CENTRAL MICHIGAN RAILWAY:	
4		Bay City to Midland.	
5		Saginaw to Paines.	
6		CONSOLIDATED RAIL CORPORA	TION:
7		Detroit to Kalamazoo via	Jackson and Battle Creek
8		Jackson to Lansing.	
9		Detroit to Toledo.	
10		Detroit to Carleton.	
11		Detroit to Utica.	
12		Jackson to Ackerson Lake.	
13		Ottawa Lake to Ohio State	Line.
L4		Grand Rapids to Indiana S	tate Line via Kalamazoo.
15		White Pigeon Junction to	Sturgis.
16		Kalamazoo to Portage (Upj	ohn).
۱7		Plainwell to Otsego.	
18		Grand Rapids to Kentwood	(44 Street).
19		NATIONAL RAILROAD PASSENG	ER CORPORATION:
20		Kalamazoo to Indiana Stat	e Line via Niles.
21		CANADIAN NATIONAL RAILWAY	<u>S:</u>
22		Detroit River Tunnel.	
23		St. Clair River Tunnel.	
24		DELRAY CONNECTING RAILROA	D:
25		At Detroit.	
26		WEST MICHIGAN RAILWAY:	

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- 1 Hartford to Paw Paw.
- 2 BRANCH AND ST. JOSEPH COUNTIES RAIL USERS ASSOCIATION:
- 3 Sturgis to east of Quincy.
- 4 MICHIGAN SHORE RAILROAD:
- 5 At Muskegon.
- 6 <u>IRON CLIFFS RAILWAY COMPANY:</u>
- 7 At Ishpeming.
- **8** (2) Any changes to the essential corridor list in subsection (1),
- 9 including sales of state-owned rights-of-way not specifically authorized
- 10 for sale in another public act, shall be approved by the house and senate
- 11 appropriations subcommittees on transportation.
- 12 (3) After receiving notification from a railroad company pursuant to
- 13 section 8 of the state transportation preservation act of 1976, 1976
- 14 PA 295, MCL 474.58, the department shall immediately notify the house and
- 15 senate appropriations subcommittees on transportation that the railroad
- 16 company has filed with the appropriate governmental agencies for abandon-
- 17 ment of a line.
- 18 Sec. 709. (1) The appropriation in part 1 for van pooling shall be
- 19 administered by the department through grants to eligible authorities and
- 20 eligible governmental agencies to insure coordination between van and car
- 21 pooling programs and the transit systems operated by the eligible author-
- 22 ities and eligible governmental agencies. The appropriation shall not be
- 23 distributed until the department submits a report to the house and senate
- 24 appropriations subcommittees on transportation and the house and senate
- 25 fiscal agencies. The report shall describe how the appropriations for
- 26 this program were expended in the last 5 years and assess the program's
- 27 effectiveness during this period.

- 1 (2) The department shall utilize competitive bidding for each grant
- 2 awarded under subsection (1).
- 3 Sec. 710. From the funds appropriated in part 1, \$3,300,000.00 is
- 4 allocated for the department to establish a rail infrastructure loan

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- 5 program. The program shall provide noninterest bearing loans for rail
- 6 infrastructure improvements. The department shall evaluate loan applica-
- 7 tions according to the relative merit of the project in conjunction with
- 8 program goals. The transportation commission shall approve the loans.
- 9 The loans shall fund not less than 90% of the rail portion of project
- 10 costs, and the loan repayment period shall not exceed 10 years. Local
- 11 governments, railroads, and current or potential users of freight rail-
- 12 road services are eligible applicants. At the end of the fiscal year,
- 13 unexpended funds shall remain in the rail infrastructure loan program and
- 14 shall be available to be allocated for the purposes of the program in the
- 15 succeeding fiscal year. Money that is received by this state as repay-
- 16 ment for rail infrastructure loans made pursuant to this program shall
- 17 remain within the rail infrastructure loan program and shall be allocated
- 18 for the purposes of the program. The state's total contribution to the
- 19 rail infrastructure loan program shall not exceed \$15,000,000.00.
- 20 Sec. 711. In addition to the \$2,246,600.00 appropriated in part 1
- 21 for the work first initiative, the department shall maintain current
- 22 funding support for this initiative.
- 23 Sec. 712. The Detroit/Wayne County port authority shall issue a
- 24 complete operations assessment and a financial disclosure statement. The
- 25 operations assessment shall include operational goals for the next 5
- 26 years and recommendations to improve land acquisition and development
- 27 efficiency. It is not the intent of the legislature that the authority

1 be granted the power of condemnation of private property. The report

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- 2 shall be completed and submitted to the house and senate appropriations
- 3 subcommittees on transportation and the house and senate fiscal agencies
- 4 by December 15, 1998.
- 5 Sec. 714. For the fiscal year ending September 30, 1999, each eli-
- 6 gible authority and each eligible governmental agency which provides
- 7 public transportation services in urbanized areas with a Michigan popula-
- 8 tion of less than or equal to 100,000 and nonurbanized areas under
- 9 section 5311 of title 49 of the United States Code, 49 U.S.C. 5311, shall
- 10 receive a grant of up to 60% of its eligible operating expenses. Each
- 11 eligible authority and each eligible government agency which provides
- 12 public transportation services in urbanized areas with a Michigan popula-
- 13 tion of greater than 100,000 under section 5311 of title 49 of the United
- 14 States Code, 49 U.S.C. 5311, shall receive a grant of up to 50% of its
- 15 eligible operating expenses. If funds appropriated in part 1 for local
- 16 bus operating are not sufficient to fulfill this requirement, sufficient
- 17 funds appropriated for public transportation development discretionary
- 18 may be used for this purpose.
- 19 Sec. 715. Of the amount appropriated in part 1 for bus capital, for
- 20 the fiscal year ending September 30, 1999, any funds not utilized for
- 21 matching federal funds for local bus capital shall be distributed for
- 22 100% capital projects for eligible authorities and eligible governmental
- 23 agencies that are not eligible to receive federal capital formula funds
- 24 under section 5307 of the federal intermodal surface transportation effi-
- 25 ciency act, Public Law 102-240, or any successor act.
- 26 Sec. 716. The appropriation in part 1 for ride sharing shall not be
- 27 distributed until the department submits a report to the house and senate

	House Bill No. 5594 49			
1	appropriations subcommittees on transportation and the house and senate			
2	fiscal agencies. The report shall describe how the appropriations for			
3	this program have been spent in the last 5 years and assess the program's			
4	effectiveness during this period. The appropriation shall be held in			
5	escrow until the report is submitted.			
6	Sec. 717. The department shall provide state matching funds to con-			
7	struct a new ferry for which federal funds have been authorized as of			
8	December 31, 1997 for the eastern Upper Peninsula transportation author-			
9	ity as permitted under section 10e(14) of 1951 PA 51, MCL 247.660e.			
10	Sec. 718. (1) The following bus routes are designated as an essen-			
11	tial corridor in Michigan:			
12	UPPER PENINSULA-SUPERIOR TRANSPORTATION			
13	Between St. Ignace and			
14	Escanaba US-2			
15	Between Escanaba and			
16	Duluth US-2 through Ironwood to the			
17	state line			
18	Between Calumet and			
19	Escanaba US-41			
20	Between Escanaba and			
21	Milwaukee US-41 through Menominee to the			
22	state line			

I-75

26 <u>GREYHOUND</u>

23

24

25

Between St. Ignace and

Sault Ste. Marie

	House Bill No. 5594	50	
1	Between Detroit and		
2	Chicago		I-94 from Detroit to state line
3	Between Detroit and		
4	Muskegon		I-96
5	Between Grand Rapids,		
6	Holland, and Benton		
7	Harbor		I-196 to I-94
8	Between Muskegon and		
9	Grand Rapids		US-31, I-96
10	Between Detroit and Bay		
11	City		I-75
12	Between Bay City and		
13	Mount Pleasant		US-10, M-20
14	Between Jackson and		
15	Traverse City		US-127, US-27, I-75, Grayling,
16			Gaylord, M-72 to Traverse City
17	Between Jackson and		
18	Indianapolis		I-69, I-94 to the state line
19			through Albion, Marshall, and
20			Coldwater
21	Between Houghton Lake		
22	and Cadillac		M-55 and M-66
23	Between Detroit and		
24	Toledo		I-75 to state line
25	Between the Indiana		
26	state line and		
27	Traverse City		US-31 and I-196

НВ	5594 as amended June 2, 1998	51	
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2	INDIAN TRAILS		
3	Between Bay City and		
4	Chicago	I-75, Flint, I-69, I-94, Battle	
5		Creek, I-94 to the state line	
6	Between Flint and		
7	Lansing	I-69, M-21, Owosso, M-52, I-69	
8	Between Bay City and		
9	St. Ignace	I-75, US-23	
10	Between Grand Rapids and		
11	St. Ignace	US-131, Cadillac, M-115, Mesick,	
12		M-37 to Traverse City, US-31,	
13		Acme, M-72, Kalkaska, US-131,	
14		Boyne Falls, M-75, Walloon	
15		Lake, US-131, Petoskey, US-31,	
16		I-75, St. Ignace	
17	Between Kalamazoo and		
18	Grand Rapids	US-131	
19	(2) Any changes to the essent	ial corridor list in subsection (1)	
20	shall be approved by the house and senate appropriations subcommittees on		
21	transportation.		
22	(3) No entity shall receive operating assistance for a scheduled		
23	regular route service which is competing with another private or public		
24	carrier over the same route.		
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HB 5594 as amended June 2, 1998
                                           52
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                    The appropriation in part 1 for regional service coordi-
   nation shall not be distributed until the department submits a report to
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   the house and senate appropriations subcommittees on transportation and
   the house and senate fiscal agencies. The report shall describe how the
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   appropriations for this program have been spent in the last 2 years and
   assess the program's effectiveness during this period.
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HB 5594 as amended June 2, 1998
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        Sec. 722.
                   If federal funds are authorized for a proposed Lansing to
   Detroit commuter rail line, the department may match up to 20% of the
   federal funds authorized from rail passenger service funds appropriated
   under section 116. However, no funds shall be used for operations
 9
10
   subsidy.
11
        Sec. 723. Of the amount appropriated in section 117 for bus capi-
12
   tal, $1,800,250.00 shall be distributed for 100% capital projects for
   eligible authorities and eligible government agencies that are not eligi-
13
14 ble to receive federal capital formula funds under section 5307 of the
   federal intermodal surface transportation efficiency act, Public Law
15
   102-240, or any successor act.
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17
        Sec. 724. The department, in conjunction with the department of
18 state police, shall conduct a study of violent crimes committed against
19
   bus operators and bus passengers on public transit systems in the state.
  The study shall examine the type and frequency of violent crimes commit-
20
21 ted against bus operators and bus passengers and shall make recommenda-
22 tions on ways to reduce violent crimes on public transit systems. This
23 report shall be submitted to the house and senate appropriations subcom-
24 mittees on transportation and the house and senate fiscal agencies by
25 April 1, 1999.
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HB 5594 as amended June 2, 1998 55

1	AERONAUTICS	TELLETING
_	AFKONAGITCS	L OND

2 Sec. 801. At the close of the fiscal year ending September 30,

3 1999, any unobligated and unexpended balance in the state aeronautics

4 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

5 and be appropriated by the legislature in the immediately succeeding

7 fiscal year.

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Sec. 803. The appropriation in part 1 from the state aeronautics fund for transportation planning administration shall not be distributed until the department submits a report to the house and senate appropriations subcommittees on transportation and the house and senate fiscal agencies. The report shall describe how the appropriations for aeronau-

21 tics planning have been spent in the last 5 years, and assess the current

22 and future levels of funding needed for this purpose.

House Bill No. 5594

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1 TIEBAR

- Sec. 902 This act does not take effect unless Senate Bill No. 1156
- 3 of the 89th Legislature is enacted into law.

05378'98 (S-1) Final page.

TJS