

# HOUSE BILL No. 6342

July 21, 2010, Introduced by Reps. Knollenberg, Bolger, Agema, Stamas, Opsommer, Paul Scott, Kowall, Walsh, Marleau, Haines, Moss, Crawford, McMillin, Wayne Schmidt, DeShazor, Rogers, Roy Schmidt, Gregory and Nerat and referred to the Committee on Transportation.

A bill to amend 1951 PA 51, entitled

"An act to provide for the classification of all public roads, streets, and highways in this state, and for the revision of that classification and for additions to and deletions from each classification; to set up and establish the Michigan transportation fund; to provide for the deposits in the Michigan transportation fund of specific taxes on motor vehicles and motor vehicle fuels; to provide for the allocation of funds from the Michigan transportation fund and the use and administration of the fund for transportation purposes; to set up and establish the truck safety fund; to provide for the allocation of funds from the truck safety fund and administration of the fund for truck safety purposes; to set up and establish the Michigan truck safety commission; to establish certain standards for road contracts for certain businesses; to provide for the continuing review of transportation needs within the state; to authorize the state transportation commission, counties, cities, and villages to borrow money, issue bonds, and make pledges of funds for transportation purposes; to authorize counties to advance funds for the payment of deficiencies necessary for the payment of bonds issued under this act; to provide for the limitations, payment, retirement, and security of the bonds and pledges; to provide for appropriations and tax levies by counties and townships for county roads; to authorize contributions by townships for county roads; to provide for the establishment and administration of the state trunk line fund, local bridge fund, comprehensive transportation fund, and certain other funds; to provide for the deposits in the state trunk line

fund, critical bridge fund, comprehensive transportation fund, and certain other funds of money raised by specific taxes and fees; to provide for definitions of public transportation functions and criteria; to define the purposes for which Michigan transportation funds may be allocated; to provide for Michigan transportation fund grants; to provide for review and approval of transportation programs; to provide for submission of annual legislative requests and reports; to provide for the establishment and functions of certain advisory entities; to provide for conditions for grants; to provide for the issuance of bonds and notes for transportation purposes; to provide for the powers and duties of certain state and local agencies and officials; to provide for the making of loans for transportation purposes by the state transportation department and for the receipt and repayment by local units and agencies of those loans from certain specified sources; and to repeal acts and parts of acts,"

by amending section 10o (MCL 247.660o), as amended by 2000 PA 188.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 10o. (1) ~~Twenty three to twenty seven percent~~ **EXCEPT AS**  
 2 **PROVIDED IN SUBSECTION (5), 23% TO 27%** of the DOT-FHWA highway  
 3 research, planning, and construction federal funds appropriated to  
 4 this state from the federal government for road and bridge  
 5 construction shall be allocated to programs administered by local  
 6 jurisdictions after deduction of the following:

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

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

11           (2) Federal aid excluded from the calculation of funding  
 12 allocated to programs administered by local jurisdictions in  
 13 subsection (1) includes, but is not limited to, congestion  
 14 mitigation and air quality funds, federal bridge funds,  
 15 transportation enhancement funds, funds distributed at the  
 16 discretion of the United States secretary of transportation, and  
 17 congressionally designated funds.

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

4           (4) It is the intent of the legislature that federal aid to  
5 highways allocated to local jurisdictions in subsection (1) be  
6 distributed in a manner that produces a 25% average allocation of  
7 applicable funds to programs for local jurisdictions in each fiscal  
8 year through the fiscal year ending September 30, 2000. Beginning  
9 in the fiscal year ending September 30, 1999, the average  
10 allocation of applicable federal aid to highway funds to programs  
11 for local jurisdictions shall be the average of the amount  
12 distributed to local jurisdictions under subsection (1) and  
13 similarly calculated distributions in each succeeding fiscal year.  
14 The average allocation percentage described in this subsection  
15 shall be adjusted to reflect any voluntary agreements made by the  
16 department with local jurisdictions regarding the state buyout of  
17 local federal aid.

18           **(5) IF A LOCAL JURISDICTION IS ABLE TO PROVIDE MATCHING FUNDS**  
19 **FOR THE FEDERAL FUNDS DESCRIBED IN SUBSECTION (1) APPROPRIATED TO**  
20 **THIS STATE AND IF THE STATE TRANSPORTATION DEPARTMENT IS UNABLE TO**  
21 **PROVIDE MATCHING FUNDS FOR THE FEDERAL FUNDS APPROPRIATED TO THIS**  
22 **STATE, THEN THE PERCENTAGE OF FUNDS ALLOCATED TO PROGRAMS**  
23 **ADMINISTERED BY LOCAL JURISDICTIONS SHALL NOT BE LIMITED TO THE**  
24 **PERCENTAGES IN SUBSECTION (1) BUT SHALL BE ADJUSTED TO TAKE ACCOUNT**  
25 **OF THE LOCAL JURISDICTION'S ABILITY TO PROVIDE MATCHING FUNDS.**