

SENATE SUBSTITUTE FOR
HOUSE BILL NO. 5284

A bill to make appropriations for the state transportation department and certain transportation purposes for the fiscal year ending September 30, 2001; to provide for the imposition of fees; 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 and local units of government; and to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

PART 1

LINE-ITEM APPROPRIATIONS

3 Sec. 101. Subject to the conditions set forth in this act, the
4 amounts listed in this part are appropriated for the state transportation
5 department and certain state purposes designated in this act for the
6 fiscal year ending September 30, 2001, from the funds indicated in this
7 part. The following is a summary of the appropriations in this part:

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For Fiscal Year Ending
September 30, 2001**1 STATE TRANSPORTATION DEPARTMENT****2 APPROPRIATION SUMMARY:**

3	Full-time equated unclassified positions.....	6.0	
4	Full-time equated classified positions.....	3,176.3	
5	GROSS APPROPRIATION.....	\$	2,993,030,600
6	Interdepartmental grant revenues:		
7	IDT, intradepartmental charges.....		10,459,500
8	Total interdepartmental grants and intradepartmental		
9	transfers.....		10,459,500
10	ADJUSTED GROSS APPROPRIATION.....	\$	2,982,571,100
11	Federal revenues:		
12	DOT, federal transit act.....		52,200,000
13	DOT-FHWA, highway research, planning, and		
14	construction.....		862,749,000
15	DOT-FRA, local rail service assistance.....		500,000
16	DOT-FRA, rail passenger/HSGT.....		3,000,000
17	Total federal revenues.....		918,449,000
18	Special revenue funds:		
19	Local funds.....		5,700,000
20	Total local revenues.....		5,700,000
21	Total private revenues.....		0
22	Michigan transportation fund.....		1,033,898,200
23	Blue Water Bridge fund.....		12,532,700
24	Economic development fund.....		57,315,000
25	State trunkline fund.....		705,183,800
26	State aeronautics fund.....		9,043,400

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1	Comprehensive transportation fund.....	229,223,000
2	Intercity bus equipment fund.....	1,000,000
3	Rail preservation fund.....	2,000,000
4	Total other state restricted revenues.....	2,050,196,100
5	State general fund/general purpose.....	\$ 8,226,000
6	Sec. 102. DEBT SERVICE	
7	State trunkline.....	\$ 35,900,800
8	Trunkline bonds, series 1989A-EDF (\$100,000,000).....	6,606,900
9	Critical bridge.....	3,000,000
10	Blue Water Bridge.....	2,308,500
11	Comprehensive transportation.....	<u>21,697,900</u>
12	GROSS APPROPRIATION.....	\$ 69,514,100
13	Appropriated from:	
14	Special revenue funds:	
15	Blue Water Bridge fund.....	2,308,500
16	Comprehensive transportation fund.....	21,697,900
17	Economic development fund.....	6,606,900
18	Michigan transportation fund.....	3,000,000
19	State trunkline fund.....	35,900,800
20	State general fund/general purpose.....	\$ 0
21	Sec. 103. INTERDEPARTMENT AND STATUTORY CONTRACTS	
22	Michigan transportation fund (MTF)	
23	MTF grant to department of environmental quality.....	\$ 855,500
24	MTF grant to department of state.....	54,904,200
25	MTF grant to legislative auditor general.....	132,400
26	MTF grant to attorney general.....	2,590,400

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1	State trunkline fund (STF)	
2	STF grant to department of civil service.....	1,280,000
3	STF grant to department of management and budget.....	889,500
4	STF grant to department of state police.....	9,935,700
5	STF grant to department of treasury.....	32,200
6	STF grant to legislative auditor general.....	362,100
7	State aeronautics fund (SAF)	
8	SAF grant to department of attorney general.....	119,800
9	SAF grant to department of civil service.....	50,000
10	SAF grant to department of management and budget.....	26,600
11	SAF grant to department of treasury.....	63,900
12	SAF grant to legislative auditor general.....	31,100
13	Comprehensive transportation fund (CTF)	
14	CTF grant to department of civil service.....	90,000
15	CTF grant to department of management and budget.....	50,200
16	CTF grant to department of treasury.....	4,900
17	CTF grant to legislative auditor general.....	<u>47,600</u>
18	GROSS APPROPRIATION.....	\$ 71,466,100
19	Appropriated from:	
20	Special revenue funds:	
21	Comprehensive transportation fund.....	192,700
22	Michigan transportation fund.....	58,482,500
23	State aeronautics fund.....	291,400
24	State trunkline fund.....	12,499,500
25	State general fund/general purpose.....	\$ 0
26	Sec. 104. EXECUTIVE DIRECTION	

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1	Full-time equated unclassified positions.....	6.0	
2	Full-time equated classified positions.....	33.3	
3	Unclassified salaries.....	\$	511,600
4	State transportation commission (per diem payments)..		7,200
5	Commission audit--33.3 FTE positions.....		<u>2,888,600</u>
6	GROSS APPROPRIATION.....	\$	3,407,400
7	Appropriated from:		
8	Special revenue funds:		
9	State trunkline fund.....		3,407,400
10	State general fund/general purpose.....	\$	0
11	Sec. 105. ADMINISTRATIVE SERVICES		
12	Full-time equated classified positions.....	146.7	
13	Administration and data center--108.7 FTE positions..	\$	27,462,600
14	Property management.....		6,690,600
15	Human resources--33.0 FTE positions.....		2,563,500
16	Economic development administration--5.0 FTE		
17	positions.....		500,700
18	Worker's compensation.....		<u>2,696,000</u>
19	GROSS APPROPRIATION.....	\$	39,913,400
20	Appropriated from:		
21	Special revenue funds:		
22	Economic development fund.....		537,800
23	State aeronautics fund.....		678,300
24	Comprehensive transportation fund.....		1,167,600
25	Michigan transportation fund.....		70,400
26	State trunkline fund.....		37,459,300

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1	State general fund/general purpose.....	\$	0
2	Sec. 106. BUREAU OF FINANCE AND ADMINISTRATION		
3	Full-time equated classified positions.....	254.5	
4	Administration--254.5 FTE positions.....	\$	<u>20,486,700</u>
5	GROSS APPROPRIATION.....	\$	20,486,700
6	Appropriated from:		
7	Special revenue funds:		
8	Michigan transportation fund.....		1,086,400
9	State trunkline fund.....		19,400,300
10	State general fund/general purpose.....	\$	0
11	Sec. 107. BUREAU OF TRANSPORTATION PLANNING		
12	Full-time equated classified positions.....	185.1	
13	Administration--185.1 FTE positions.....	\$	27,519,800
14	Grants to regional planning councils.....		<u>488,800</u>
15	GROSS APPROPRIATION.....	\$	28,008,600
16	Appropriated from:		
17	Federal revenues:		
18	DOT-FHWA, highway research, planning, and		
19	construction.....		16,200,000
20	Special revenue funds:		
21	State aeronautics fund.....		300,500
22	Comprehensive transportation fund.....		1,890,300
23	Michigan transportation fund.....		5,755,200
24	State trunkline fund.....		3,862,600
25	State general fund/general purpose.....	\$	0
26	Sec. 108. BUREAU OF HIGHWAYS		

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1	Full-time equated classified positions.....	1,655.2	
2	Engineering operations--820.1 FTE positions.....		\$ 32,980,200
3	Maintenance operations--78.0 FTE positions.....		6,918,300
4	Program services--757.1 FTE positions.....		<u>37,294,200</u>
5	GROSS APPROPRIATION.....		\$ 77,192,700
6	Appropriated from:		
7	Interdepartmental grant revenues:		
8	IDT, intradepartmental charges.....		207,500
9	Federal revenues:		
10	DOT-FHWA, highway research, planning, and		
11	construction.....		5,000,000
12	Special revenue funds:		
13	Michigan transportation fund.....		3,950,000
14	State trunkline fund.....		68,035,200
15	State general fund/general purpose.....		\$ 0
16	Sec. 109. HIGHWAY MAINTENANCE		
17	Full-time equated classified positions.....	704.0	
18	State trunkline operations--704.0 FTE positions.....		\$ 105,508,300
19	Contract operations.....		<u>129,720,700</u>
20	GROSS APPROPRIATION.....		\$ 235,229,000
21	Appropriated from:		
22	Interdepartmental grant revenues:		
23	IDT, intradepartmental charges.....		10,252,000
24	Special revenue funds:		
25	State trunkline fund.....		224,977,000
26	State general fund/general purpose.....		\$ 0

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1	Sec. 110. ROAD AND BRIDGE PROGRAMS		
2	State trunkline federal aid and road and bridge		
3	construction.....	\$	930,637,700
4	Local federal aid and road and bridge construction...		214,803,000
5	Grants to local programs.....		33,000,000
6	Rail grade crossing.....		3,000,000
7	Critical bridge program.....		5,750,000
8	County road commissions.....		592,890,500
9	Cities and villages.....		<u>328,890,300</u>
10	GROSS APPROPRIATION.....	\$	2,108,971,500
11	Appropriated from:		
12	Federal revenues:		
13	DOT-FHWA, highway research, planning, and		
14	construction.....		841,549,000
15	Special revenue funds:		
16	Local funds.....		5,000,000
17	Michigan transportation fund.....		959,780,800
18	State trunkline fund.....		299,641,700
19	State general fund/general purpose.....	\$	3,000,000
20	Sec. 111. BLUE WATER BRIDGE		
21	Full-time equated classified positions.....34.0		
22	Blue Water Bridge fund operations--34.0 FTE positions	\$	<u>10,224,200</u>
23	GROSS APPROPRIATION.....	\$	10,224,200
24	Appropriated from:		
25	Special revenue funds:		
26	Blue Water Bridge fund.....		10,224,200

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1	State general fund/general purpose.....	\$	0
2	Sec. 112. TRANSPORTATION ECONOMIC DEVELOPMENT FUND		
3	Forest roads.....	\$	5,040,000
4	Rural county urban system.....		2,500,000
5	Target industries/economic redevelopment.....		23,065,100
6	Urban county congestion.....		9,782,600
7	Rural county primary.....		<u>9,782,600</u>
8	GROSS APPROPRIATION.....	\$	50,170,300
9	Appropriated from:		
10	Special revenue funds:		
11	Economic development fund.....		50,170,300
12	State general fund/general purpose.....	\$	0
13	Sec. 113. BUREAU OF AERONAUTICS		
14	Full-time equated classified positions.....		57.0
15	Administration--57.0 FTE positions.....	\$	6,773,200
16	Air service program.....		<u>1,000,000</u>
17	GROSS APPROPRIATION.....	\$	7,773,200
18	Appropriated from:		
19	Special revenue funds:		
20	State aeronautics fund.....		7,773,200
21	State general fund/general purpose.....	\$	0
22	Sec. 114. BUREAU OF URBAN AND PUBLIC TRANSPORTATION		
23	Full-time equated classified positions.....		106.5
24	Administration--106.5 FTE positions.....	\$	<u>8,673,200</u>
25	GROSS APPROPRIATION.....	\$	8,673,200
26	Appropriated from:		

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1 Special revenue funds:

2 Comprehensive transportation fund..... 6,900,300

3 Michigan transportation fund..... 1,772,900

4 State general fund/general purpose..... \$ 0

5 **Sec. 115. BUS TRANSIT DIVISION: STATUTORY OPERATING**

6 Local bus operating..... \$ 150,652,700

7 Nonurban operating/capital..... 8,900,000

8 GROSS APPROPRIATION..... \$ 159,552,700

9 Appropriated from:

10 Federal revenues:

11 DOT, federal transit act..... 8,700,000

12 Special revenue funds:

13 Local funds..... 200,000

14 Comprehensive transportation fund..... 150,652,700

15 State general fund/general purpose..... \$ 0

16 **Sec. 116. INTERCITY PASSENGER AND FREIGHT**

17 Freight property management..... \$ 1,893,300

18 Detroit/Wayne County port authority..... 408,500

19 Intercity bus equipment..... 3,324,500

20 Rail passenger service..... 9,000,000

21 Rail passenger service - operating subsidy..... 5,226,000

22 Freight preservation and development..... 6,828,000

23 Rail infrastructure loan program..... 2,000,000

24 Intercity bus service development..... 2,225,500

25 Marine passenger services..... 800,000

26 Terminal development..... 1,000,000

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1	GROSS APPROPRIATION.....	\$	32,705,800
2	Appropriated from:		
3	Federal revenues:		
4	DOT, federal transit act.....		1,200,000
5	DOT-FRA, local rail service assistance.....		500,000
6	DOT-FRA, rail passenger/HSGT.....		3,000,000
7	Special revenue funds:		
8	Local funds.....		50,000
9	Rail preservation fund.....		2,000,000
10	Intercity bus equipment fund.....		1,000,000
11	Comprehensive transportation fund.....		19,729,800
12	State general fund/general purpose.....	\$	5,226,000
13	Sec. 117. PUBLIC TRANSPORTATION DEVELOPMENT		
14	Specialized services.....	\$	3,749,500
15	Municipal credit program.....		2,000,000
16	Bus capital.....		56,442,300
17	Ride sharing.....		330,700
18	Van pooling.....		195,000
19	Bus property management.....		100,000
20	Service development and new technology.....		1,675,000
21	Planning grants.....		120,000
22	Audit settlements.....		150,000
23	Region service coordination.....		1,000,000
24	Work first initiative.....		<u>3,979,200</u>
25	GROSS APPROPRIATION.....	\$	69,741,700
26	Appropriated from:		

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1 Federal revenues:

2 DOT, federal transit act..... 42,300,000

3 Special revenue funds:

4 Local funds..... 450,000

5 Comprehensive transportation fund..... 26,991,700

6 State general fund/general purpose..... \$ 0

7

8

9 PART 2

10 PROVISIONS CONCERNING APPROPRIATIONS

11 GENERAL SECTIONS

12 Sec. 201. Pursuant to section 30 of article IX of the state consti-
13 tution of 1963, total state spending from state resources under part 1
14 for fiscal year 2000-2001 is \$2,058,422,100.00 and state spending from
15 state resources to be paid to local units of government for fiscal year
16 2000-2001 is \$1,161,228,500.00. The itemized statement below identifies
17 appropriations from which spending to units of local government will
18 occur:

19 DEPARTMENT OF TRANSPORTATION

20 Local grant program..... \$ 33,000,000

21 Economic development fund..... 27,105,200

22 Grants to cities and villages..... 328,890,300

23 Grants to county road commissions..... 592,890,500

24 Critical bridge program..... 5,750,000

25 Grants to regional planning councils..... 488,800

26 Local bus operating..... 150,652,700

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1	Bus capital.....	15,042,300
2	Marine passenger service.....	800,000
3	Detroit/Wayne County port authority.....	408,500
4	Local ride sharing operating grants.....	330,700
5	Planning grants.....	120,000
6	Municipal credit program.....	2,000,000
7	Specialized services.....	<u>3,749,500</u>
8	Total payments to local units of government.....	\$ 1,161,228,500

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

11 Sec. 203. As used in this act:

- 12 (a) "CTF" means comprehensive transportation fund.
- 13 (b) "Department" means the department of transportation.
- 14 (c) "DOT" means the United States department of transportation.
- 15 (d) "DOT-FHWA" means DOT, federal highway administration.
- 16 (e) "DOT-FRA" means DOT, federal railroad administration.
- 17 (f) "DOT-FRA, rail passenger/HSST" means DOT, federal railroad
18 administration, high-speed ground transportation.
- 19 (g) "EDF" means economic development fund.
- 20 (h) "FTE" means full-time equated.
- 21 (i) "IDT" means intradepartmental transfer.
- 22 (j) "MDTR" means Michigan department of treasury.
- 23 (k) "MTF" means Michigan transportation fund.
- 24 (l) "RIF" means recreation improvement fund.
- 25 (m) "RTCC" means regional transit coordinating council.
- 26 (n) "SAF" means state aeronautics fund.

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1 (o) "STF" means state trunkline fund.

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

7 Sec. 205. (1) Beginning October 1, a hiring freeze is imposed on
8 the state classified civil service. State departments and agencies are
9 prohibited from hiring any new full-time state classified civil service
10 employees and prohibited from filling any vacant state classified civil
11 service positions. This hiring freeze does not apply to internal trans-
12 fers of classified employees from 1 position to another within a depart-
13 ment or to positions that are funded with 80% or more federal or
14 restricted funds.

15 (2) The state budget director shall grant exceptions to this hiring
16 freeze when the state budget director believes that the hiring freeze
17 will result in rendering a state department or agency unable to deliver
18 basic services. The state budget director shall report by the fifteenth
19 of each month to the chairpersons of the senate and house of representa-
20 tives standing committees on appropriations the number of exceptions to
21 the hiring freeze approved during the previous month and the justifica-
22 tion for the exception.

23 Sec. 206. (1) In addition to the funds appropriated in part 1,
24 there is appropriated an amount not to exceed \$100,000,000.00 for federal
25 contingency funds. These funds are not available for expenditure until
26 they have been transferred to another line item in this act pursuant to

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1 section 393(2) of the management and budget act, 1984 PA 431,
2 MCL 18.1393.

3 (2) In addition to the funds appropriated in part 1, there is appro-
4 priated an amount not to exceed \$40,000,000.00 for state restricted con-
5 tingency funds. These funds are not available for expenditure until they
6 have been transferred to another line item in this act pursuant to sec-
7 tion 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

8 (3) In addition to the funds appropriated in part 1, there is appro-
9 priated an amount not to exceed \$1,000,000.00 for local contingency
10 funds. These funds are not available for expenditure until they have
11 been transferred to another line item in this act pursuant to section
12 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

13 (4) In addition to the funds appropriated in part 1, there is appro-
14 priated an amount not to exceed \$1,000,000.00 for private contingency
15 funds. These funds are not available for expenditure until they have
16 been transferred to another line item in this act pursuant to section
17 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

18 Sec. 207. At least 60 days before beginning any effort to privati-
19 ze, the department shall submit a complete project plan to the appropri-
20 ate senate and house of representatives appropriations subcommittees and
21 the senate and house fiscal agencies. The plan shall include the cri-
22 teria under which the privatization initiative will be evaluated. The
23 evaluation shall be completed and submitted to the appropriate senate and
24 house of representatives appropriations subcommittees and the senate and
25 house fiscal agencies within 30 months.

26 Sec. 208. The department shall continue to pilot the use of the
27 Internet to fulfill the reporting requirements of this act. This may

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1 include transmission of reports via electronic mail to the recipients
2 identified for each reporting requirement or it may include placement of
3 reports on the Internet or legislative Intranet site. The senate and
4 house of representatives appropriations subcommittees and senate and
5 house fiscal agencies shall be notified in writing of the Internet or
6 Intranet site of any such report. Quarterly, the department shall pro-
7 vide a cumulative listing of the reports submitted during the most recent
8 3-month period along with the Internet or Intranet site of each report,
9 and a list of those reports expected to be transmitted in the following
10 quarter.

11 Sec. 209. Funds appropriated in part 1 shall not be used for the
12 purchase of foreign goods or services, or both, if competitively priced
13 and of comparable quality American goods or services, or both, are
14 available.

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

22 DEPARTMENTAL SECTIONS

23 Sec. 301. (1) The department may establish a fee schedule and col-
24 lect fees sufficient to cover the costs to issue the permits that the

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1 department is authorized by law to issue upon request, and for which fees
2 are not otherwise stipulated by law.

3 (2) A bridge authority shall hold 3 public hearings on a change in
4 any toll charged by the authority at least 30 days before the toll change
5 will become effective. Two of the hearings shall be held within 5 miles
6 of the bridge over which the bridge authority has jurisdiction. One
7 hearing shall be held in Lansing.

8 Sec. 302. The department shall prepare an official transportation
9 map that shall be distributed without charge. Each legislator shall
10 receive a quantity of maps as determined by the legislative council.
11 However, each senator shall receive 3 times the number of maps of each
12 representative.

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

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

25 Sec. 305. The department may permit space on public passenger
26 transportation properties to be occupied by public or private tenants on
27 a competitive market rate basis. The department may require that revenue

1 from the tenants be placed in an account to be used to pay the costs to
2 maintain and improve the property.

3 Sec. 306. (1) From the funds appropriated in part 1, the auditor
4 general shall conduct an audit of charges to transportation funds by
5 state departments. The auditor general shall prepare a detailed report,
6 with recommendations and conclusions, including a list of services
7 charged to transportation funds, the appropriateness of those charges,
8 and the cost allocation methodologies used in determining the level of
9 funding, and provide the report, upon request, to any member of the
10 senate and house of representatives and to the senate and house fiscal
11 agencies by March 1, 2001.

12 (2) From the funds appropriated in part 1, the auditor general shall
13 conduct a performance audit of the services provided to local road agen-
14 cies by the department and supported by Michigan transportation funds.
15 The auditor general shall provide the report to the senate and house of
16 representatives appropriations subcommittees on transportation and the
17 senate and house fiscal agencies by April 30, 2001.

18 Sec. 307. Before February 1 of each year, the department will pro-
19 vide to the legislature and to the house and senate fiscal agencies its
20 rolling 5-year plan listing by county or by county road commission all
21 highway construction projects for the fiscal year and all expected
22 projects for the ensuing fiscal years.

23 Sec. 309. The department and local road agencies that receive
24 appropriations under this act shall pursue compliance with contract spec-
25 ifications for construction and maintenance of state highways and local
26 roads and streets. Work shall not be accepted and paid for until it
27 complies with contract requirements. Contractors with unsatisfactory

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1 performance ratings shall be restricted from future bidding through the
2 prequalification process established by the department or a local road
3 agency. The department, county road commissions, and cities and villages
4 shall report to the house of representatives and senate appropriations
5 subcommittees on transportation on their respective activities under this
6 section.

7 Sec. 311. The department shall continue its efforts to reduce
8 administrative costs and provide the maximum funding possible for con-
9 struction projects.

10 Sec. 313. To facilitate an informed and cooperative relationship
11 between the transportation commission and the legislature, the department
12 shall provide in a timely manner copies of the agenda and approved
13 minutes of monthly transportation commission meetings to the members of
14 the house and senate appropriations subcommittees on transportation, the
15 house and senate fiscal agencies, and the state budget director.

16 Sec. 315. The department shall not use funds appropriated under
17 part 1 on behalf of a local governmental unit to pay the amount required
18 for that local governmental unit to participate in the federal advance
19 construct program.

20 Sec. 316. At the close of the fiscal year ending September 30,
21 2001, any unencumbered and unexpended balance in the state trunkline fund
22 shall remain in the state trunkline fund and shall carry forward and be
23 appropriated for federal aid road and bridge programs for projects con-
24 tained in the annual state transportation program.

25 Sec. 317. (1) From funds appropriated in part 1, the department may
26 increase a state infrastructure bank program and grant or loan funds in
27 accordance with regulations of the state infrastructure bank program of

1 the United States department of transportation. The state infrastructure
2 bank is to be administered by the department for the purpose of providing
3 a revolving, self-sustaining resource for financing transportation infra-
4 structure projects.

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

14 Sec. 319. The department shall provide a report prepared by the
15 department's internal auditor on the activities of the internal auditor
16 for the prior fiscal year. This report shall include a listing of each
17 audit or investigation performed by the internal auditor pursuant to sec-
18 tions 486(4) and 487 of the management and budget act, 1984 PA 431,
19 MCL 18.1486 and 18.1487. The report shall identify the proportion of
20 time spent on each of the statutory responsibilities listed in sections
21 485(4), 486(4), and 487 of the management and budget act, 1984 PA 431,
22 MCL 18.1485, 18.1486, and 18.1487, and the time spent on all other activ-
23 ities performed in the internal audit function. The report shall be due
24 biennially beginning on May 1, 2001 and shall be submitted to the gover-
25 nor, auditor general, the senate and house of representatives appropria-
26 tions committees, the senate and house fiscal agencies, and the
27 director.

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1 Sec. 320. Of the funds appropriated in part 1 for road and bridge
2 programs, the department shall not allocate any funds for the restoration
3 or relocation of the Old North Park Street Bridge or any other section of
4 the stated bridge between Grand Rapids and Walker.

5 Sec. 321. The legislature recommends that the department adopt
6 standard English units of weight and measure on all road and bridge con-
7 struction, maintenance, and improvement projects.

8 Sec. 323. The department shall work with the federal government
9 regarding the development of a 4-lane limited access highway connecting
10 south-central Michigan with Ohio.

11 Sec. 325. Funds appropriated in section 104 for state transporta-
12 tion commission per diem payments shall provide daily per diem payments
13 of \$100.00 to each of the 6 appointed members of the state transportation
14 commission for all scheduled public state transportation commission meet-
15 ings, with annual distributions of not more than \$1,200.00 to each
16 appointed member.

17 Sec. 329. The department shall continue its program to increase the
18 use of women and minority owned businesses in state and local road con-
19 struction projects. This program shall comprise, at a minimum, outreach
20 and education efforts to inform women and minority owned firms of depart-
21 ment competitive bidding processes and requirements, and an assessment of
22 the availability of surety for women and minority owned businesses. The
23 department shall report by March 31, 2001 to the house of representatives
24 and senate appropriations subcommittees on transportation and the house
25 and senate fiscal agencies of its progress in complying with this
26 section.

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1 Sec. 331. The department shall post signs at each rest area to
2 identify the agency or contractor responsible for maintenance of the rest
3 area. The signs shall include a department telephone number and shall
4 indicate that unsafe or unclean conditions at the rest area may be
5 reported to that telephone number.

6 Sec. 333. The department shall work in collaboration with the
7 family independence agency regarding summer youth programs. The programs
8 shall seek to employ at-risk youth in street and highway beautification
9 projects.

10 Sec. 336. From the funds appropriated in part 1, the department
11 shall provide matching funds to begin to remediate previously identified
12 unsafe pedestrian crossings on state highways.

13 Sec. 338. The department, in collaboration with DDOT, SMART, and
14 Greyhound, shall facilitate the planning of a multimodal transportation
15 center for southeast Michigan.

16 Sec. 339. Not later than January 1, 2001, the department shall fill
17 all vacant bridge inspector positions. Not later than February 15, 2001,
18 the department shall report to the senate and house of representatives
19 appropriations subcommittees on transportation the number of full-time
20 and part-time positions assigned to bridge inspection activities, the
21 number of vacancies, and any plans to fill the vacancies.

22 Sec. 340. Not later than 30 days after being notified by the United
23 State department of transportation, federal highway administration of the
24 amount of federal bridge funding available for the fiscal year 2000-01
25 critical bridge program, the department shall notify those local communi-
26 ties scheduled to receive federal bridge funding under the critical
27 bridge program.

Sec. 341. From the funds appropriated in part 1, the department shall review "T" intersections in areas deemed critical by the department. This review may include traffic studies, preliminary engineering, right-of-way acquisition, redesign, and construction.

Sec. 342. From the funds appropriated in part 1, \$500,000.00 shall be provided to the department of state police for enhanced construction zone traffic law enforcement. The funding shall be used to reimburse department of state police troopers for overtime costs associated with construction zone traffic enforcement. The funding shall be provided based on an approved memorandum of understanding between the department and the department of state police.

Sec. 343. Funds from the countercyclical budget and economic stabilization fund and from streamlining diesel fuel tax collection deposited in the state trunkline fund and intended for the build Michigan III program at the close of the fiscal year shall remain in the state trunkline fund and shall carry forward and be available for appropriation for debt service payments and construction costs associated with the build

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Michigan III program.

Sec. 344. The department shall be prohibited from requiring testimonials as part of the bidding process.

Sec. 345. It is the intent of the legislature to review, prior to bonding, all build Michigan III funding allocations identified by the department to be supported by bond proceeds. No later than October 31, 2000, the department shall report to the senate and house of representatives appropriations subcommittees on transportation and the senate and house fiscal agencies the following information regarding those build Michigan III funding allocations identified by the department:

- (a) Project description.
- (b) Estimated total project costs.
- (c) The amount of total estimated project costs funded from build Michigan III bond proceeds.
- (d) The amount of local match, if any.

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1 **FEDERAL**

2 Sec. 401. When the department receives authorization from the fed-
3 eral government to commit transportation funds pursuant to federal appro-
4 priations, it shall present to the senate and house of representatives
5 appropriations transportation subcommittees and the senate and house
6 fiscal agencies, the federal amounts and categories authorized and the
7 department's recommendation for distribution of these funds. If a recom-
8 mendation or recommendations are not disapproved within 30 business days
9 by either the senate or house of representatives appropriations transpor-
10 tation subcommittees, then the recommendation or recommendations shall be
11 considered as approved. If either the senate or house of representatives
12 appropriations transportation subcommittee disapproves the proposed dis-
13 tribution, then the senate and house of representatives appropriations
14 transportation subcommittees and the department shall hold a joint meet-
15 ing on the issue to arrive at a final distribution. If no agreement is
16 reached between the parties, the department's distribution shall stand.

17 Sec. 402. (1) Twenty-three to twenty-seven percent of the DOT-FHWA
18 highway research, planning, and construction federal funds appropriated
19 in section 110 shall be allocated to programs administered by local
20 jurisdictions after deduction of the following:

21 (a) Funds that are specifically allocated at the federal level to
22 the state or local jurisdictions.

23 (b) Funds allocated by the department to the state and to local
24 jurisdictions through a competitive process.

25 (2) Federal aid excluded from the calculation of funding allocated
26 to programs administered by local jurisdictions in subsection (1)
27 includes, but is not limited to, congestion mitigation and air quality

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1 funds, federal bridge funds, transportation enhancement funds, funds
2 distributed at the discretion of the United States secretary of transpor-
3 tation, and congressionally designated funds.

4 (3) The funds shall be distributed to eligible local agencies for
5 transportation purposes in a manner consistent with state and federal
6 law.

7 (4) It is the intent of the legislature that federal aid to highways
8 allocated to local jurisdictions in subsection (1) be distributed in a
9 manner that produces a 25% average allocation of applicable funds to pro-
10 grams for local jurisdictions in each fiscal year through the fiscal year
11 ending September 30, 2005. The average allocation of applicable federal
12 aid to highway funds to programs for local jurisdictions shall be the
13 average of the amount distributed to local jurisdictions under subsection
14 (1) and similarly calculated distributions in each succeeding fiscal
15 year.

16 (5) The allocation percentage described in subsection (1) shall be
17 adjusted to reflect any voluntary agreements made by the department with
18 local jurisdictions regarding the transfer of federal aid eligible road-
19 ways or the state buyout of local federal aid.

20 (6) The department shall not borrow against the critical bridge fund
21 for the first 9 months of the fiscal year.

22 Sec. 404. The appropriation in part 1 for grants to regional plan-
23 ning councils shall not be distributed until the regional planning coun-
24 cils submit to the department a work plan for the ensuing fiscal year and
25 a description of transportation planning activities performed in the
26 prior fiscal year. It is the intent of the legislature that in

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1 subsequent fiscal years the distribution of grants to regional planning
2 councils be based on needs as supported by a submitted work plan.

3 MICHIGAN TRANSPORTATION FUND

4 Sec. 501. The money received under the motor carrier act, 1933
5 PA 254, MCL 475.1 to 479.43, and not appropriated to the department of
6 consumer and industry services or the department of state police, is
7 deposited in the Michigan transportation fund.

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

16 Sec. 503. The department shall reimburse a city or township that
17 has received prior approval to eliminate or cut roadside weeds due to
18 negligence on the part of a county or private contractor in performing
19 its contractual obligations and shall deduct that amount from the funds
20 appropriated to the county or paid to the contractor involved.

21 Sec. 504. (1) The funds appropriated in part 1 for the economic
22 development and critical bridge programs shall not lapse at the end of
23 the fiscal year but shall carry forward each fiscal year for the purposes
24 for which appropriated in accordance with 1987 PA 231, MCL 247.901 to
25 247.913.

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

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

10 (4) None of the funds statutorily dedicated to the transportation
11 economic development fund and critical bridge fund shall be diverted to
12 other projects without the notification and approval of the house of rep-
13 resentatives and senate appropriations subcommittees on transportation.

14 Sec. 505. (1) Funds from the Michigan transportation fund (MTF)
15 shall be distributed to the comprehensive transportation fund (CTF), the
16 economic development fund (EDF), the recreational improvement fund (RIF),
17 and the state trunkline fund (STF), in accordance with this act and part
18 711 (recreation improvement fund) of the natural resources and environ-
19 mental protection act, 1994 PA 451, MCL 324.71101 to 324.71108, and may
20 only be used as specified in this act, 1951 PA 51, MCL 247.651 to
21 247.675, and part 711 (recreation improvement fund) of the natural
22 resources and environmental protection act, 1994 PA 451, MCL 324.71101 to
23 324.71108.

24 (2) The amounts appropriated and transferred to various state agen-
25 cies from part 1 shall be expended from the transportation funds pursuant
26 to annual contracts between the department and state agencies providing
27 tax and fee collection and other services applicable to transportation

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1 funds. The contracts shall be executed prior to the transfer of these
2 funds. The contracts shall provide, but are not limited to, the follow-
3 ing data applicable to each state agency:

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

5 (b) Description of services financed with transportation funds.

6 (3) If the spending authorization accounts also are to be used for
7 financing other than transportation fund services, the contracts shall
8 include detailed cost allocation methods that are appropriate to the type
9 of services being provided and the activities financed and supporting
10 rationale for the portion of costs allocated to transportation funds.

11 (4) At the close of each fiscal year and before April 1, each state
12 agency shall submit a written report to the state budget director stating
13 by spending authorization account the amount of estimated funds con-
14 tracted with the department, the amount of funds expended, and the amount
15 of funds returned to the transportation funds. A copy of the report
16 shall be submitted to the auditor general and the report shall be subject
17 to audit by the auditor general.

18 (5) The department and the state agencies with which the department
19 contracts in the manner provided in subsection (2) shall work together to
20 explore methods of minimizing lapses or shortfalls in grants from trans-
21 portation funds.

22 Sec. 506. (1) Of the amount appropriated in part 1 from the
23 Michigan transportation fund to the department of state, \$186,600.00 rep-
24 resents the additional cost of issuing specialized license plates for
25 veterans and national guard members, as included in 1989 PAs 16, 17, 18,
26 and 19, MCL 257.803i, 257.803j, 257.803k, and 257.803l, and \$187,600.00
27 represents the additional cost of issuing generic license plates for

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1 nonprofit fraternal or public service organizations, as included in
2 section 803m of the Michigan vehicle code, 1949 PA 300, MCL 257.803m.

3 (2) In addition, commemorative and specialty license plate fee reve-
4 nue collected by the department of state and deposited into the Michigan
5 transportation fund is authorized for expenditure by the department of
6 state up to the amount of revenue collected, but not to exceed
7 \$2,853,300.00 for commemorative plates and \$4,215,000.00 for specialty
8 plates. These amounts are appropriated to the department of state in
9 part 1 to administer the commemorative and specialty license plate pro-
10 grams pursuant to section 225 of the Michigan vehicle code, 1949 PA 300,
11 MCL 257.225.

12 (3) The department of state shall prepare an annual report on the
13 number of, and the additional costs associated with, these license plate
14 programs to the department, the state budget director, the house and
15 senate fiscal agencies, and the chairpersons of the house of representa-
16 tives and senate appropriations subcommittees on transportation.

17 (4) Any unspent funds based on these annual reports shall lapse to
18 the Michigan transportation fund and be distributed in accordance with
19 1951 PA 51, MCL 247.651 to 247.675.

20 Sec. 507. It is the intent of the legislature that as the appropri-
21 ation of Michigan transportation fund funds for administration for cer-
22 tain state agencies is phased out, as provided for in section 10(1) of
23 1951 PA 51, MCL 247.660, those funds shall be distributed pursuant to
24 section 10 of 1951 PA 51, MCL 247.660, and shall not be distributed to
25 any state agency that remains eligible to receive Michigan transportation
26 fund funds for administration.

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1 Sec. 508. (1) From the appropriation to county road commissions in
2 section 110, up to \$4,000,000.00 is appropriated to county road
3 commissions for the removal of dead deer from roads under their
4 jurisdiction. It is the intent of the legislature that the removal of
5 dead deer be performed by private contractors or employees of local units
6 of government.

7 (2) The funds for this purpose shall be distributed to each county
8 road commission with distribution to be made based on the total percen-
9 tage of dead deer killed on each county road system in 1999 compared to
10 the statewide total of dead deer killed on all county roads in 1999.

11 Sec. 509. From the appropriation to county road commissions in sec-
12 tion 110, \$3,000,000.00 from the state general fund is appropriated to a
13 county that has identified in excess of 60 bridge structures in the
14 county that are closed or have weight restrictions limiting or prohibit-
15 ing emergency vehicles from crossing and that has committed in excess of
16 \$29,000,000.00 of local funding for the repair or replacement of at least
17 3/4 of the structures.

18 **STATE TRUNKLINE FUND**

19 Sec. 601. The legislature encourages the department to work with
20 the road construction industry to develop performance and road construc-
21 tion warranties for construction contracts. The development of warran-
22 ties shall include warranties on materials, workmanship, performance cri-
23 teria, and design/build projects. The department will report by
24 September 30, 2001, to the house of representatives and senate
25 appropriations subcommittees on transportation and to the house and

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1 senate fiscal agencies on the status of efforts to develop performance
2 and road construction warranties.

3 Sec. 603. From the amounts appropriated in part 1 for forest roads
4 from the transportation economic development fund in the fiscal year
5 ending September 30, 2001, \$40,000.00 shall be used for the purpose of
6 establishing 2 additional truck inspection stations. The department
7 shall work directly with the timberman's association to educate truck
8 drivers on the use of the stations, as well as evaluate the stations'
9 effectiveness. The department shall report on the effectiveness of this
10 program.

11 Sec. 605. If the department uses manufactured pipe for road con-
12 struction drainage, the department shall require that pipe used under
13 certain load bearing conditions beneath the roadway meet the standards
14 established by the American society for testing and materials (ASTM) or
15 American association of state highway and transportation officials
16 (AASHTO). The department may also use the mandrel test for manufactured
17 pipe 60 days after installation and provide a summary of the results of
18 these inspections to the house of representatives and senate appropria-
19 tions subcommittees on transportation and house and senate fiscal
20 agencies.

21 Sec. 607. The department shall continue to identify high-accident
22 intersections in conjunction with AAA or other automobile insurance car-
23 riers for safety project selection.

24 Sec. 609. It is the intent of the legislature that the department
25 shall use traffic congestion as 1 of the criteria in determining the pri-
26 orities for designating which roads shall be remediated in its 5-year
27 road plan, which must be submitted on or before February 1, 2001.

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1 Criteria for evaluating traffic congestion shall include, but not be
2 limited to, coordination with local, county, and regional planning,
3 improvement in traffic operations, improvement in physical roadway condi-
4 tions, accident reduction, and coordination with area public transporta-
5 tion planning.

6 Sec. 613. (1) From the appropriation for contract operations in
7 section 109, up to \$5,000,000.00 is appropriated to the department for
8 the removal of dead deer from state trunkline highways. It is the intent
9 of the legislature that the removal of dead deer be performed by private
10 contractors or employees of state government.

11 (2) As part of maintenance reimbursement billings, counties shall
12 include in their cost allocation the real costs associated for clearance
13 and disposal of bovine tuberculosis infected deer carcasses on state
14 trunkline highways. The resulting data shall be made available on or
15 before March 15, 2001, to the department and house and senate appropria-
16 tions subcommittees on agriculture.

17 Sec. 615. From the funds appropriated in section 110 for road and
18 bridge construction, the department shall continue with the extension and
19 completion of the US-131 project and all future planning.

20 Sec. 616. From the funds appropriated in section 110 for road and
21 bridge construction, the department shall begin the construction process,
22 which may include traffic studies, preliminary engineering, right-of-way
23 acquisition, and construction, of a full interchange between exits 212
24 and 215 on I-75 in Ogemaw County at M-30.

25 Sec. 617. From the amount appropriated in section 110 for road and
26 bridge programs, the department shall include a pedestrian overpass

1 project on business route I-94 between East Avenue and Page Avenue in the
2 city of Jackson.

3 COMPREHENSIVE TRANSPORTATION FUND

4 Sec. 701. Money that is returned to the state as repayment for a
5 loan for intercity bus equipment is not money to be deposited in the com-
6 prehensive transportation fund under section 10b of 1951 PA 51,
7 MCL 247.660b, but is money that is deposited in an intercity bus equip-
8 ment fund for appropriation for the purchase and repair of intercity bus
9 equipment. Proceeds received by the state from the sale of intercity bus
10 equipment are deposited in an intercity bus equipment fund for appropria-
11 tion for the purchase and repair of intercity bus equipment. Security
12 deposits from the lease of state-owned intercity bus equipment not
13 returned to the lessee of the equipment under terms of the lease agree-
14 ment are deposited in an intercity bus equipment fund for appropriation
15 for the repair of intercity bus equipment.

16 Sec. 702. Money that is received by the state as repayment for
17 loans made for rail or water freight capital projects, and as a result of
18 the sale of property or equipment used or projected to be used for rail
19 or water freight projects shall be deposited in the fund created by sec-
20 tion 17 of the state transportation preservation act of 1976, 1976
21 PA 295, MCL 474.67.

22 Sec. 703. Entities that operate railroads and receive appropria-
23 tions under part 1 shall expend those appropriations for goods and serv-
24 ices of manufacturers, suppliers, and service companies located in this

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1 state, whenever practicable, if the goods and services are comparably
2 priced and reasonably available.

3 Sec. 705. After receiving notification from a railroad company pur-
4 suant to section 8 of the state transportation preservation act of 1976,
5 1976 PA 295, MCL 474.58, the department shall immediately notify the
6 house of representatives and senate appropriations subcommittees on
7 transportation that the railroad company has filed with the appropriate
8 governmental agencies for abandonment of a line.

9 Sec. 706. The department shall submit a report to both the house
10 and senate appropriations subcommittees on transportation and the house
11 and senate fiscal agencies by March 1 of each year outlining its efforts
12 to develop a high-speed rail program as well as efforts to obtain funding
13 for this purpose. The report shall include recommendations on
14 self-sustaining revenue sources to increase awareness and include efforts
15 to increase ridership.

16 Sec. 707. From the funds appropriated in part 1, \$2,000,000.00 is
17 allocated for a rail infrastructure loan program. The program shall pro-
18 vide noninterest bearing loans for rail infrastructure improvements. The
19 department shall evaluate loan applications according to the relative
20 merit of the project in conjunction with program goals. The transporta-
21 tion commission shall approve the loans. The loans shall fund not less
22 than 90% of the rail portion of project costs, and the loan repayment
23 period shall not exceed 10 years. Local governments, railroads, and cur-
24 rent or potential users of freight railroad services are eligible
25 applicants. At the end of the fiscal year, unexpended funds shall remain
26 in the rail infrastructure loan program and shall be available to be
27 allocated for the purposes of the program in the succeeding fiscal year.

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1 Money that is received by this state as repayment for rail infrastructure
2 loans made pursuant to this program shall remain within the rail infra-
3 structure loan program and shall be allocated for the purposes of the
4 program. The state's total contribution to the rail infrastructure loan
5 program shall not exceed \$15,000,000.00.

6 Sec. 712. The Detroit/Wayne County port authority shall issue a
7 complete operations assessment and a financial disclosure statement. The
8 operations assessment shall include operational goals for the next 5
9 years and recommendations to improve land acquisition and development
10 efficiency. The report shall be completed and submitted to the house of
11 representatives and senate appropriations subcommittees on transportation
12 and the house and senate fiscal agencies by December 15, 2000.

13 Sec. 713. It is the intent of the legislature that the state of
14 Michigan will be ready to fund its portion of the locks project at Sault
15 Ste. Marie as soon as the federal government authorizes the commencement
16 of the project.

17 Sec. 714. For the fiscal year ending September 30, 2001, each eli-
18 gible authority and each eligible governmental agency which provides
19 public transportation services in urbanized areas with a Michigan popula-
20 tion of less than or equal to 100,000 and nonurbanized areas under
21 section 5311 of title 49 of the United States Code, 49 U.S.C. 5311, shall
22 receive a grant of up to 60% of its eligible operating expenses. Each
23 eligible authority and each eligible government agency which provides
24 public transportation services in urbanized areas with a Michigan popula-
25 tion of greater than 100,000 under section 5311 of title 49 of the United
26 States Code, 49 U.S.C. 5311, shall receive a grant of up to 50% of its
27 eligible operating expenses.

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1 Sec. 720. The appropriation in part 1 for regional service
2 coordination shall not be distributed until the department submits a
3 report to the house of representatives and senate appropriations subcom-
4 mittees on transportation and the house and senate fiscal agencies. The
5 department shall submit the report by October 15, 2000. The report shall
6 describe how the appropriations for this program have been spent in the
7 last 2 years and assess the program's effectiveness during this period.

8 Sec. 722. If funds appropriated in section 116 are used to provide
9 state-owned or state-leased buses to private intercity bus carriers, the
10 department shall charge not less than \$1,000.00 per bus per year for
11 their use.

12 Sec. 723. (1) The following bus routes are designated as an essen-
13 tial corridor in Michigan:

14 UPPER PENINSULA-GREYHOUND

15	Between St. Ignace and	
16	Escanaba	US-2
17	Between Escanaba and	
18	Duluth	US-2 through Ironwood to the
19		state line
20	Between Calumet and	
21	Escanaba	US-41
22	Between Escanaba and	
23	Milwaukee	US-41 through Menominee to the
24		state line
25	Between St. Ignace and	
26	Sault Ste. Marie	I-75

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GREYHOUND

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

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1	Between the Indiana	
2	state line and	
3	Traverse City	US-31 and I-196
4	Between Detroit and Port	
5	Huron	I-375 and I-94
6	Between Toledo and Bay	
7	City	US-23, I-75, and I-675, I-75
8		
9	<u>INDIAN TRAILS</u>	
10	Between Bay City and	
11	Chicago	I-75, Flint, I-69, I-94, Battle
12		Creek, I-94 to the state line
13	Between Flint and	
14	Lansing	I-69, M-21, Owosso, M-52, I-69
15	Between Bay City and	
16	St. Ignace	I-75, US-23
17	Between Grand Rapids and	
18	St. Ignace	US-131, Cadillac, M-115, Mesick,
19		M-37 to Traverse City, US-31,
20		Acme, M-72, Kalkaska, US-131,
21		Boyne Falls, M-75, Walloon
22		Lake, US-131, Petoskey, US-31,
23		I-75, St. Ignace
24	Between Kalamazoo and	
25	Grand Rapids	US-131

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

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

7 Sec. 724. Whenever possible, the department shall work with the
8 local transit agencies to avoid establishing new routes that duplicate
9 existing routes served by intercity carriers when providing services
10 under regional transportation service programs. It is preferable that
11 private intercity carriers be provided an opportunity to bid by local
12 public transit agencies on services funded through the regional transpor-
13 tation service program.

14 Sec. 727. The department shall work with public transportation pro-
15 vidors to determine the availability of additional federal funds and to
16 develop a strategy to obtain these funds. The discussion shall include,
17 but not be limited to, bonding.

18 Sec. 729. (1) On or before January 29, 2001, the department,
19 together with the house and senate fiscal agencies and the department of
20 management and budget, shall estimate the unreserved and unencumbered
21 closing balance of the comprehensive transportation fund (CTF) for the
22 fiscal year ending September 30, 2000. The estimate shall consider
23 lapsed appropriations from the CTF and revised estimates of state
24 restricted transportation revenue.

25 (2) On or before February 5, 2001, the department shall request a
26 legislative transfer in accordance with section 393 of the management and
27 budget act, 1984 PA 431, MCL 18.1393, to appropriate any estimated

1 unreserved and unencumbered CTF fund balance in excess of \$1,000,000.00.
2 The appropriations included in the transfer request shall be in accord-
3 ance with the statutory requirements of 1951 PA 51, MCL 247.651 to
4 247.675. At the same time the department makes its transfer request, the
5 department shall submit copies of the transfer request to the house of
6 representatives and senate appropriations subcommittees on transportation
7 and the house and senate fiscal agencies.

8 Sec. 730. (1) From the funds appropriated in part 1, the department
9 shall negotiate with Amtrak or another carrier to provide rail service
10 between Grand Rapids and Chicago and between Port Huron and Chicago and
11 shall appropriate up to \$5,226,000.00 from the state general fund to pro-
12 vide 7-day rail service on these lines.

13 (2) The department shall work with Amtrak, local communities, and
14 the federal government to increase marketing efforts to promote awareness
15 of rail passenger service, to increase ridership, to reduce operating
16 subsidies in conjunction with federal law, to maximize the revenue of the
17 rail passenger lines in Michigan, and to improve on-time performance.
18 The department shall submit a report to both the house and senate appro-
19 priations committees and the house and senate fiscal agencies by January
20 1, 2001, that provides a 5-year history on services, ridership, and
21 subsidies.

22 (3) Future state support for the service between Grand Rapids and
23 Chicago and Port Huron and Chicago is dependent on the department's abil-
24 ity to provide a plan and a contract for services that increase ridership
25 and revenue, reduce operating costs, and improves on-time performance.
26 The department shall include a section in the report required in
27 subsection (2) detailing efforts to reduce the dependence on state

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1 operating subsidies and projected operating expenses for the next 3 years
2 for the Grand Rapids to Chicago service and the Port Huron to Chicago
3 service.

4 (4) The department shall require Amtrak to conduct a cost allocation
5 study, approved by the department, to identify direct and indirect oper-
6 ating costs. Any state subsidy shall only provide for the direct operat-
7 ing costs in Michigan.

8 (5) Amtrak shall, as a condition to receiving a state operating sub-
9 sidy, establish a system to monitor and collect customer complaints and
10 shall make the information available to the department.

11 AERONAUTICS FUND

12 Sec. 801. At the close of the fiscal year ending September 30,
13 2001, any unobligated and unexpended balance in the state aeronautics
14 fund created in the aeronautics code of the state of Michigan, 1945
15 PA 327, MCL 259.1 to 259.208, shall lapse to the state aeronautics fund
16 and be appropriated by the legislature in the immediately succeeding
17 fiscal year.

18 Sec. 803. The department and the departments of state police, natu-
19 ral resources, and military affairs shall develop plans for the mainte-
20 nance, scheduling, and use of all state-owned, noncombat aircraft. It is
21 the intent of the legislature that these plans maximize the
22 cost-efficient use of the state transportation air fleet. The depart-
23 ments shall prepare a joint report, coordinated by the department, on the
24 development and implementation of these plans.