

ELECTRONIC TRANSMISSION OF INFORMATION TO MDOT BY LOCAL UNITS OF GOVERNMENT

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Senate Bill 870

Sponsor: Sen. Tom George

House Committee: Transportation

Senate Committee: Local, Urban and State Affairs

Complete to 5-22-06

A SUMMARY OF SENATE BILL 870 AS PASSED BY THE SENATE 3-2-06

The bill would amend Public Act 51 of 1951, the Michigan Transportation Fund law (MCL 247.664 & 247.665), to allow the electronic submission of information that county road commissions, cities, and villages must provide to the Michigan Department of Transportation (MDOT).

Specifically, beginning January 1, 2007, information required under Section 14 or 15 could be submitted on a single consolidated form, which MDOT would have to develop and make available electronically. The form would have to allow county road commissions, cities, and villages to summarize the required information. If MDOT established with good cause that the information submitted was insufficient, the department could separately request additional information from any county road commission, city, or village.

Section 14 requires county road commissions, cities, and villages to report to MDOT the mileage of each road system under their jurisdiction and the receipts and disbursements of road and street funds. A county road commission also must report on its compliance in the preceding year with the act's provisions regarding the expenditure of funds from the MTF and federal revenue distributed to the use of the county road commission.

Under Section 15, before May 2 of each year, every county road commission, or the county executive or other agency acting as the county road commission, must report to the director of MDOT, each township in the county, and the county clerk on the disposition of funds appropriated, apportioned, or allocated under the act to the county. The bill would require a county road commission (or county executive or other agency) to provide this information to the MDOT Director on and after January 1, 2007, and beginning May 2 of each year. The information would not have to be reported to each township and the county clerk.

FISCAL IMPACT:

The bill has no apparent fiscal impact on state or local government. However we note the following:

The bill indicates that the form for reporting information required under Section 14 and 15 would have to "*allow county road commissions, cities, and villages to summarize the required information.*" The bill would require the department to establish "good cause" that the information submitted to it was insufficient, in order to separately request further information from any county road commission, city, or village. It is not clear to what level of detail the bill would allow reporting road agencies to summarize, or how this reporting would differ from current reporting requirements. It is also not clear what "good cause" criteria would mean in practice.

Allowing road agencies to summarize financial data could result in a lack of uniformity in reporting which could affect the department's efforts to develop a financial reporting component to the statewide asset management process established in Section 9a of the act.

We also note that Section 14 continues to refer to "maintenance" in relation to Section 12, although we believe that that terminology in that section has been revised to refer to "preservation." In addition, Section 15 refers to "heavy maintenance," although we do not believe that this term is defined in Act 51.

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■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.