

SUBSTITUTE FOR  
SENATE BILL NO. 963

A bill to make appropriations for the department of transportation for the fiscal year ending September 30, 2013; and to provide for the expenditure of the appropriations.

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

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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 department and certain state purposes designated in this act for the fiscal year ending September 30, 2013, from the funds indicated in this part. The following is a summary of the appropriations in this part:

**STATE TRANSPORTATION DEPARTMENT**

1	APPROPRIATION SUMMARY	
2	Full-time equated unclassified positions.....	6.0
3	Full-time equated classified positions.....	2,912.3
4	GROSS APPROPRIATION.....	\$ 3,462,090,300
5	Interdepartmental grant revenues:.....	3,531,900
6	Total interdepartmental grants and intradepartmental	
7	transfers .....	3,531,900
8	ADJUSTED GROSS APPROPRIATION.....	\$ 3,458,558,400
9	Federal revenues:	
10	DOT, federal transit act.....	62,095,000
11	DOT, federal aviation administration.....	82,183,100
12	DOT-FHWA, highway research, planning, and construction	1,074,452,000
13	DOT-FRA, local rail service assistance.....	100,000
14	DOT-FRA, rail passenger/HSGT.....	3,000,000
15	Total federal revenues.....	1,221,830,100
16	Special revenue funds:	
17	Local funds.....	52,080,200
18	Total local revenues.....	52,080,200
19	Total private revenues.....	100,000
20	Blue Water Bridge fund.....	19,262,400
21	Comprehensive transportation fund.....	265,247,300
22	Economic development fund.....	41,590,000
23	Intercity bus equipment fund.....	140,000
24	IRS debt service rebate.....	7,523,500
25	Local bridge fund.....	30,025,400
26	Michigan transportation fund.....	979,076,200
27	Rail freight fund.....	2,000,000

1	State aeronautics fund.....	27,833,400
2	State trunkline fund.....	785,603,900
3	State restricted revenues.....	3,246,000
4	Total other state restricted revenues .....	2,161,548,100
5	State general fund/general purpose.....	\$ 23,000,000
6	State general fund/general purpose schedule:	
7	Ongoing state general fund/general	
8	purpose .....	0
9	One-time state general fund/general	
10	purpose .....	23,000,000
11	<b>Sec. 102. DEBT SERVICE</b>	
12	State trunkline.....	\$ 199,473,700
13	Economic development.....	9,115,900
14	Local bridge fund.....	3,261,700
15	Blue Water Bridge.....	5,950,200
16	Airport safety and protection plan.....	3,892,600
17	Comprehensive transportation.....	<u>18,580,400</u>
18	GROSS APPROPRIATION.....	\$ 240,274,500
19	Appropriated from:	
20	Federal revenues:	
21	DOT-FHWA, highway research, planning, and construction	45,866,700
22	Special revenue funds:	
23	Blue Water Bridge fund.....	5,950,200
24	Comprehensive transportation fund.....	18,580,400
25	Economic development fund.....	9,115,900
26	IRS debt service rebate.....	7,523,500
27	Local bridge fund.....	3,261,700

1	State aeronautics fund.....		3,892,600
2	State trunkline fund.....		146,083,500
3	State general fund/general purpose.....	\$	0
4	<b>Sec. 103. COLLECTION, ENFORCEMENT, AND OTHER AGENCY</b>		
5	<b>SUPPORT SERVICES</b>		
6	MTF grant to department of environmental quality.....	\$	1,231,400
7	MTF grant to department of state for collection of		
8	revenue and fees .....		20,000,000
9	MTF grant to department of treasury.....		2,500,000
10	MTF grant to legislative auditor general.....		240,700
11	STF grant to department of attorney general.....		2,387,000
12	STF grant to civil service commission.....		5,697,000
13	STF grant to department of technology, management,		
14	and budget .....		1,420,600
15	STF grant to department of state police.....		11,217,900
16	STF grant to department of treasury.....		124,300
17	STF grant to legislative auditor general.....		558,900
18	SAF grant to department of attorney general.....		174,400
19	SAF grant to civil service commission.....		150,000
20	SAF grant to department of technology, management,		
21	and budget .....		38,900
22	SAF grant to department of treasury.....		73,700
23	SAF grant to legislative auditor general.....		23,000
24	CTF grant to attorney general.....		200,900
25	CTF grant to civil service commission.....		200,000
26	CTF grant to department of technology, management,		
27	and budget .....		44,100

1	CTF grant to department of treasury.....		5,500
2	CTF grant to legislative auditor general.....		<u>29,600</u>
3	GROSS APPROPRIATION.....	\$	46,317,900
4	Appropriated from:		
5	Special revenue funds:		
6	Comprehensive transportation fund.....		480,100
7	Michigan transportation fund.....		23,972,100
8	State aeronautics fund.....		460,000
9	State trunkline fund.....		21,405,700
10	State general fund/general purpose.....	\$	0
11	<b>Sec. 104. EXECUTIVE DIRECTION</b>		
12	Full-time equated unclassified positions.....	6.0	
13	Full-time equated classified positions.....	29.3	
14	Unclassified salaries.....	\$	602,800
15	Asset management council.....		1,626,400
16	Commission audit--29.3 FTE positions.....		<u>3,209,300</u>
17	GROSS APPROPRIATION.....	\$	5,438,500
18	Appropriated from:		
19	Special revenue funds:		
20	Michigan transportation fund.....		1,626,400
21	State trunkline fund.....		3,812,100
22	State general fund/general purpose.....	\$	0
23	<b>Sec. 105. BUSINESS SUPPORT</b>		
24	Full-time equated classified positions.....	77.5	
25	Business support services--67.5 FTE positions.....	\$	9,089,900
26	Economic development and enhancement programs--10.0		
27	FTE positions .....		1,524,600

1	Property management.....	8,070,900
2	Worker's compensation.....	<u>1,922,300</u>
3	GROSS APPROPRIATION.....	\$ 20,607,700
4	Appropriated from:	
5	Special revenue funds:	
6	Comprehensive transportation fund.....	1,175,400
7	Economic development fund.....	378,700
8	Michigan transportation fund.....	343,600
9	State aeronautics fund.....	629,600
10	State trunkline fund.....	18,080,400
11	State general fund/general purpose.....	\$ 0
12	<b>Sec. 106. INFORMATION TECHNOLOGY</b>	
13	Information technology services and projects.....	\$ <u>30,128,000</u>
14	GROSS APPROPRIATION.....	\$ 30,128,000
15	Appropriated from:	
16	Federal revenues:	
17	DOT-FHWA, highway research, planning, and construction	520,500
18	Special revenue funds:	
19	Blue Water Bridge fund.....	51,400
20	Comprehensive transportation fund.....	208,600
21	Economic development fund.....	37,200
22	Michigan transportation fund.....	275,500
23	State aeronautics fund.....	162,800
24	State trunkline fund.....	28,872,000
25	State general fund/general purpose.....	\$ 0
26	<b>Sec. 107. FINANCE, CONTRACTS, AND SUPPORT SERVICES</b>	
27	Full-time equated classified positions.....	185.0

1	Finance, contracts, and support services--185.0 FTE		
2	positions .....	\$	<u>20,137,500</u>
3	GROSS APPROPRIATION.....	\$	20,137,500
4	Appropriated from:		
5	Interdepartmental grant revenues:		
6	IDG for accounting service center user charges .....		3,517,100
7	Special revenue funds:		
8	Michigan transportation fund.....		1,770,800
9	State trunkline fund.....		14,849,600
10	State general fund/general purpose.....	\$	0
11	<b>Sec. 108. TRANSPORTATION PLANNING</b>		
12	Full-time equated classified positions.....		141.0
13	Planning services--141.0 FTE positions.....	\$	38,262,000
14	Grants to regional planning councils.....		<u>488,800</u>
15	GROSS APPROPRIATION.....	\$	38,750,800
16	Appropriated from:		
17	Federal revenues:		
18	DOT-FHWA, highway research, planning, and construction		22,000,000
19	Special revenue funds:		
20	Comprehensive transportation fund.....		610,500
21	Michigan transportation fund.....		6,096,700
22	State aeronautics fund.....		15,000
23	State trunkline fund.....		10,028,600
24	State general fund/general purpose.....	\$	0
25	<b>Sec. 109. DESIGN AND ENGINEERING SERVICES</b>		
26	Full-time equated classified positions.....		1,498.8
27	Engineering services--701.1 FTE positions.....	\$	66,957,000

1	Program services--735.7 FTE positions .....	56,755,800
2	Intelligent transportation systems operations--12.0	
3	FTE positions .....	10,674,000
4	Welcome center operations--50.0 FTE positions .....	<u>4,285,000</u>
5	GROSS APPROPRIATION.....	\$ 138,671,800
6	Appropriated from:	
7	Federal revenues:	
8	DOT-FHWA, highway research, planning, and construction	23,529,800
9	Special revenue funds:	
10	Michigan transportation fund.....	7,843,400
11	State trunkline fund.....	107,298,600
12	State general fund/general purpose.....	\$ 0
13	<b>Sec. 110. HIGHWAY MAINTENANCE</b>	
14	Full-time equated classified positions..... 808.7	
15	State trunkline operations--808.7 FTE positions .....	<u>\$ 273,395,700</u>
16	GROSS APPROPRIATION.....	\$ 273,395,700
17	Appropriated from:	
18	Special revenue funds:	
19	State trunkline fund.....	273,395,700
20	State general fund/general purpose.....	\$ 0
21	<b>Sec. 111. ROAD AND BRIDGE PROGRAMS</b>	
22	State trunkline federal aid and road and bridge	
23	construction .....	\$ 937,053,200
24	Local federal aid and road and bridge construction ...	240,443,000
25	Grants to local programs.....	33,000,000
26	Rail grade crossing.....	3,000,000
27	Local bridge program.....	26,763,700



1	County road commissions.....	576,860,100
2	Cities and villages.....	<u>321,625,300</u>
3	GROSS APPROPRIATION.....	\$ 2,138,745,300
4	Appropriated from:	
5	Federal revenues:	
6	DOT-FHWA, highway research, planning, and construction	982,535,000
7	Special revenue funds:	
8	Local funds.....	30,000,000
9	Blue Water Bridge fund.....	7,107,300
10	Local bridge fund.....	26,763,700
11	Michigan transportation fund.....	934,485,400
12	State trunkline fund.....	157,853,900
13	State general fund/general purpose.....	\$ 0
14	<b>Sec. 112. BLUE WATER BRIDGE</b>	
15	Full-time equated classified positions..... 41.0	
16	Blue Water Bridge operations--41.0 FTE positions.....	\$ <u>6,153,500</u>
17	GROSS APPROPRIATION.....	\$ 6,153,500
18	Appropriated from:	
19	Special revenue funds:	
20	Blue Water Bridge fund.....	6,153,500
21	State general fund/general purpose.....	\$ 0
22	<b>Sec. 113. TRANSPORTATION ECONOMIC DEVELOPMENT FUND</b>	
23	Forest roads.....	\$ 5,000,000
24	Rural county urban system.....	2,500,000
25	Target industries/economic redevelopment.....	8,029,000
26	Urban county congestion.....	8,264,600
27	Rural county primary.....	<u>8,264,600</u>

1	GROSS APPROPRIATION.....	\$	32,058,200
2	Appropriated from:		
3	Special revenue funds:		
4	Economic development fund.....		32,058,200
5	State general fund/general purpose.....	\$	0
6	<b>Sec. 114. AERONAUTICS SERVICES</b>		
7	Full-time equated classified positions.....		54.0
8	Aeronautics services--54.0 FTE positions.....	\$	7,568,500
9	Air service program.....		<u>700,000</u>
10	GROSS APPROPRIATION.....	\$	8,268,500
11	Appropriated from:		
12	Special revenue funds:		
13	State aeronautics fund.....		8,268,500
14	State general fund/general purpose.....	\$	0
15	<b>Sec. 115. PUBLIC TRANSPORTATION SERVICES</b>		
16	Full-time equated classified positions.....		40.5
17	Passenger transportation services--40.5 FTE positions	\$	<u>6,126,200</u>
18	GROSS APPROPRIATION.....	\$	6,126,200
19	Appropriated from:		
20	Federal revenues:		
21	DOT, federal transit act.....		972,100
22	Special revenue funds:		
23	Comprehensive transportation fund.....		4,974,700
24	Michigan transportation fund.....		179,400
25	State general fund/general purpose.....	\$	0
26	<b>Sec. 116. BUS TRANSIT DIVISION: STATUTORY OPERATING</b>		
27	Local bus operating.....	\$	166,624,000

1	Nonurban operating/capital.....		<u>22,787,900</u>
2	GROSS APPROPRIATION.....	\$	189,411,900
3	Appropriated from:		
4	Federal revenues:		
5	DOT, federal transit act.....		21,987,900
6	Special revenue funds:		
7	Local funds.....		800,000
8	Comprehensive transportation fund.....		166,624,000
9	State general fund/general purpose.....	\$	0
10	<b>Sec. 117. INTERCITY PASSENGER AND FREIGHT</b>		
11	Full-time equated classified positions.....	36.5	
12	Office of rail--36.5 FTE positions.....	\$	5,768,900
13	Freight property management.....		1,000,000
14	Detroit/Wayne County port authority.....		468,200
15	Intercity services.....		7,690,000
16	Rail operations and infrastructure.....		24,592,000
17	Marine passenger services.....		400,000
18	Terminal development.....		<u>461,000</u>
19	GROSS APPROPRIATION.....	\$	40,380,100
20	Appropriated from:		
21	Federal revenues:		
22	DOT, federal transit act.....		4,500,000
23	DOT-FRA, local rail service assistance.....		100,000
24	DOT-FRA, rail passenger/HSGT.....		3,000,000
25	Special revenue funds:		
26	Local funds.....		150,000
27	Private funds.....		100,000

1	Comprehensive transportation fund.....		26,984,900
2	Intercity bus equipment fund.....		140,000
3	Rail freight fund.....		2,000,000
4	Michigan transportation fund.....		2,482,900
5	State trunkline fund.....		922,300
6	State general fund/general purpose.....	\$	0
7	<b>Sec. 118. PUBLIC TRANSPORTATION DEVELOPMENT</b>		
8	Specialized services.....	\$	8,913,800
9	Municipal credit program.....		2,000,000
10	Transit capital.....		66,942,900
11	Van pooling.....		807,000
12	Service initiatives.....		1,865,000
13	Transportation to work.....		<u>9,700,000</u>
14	GROSS APPROPRIATION.....	\$	90,228,700
15	Appropriated from:		
16	Federal revenues:		
17	DOT, federal transit act.....		34,635,000
18	Special revenue funds:		
19	Local funds.....		9,985,000
20	Comprehensive transportation fund.....		45,608,700
21	State general fund/general purpose.....	\$	0
22	<b>Sec. 119. CAPITAL OUTLAY</b>		
23	<b>(1) BUILDINGS AND FACILITIES</b>		
24	Miscellaneous special maintenance, remodeling, and		
25	additions .....	\$	<u>3,001,500</u>
26	GROSS APPROPRIATION.....	\$	3,001,500
27	Appropriated from:		

1	Special revenue funds:	
2	State trunkline fund.....	3,001,500
3	State general fund/general purpose.....	\$ 0
4	<b>(2) AIRPORT IMPROVEMENT PROGRAMS</b>	
5	Airport safety, protection, and improvement program..	\$ <u>107,733,200</u>
6	GROSS APPROPRIATION.....	\$ 107,733,200
7	Appropriated from:	
8	Federal revenues:	
9	DOT, federal aviation administration.....	82,183,100
10	Special revenue funds:	
11	Local funds.....	11,145,200
12	State aeronautics fund.....	14,404,900
13	State general fund/general purpose.....	\$ 0
14	<b>Sec. 120. ONE-TIME BASIS ONLY APPROPRIATIONS</b>	
15	State employee lump-sum payments.....	\$ 3,260,800
16	Federal aid match for transit capitol.....	12,000,000
17	Federal aid match for rail operations and	
18	infrastructure .....	<u>11,000,000</u>
19	GROSS APPROPRIATION.....	\$ 26,260,800
20	Appropriated from:	
21	Interdepartmental grant revenues:	
22	Interdepartmental grant revenues.....	14,800
23	Special revenue funds:	
24	State restricted revenues.....	3,246,000
25	State general fund/general purpose.....	\$ 23,000,000

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PART 2  
PROVISIONS CONCERNING APPROPRIATIONS  
FOR FISCAL YEAR 2012-2013

**GENERAL SECTIONS**

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2012-2013 is \$2,184,548,100.00 and state spending from state resources to be paid to local units of government for fiscal year 2012-2013 is \$1,221,655,900.00. The itemized statement below identifies appropriations from which spending to units of local government will occur:

DEPARTMENT OF TRANSPORTATION

Grants to regional planning councils.....	\$	488,800
Grants to local programs.....		33,000,000
Rail grade crossing.....		3,000,000
Local bridge program.....		26,763,700
Grants to county road commissions.....		576,860,100
Grants to cities and villages.....		321,625,300
Economic development fund.....		32,058,200
Air service program.....		700,000
Local bus operating.....		166,624,000
Detroit/Wayne County port authority.....		468,200
Marine passenger service.....		400,000
Terminal development.....		461,000
Specialized services.....		3,943,800
Municipal credit program.....		2,000,000
Transit capital.....		33,642,900

1	Service initiatives.....	515,000
2	Transportation to work.....	4,700,000
3	Airport safety, protection, and improvement	
4	program.....	<u>14,404,900</u>
5	Total payments to local units of government.....	\$ 1,221,655,900

6       Sec. 203. As used in this act:

7       (a) "AASHTO" means the American association of state highway  
8 and transportation officials.

9       (b) "ASTM" means the American society for testing and  
10 materials.

11       (c) "CTF" means comprehensive transportation fund.

12       (d) "Department" means the department of transportation.

13       (e) "DOT" means the United States department of  
14 transportation.

15       (f) "DOT-FHWA" means DOT, federal highway administration.

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

17       (h) "DOT-FRA, rail passenger/HSGT" means DOT, federal railroad  
18 administration, high-speed ground transportation.

19       (i) "EDF" means economic development fund.

20       (j) "FTE" means full-time equated.

21       (k) "IRS" means the internal revenue service.

22       (l) "MTF" means Michigan transportation fund.

23       (m) "RIF" means recreation improvement fund.

24       (n) "SAF" means state aeronautics fund.

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

26       Sec. 206. (1) In addition to the funds appropriated in part 1,  
27 there is appropriated an amount not to exceed \$200,000,000.00 for

1 federal contingency funds. These funds are not available for  
2 expenditure until they have been transferred to another line item  
3 in this act pursuant to section 393(2) of the management and budget  
4 act, 1984 PA 431, MCL 18.1393.

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

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

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

23 Sec. 207. (1) The department shall maintain a searchable  
24 website accessible by the public at no cost that includes, but is  
25 not limited to, all of the following:

26 (a) Fiscal year-to-date expenditures by category.

27 (b) Fiscal year-to-date expenditures by appropriation unit.



1 (c) Fiscal year-to-date payments to a selected vendor,  
2 including the vendor name, payment date, payment amount, and  
3 payment description.

4 (d) The number of active department employees by job  
5 classification.

6 (e) Job specifications and wage rates.

7 (2) The department may develop and operate its own website to  
8 provide this information or may reference the state's central  
9 transparency website as the source for this information.

10 Sec. 208. Unless otherwise specified, the department shall use  
11 the Internet to fulfill the reporting requirements of this act.  
12 This requirement may include transmission of reports via electronic  
13 mail to the recipients identified for each reporting requirement or  
14 it may include placement of reports on an Internet or Intranet  
15 site.

16 Sec. 209. Funds appropriated in part 1 shall not be used for  
17 the purchase of foreign goods or services, or both, if  
18 competitively priced and of comparable quality American goods or  
19 services, or both, are available. Preference shall be given to  
20 goods or services, or both, manufactured or provided by Michigan  
21 businesses, if they are competitively priced and of comparable  
22 quality. In addition, preference shall be given to goods or  
23 services, or both, that are manufactured or provided by Michigan  
24 businesses owned and operated by veterans, if they are  
25 competitively priced and of comparable quality.

26 Sec. 211. Amounts appropriated in part 1 for information  
27 technology may be designated as work projects and carried forward

1 to support technology projects under the direction of the  
2 department of technology, management, and budget. Funds designated  
3 in this manner are not available for expenditure until approved as  
4 work projects under section 451a of the management and budget act,  
5 1984 PA 431, MCL 18.1451a.

6       Sec. 212. The department and agencies receiving appropriations  
7 in part 1 shall receive and retain copies of all reports funded  
8 from appropriations in part 1. Federal and state guidelines for  
9 short-term and long-term retention of records shall be followed.  
10 The department may electronically retain copies of reports unless  
11 otherwise required by federal and state guidelines.

12       Sec. 215. A department shall not take disciplinary action  
13 against an employee for communicating with a member of the  
14 legislature or his or her staff.

15       Sec. 228. Not later than November 15, the department shall  
16 prepare and transmit a report that provides for estimates of the  
17 total general fund/general purpose appropriation lapses at the  
18 close of the fiscal year. This report shall summarize the projected  
19 year-end general fund/general purpose appropriation lapses by major  
20 departmental program or program areas. The report shall be  
21 transmitted to the office of the state budget, the chairpersons of  
22 the senate and house of representatives standing committees on  
23 appropriations, and the senate and house fiscal agencies.

24       Sec. 229. Within 14 days after the release of the executive  
25 budget recommendation, the department shall provide the state  
26 budget director, the senate and house appropriations chairs, the  
27 senate and house appropriations subcommittees on transportation,

1 respectively, and the senate and house fiscal agencies with an  
2 annual report on estimated state restricted fund balances, state  
3 restricted fund projected revenues, and state restricted fund  
4 expenditures for the fiscal years ending September 30, 2012 and  
5 September 30, 2013.

6       Sec. 260. (1) Due to the current budgetary problems in this  
7 state, out-of-state travel shall be limited to situations in which  
8 1 or more of the following conditions apply:

9       (a) The travel is required by legal mandate or court order or  
10 for law enforcement purposes.

11       (b) The travel is necessary to protect the health or safety of  
12 Michigan citizens or visitors or to assist other states in similar  
13 circumstances.

14       (c) The travel is necessary to produce budgetary savings or to  
15 increase state revenues, including protecting existing federal  
16 funds or securing additional federal funds.

17       (d) The travel is necessary to comply with federal  
18 requirements.

19       (e) The travel is necessary to secure specialized training for  
20 staff that is not available within this state.

21       (f) The travel is financed entirely by federal or nonstate  
22 funds.

23       (2) If out-of-state travel is necessary but does not meet 1 or  
24 more of the conditions in subsection (1), the state budget director  
25 may grant an exception to allow the travel. Any exceptions granted  
26 by the state budget director shall be reported on a monthly basis  
27 to the house and senate appropriations committees.

1           (3) Not later than January 1 of each year, each department  
2 shall prepare a travel report listing all travel by classified and  
3 unclassified employees outside this state in the immediately  
4 preceding fiscal year that was funded in whole or in part with  
5 funds appropriated in the department's budget. The report shall be  
6 submitted to the chairs and members of the house and senate  
7 appropriations committees, the fiscal agencies, and the state  
8 budget director. The report shall include the following  
9 information:

10           (a) The name of each person receiving reimbursement for travel  
11 outside this state or whose travel costs were paid by this state.

12           (b) The destination of each travel occurrence.

13           (c) The dates of each travel occurrence.

14           (d) A brief statement of the reason for each travel  
15 occurrence.

16           (e) The transportation and related costs of each travel  
17 occurrence, including the proportion funded with state general  
18 fund/general purpose revenues, the proportion funded with state  
19 restricted revenues, the proportion funded with federal revenues,  
20 and the proportion funded with other revenues.

21           (f) A total of all out-of-state travel funded for the  
22 immediately preceding fiscal year.

23           Sec. 262. Funds appropriated in part 1 shall not be used by a  
24 principal executive department, state agency, or authority to hire  
25 a person to provide legal services that are the responsibility of  
26 the attorney general. This prohibition does not apply to legal  
27 services for bonding activities and for those activities that the

1 attorney general authorizes.

2       Sec. 263. (1) The department shall report no later than April  
3 1, 2013 on each specific policy change made to implement a public  
4 act affecting the department that took effect during the prior  
5 calendar year to the house and senate appropriations subcommittees  
6 on the budget for the department, the joint committee on  
7 administrative rules, and the senate and house fiscal agencies.

8       (2) Funds appropriated in part 1 shall not be used by the  
9 department to adopt a rule that will apply to a small business and  
10 that will have a disproportionate economic impact on small  
11 businesses because of the size of those businesses if the  
12 department fails to reduce the disproportionate economic impact of  
13 the rule on small businesses as provided under section 40 of the  
14 administrative procedures act of 1969, 1969 PA 306, MCL 24.240.

15       (3) As used in this section:

16       (a) "Rule" means that term as defined under section 7 of the  
17 administrative procedures act of 1969, 1969 PA 306, MCL 24.207.

18       (b) "Small business" means that term as defined under section  
19 7a of the administrative procedures act of 1969, 1969 PA 306, MCL  
20 24.207a.

21       Sec. 270. In order to reduce costs and maintain quality, it is  
22 the intent of the legislature that, excluding the fleet of motor  
23 vehicles for the department of state police, the department will  
24 prioritize the utilization of remanufactured parts as the primary  
25 means of maintenance and repair for the state of Michigan's fleet  
26 of motor vehicles.

1     **DEPARTMENTAL SECTIONS**

2           Sec. 301. (1) The department may establish a fee schedule and  
3 collect fees sufficient to cover the costs to issue the permits  
4 that the department is authorized by law to issue upon request,  
5 unless otherwise stipulated by law. All permit fees are  
6 nonrefundable application fees and shall be credited to the  
7 appropriate fund to recover the direct and indirect costs of  
8 receiving, reviewing, and processing the requests.

9           (2) A bridge authority shall hold 3 public hearings on an  
10 increase in any toll charged by the authority at least 30 days  
11 before the toll change will become effective. Two of the hearings  
12 shall be held within 5 miles of the bridge over which the bridge  
13 authority has jurisdiction. One hearing shall be held in Lansing.  
14 Public hearings held under this section shall be conducted in  
15 accordance with the open meetings act, 1976 PA 267, MCL 15.261 to  
16 15.275, and shall be conducted so as to provide a reasonable  
17 opportunity for public comment, including both spoken and written  
18 comments.

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

24           Sec. 304. If, as a requirement of bidding on a highway  
25 project, the department requires a contractor to submit financial  
26 or proprietary documentation as to how the bid was calculated, that  
27 bid documentation shall be kept confidential and shall not be

1 disclosed other than to a department representative without the  
2 contractor's written consent. The department may disclose the bid  
3 documentation if necessary to address or defend a claim by a  
4 contractor.

5       Sec. 305. The department shall permit space on public  
6 passenger transportation properties to be occupied by public or  
7 private tenants on a competitive market rate basis. The department  
8 shall require that revenue from the tenants be placed in an account  
9 to be used to pay the costs to maintain and improve the property.

10       Sec. 306. (1) The amounts appropriated in section 103 to  
11 support tax and fee collection, law enforcement, and other program  
12 services provided to the department and to transportation funds by  
13 other state departments shall be expended from transportation funds  
14 pursuant to annual contracts between the department and those other  
15 state departments. The contracts shall be executed prior to the  
16 expenditure or obligation of those funds. The contracts shall  
17 provide, but are not limited to, the following data applicable to  
18 each state department:

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

20       (b) Description of services provided to the department and/or  
21 transportation funds and financed with transportation funds.

22       (c) Detailed cost allocation methods appropriate to the type  
23 of services being provided and the activities financed with  
24 transportation funds.

25       (2) Not later than 2 months after publication of the state of  
26 Michigan comprehensive annual financial report, each state  
27 department receiving funding pursuant to an interdepartment

1 contract with the department shall submit a written report to the  
2 department, the state budget director, and the house and senate  
3 fiscal agencies stating by spending authorization account the  
4 amount of estimated funds contracted with the department, the  
5 amount of funds expended, the amount of funds returned to the  
6 transportation funds, and any unreimbursed transportation-related  
7 costs incurred but not billed to transportation funds. A copy of  
8 the report shall be submitted to the auditor general, and the  
9 report shall be subject to audit by the auditor general as provided  
10 in subsection (3).

11 (3) In addition to the requirements of subsection (2), the  
12 state treasurer shall develop a cost allocation plan to identify  
13 the actual costs of work based on time and effort performed by the  
14 department of treasury for state-restricted transportation funds.  
15 The cost allocation plan shall specifically identify the costs of  
16 collecting constitutionally restricted motor fuel taxes. The cost  
17 allocation plan shall be submitted to the senate and house of  
18 representatives standing committees on appropriations subcommittees  
19 on general government, the senate and house fiscal agencies, the  
20 auditor general, and the state budget director by November 1. The  
21 cost allocation plan shall be subject to audit by the auditor  
22 general.

23 (4) Biennially, in each even-numbered fiscal year, the auditor  
24 general shall conduct an audit of charges to transportation funds  
25 by state departments for the 2 preceding fiscal years. The audit  
26 shall include both charges governed by interdepartmental contracts  
27 as well as miscellaneous charges from other state departments not



1 governed by contracts. The auditor general shall prepare a detailed  
2 report, with recommendations and conclusions, including a summary  
3 of charges and related services to transportation funds by  
4 department, the appropriateness of those charges, the cost  
5 allocation methodologies used in determining the level of funding,  
6 and any unreimbursed transportation-related costs, if any. The  
7 report shall be provided to the senate and house of representatives  
8 committees on appropriations, the senate and house fiscal agencies,  
9 and the state budget director 9 months after publication of the  
10 state of Michigan comprehensive annual financial report.

11       Sec. 307. Before March 1 of each year, the department will  
12 provide to the legislature, the state budget office, and the house  
13 and senate fiscal agencies its rolling 5-year plan listing by  
14 county or by county road commission all highway construction  
15 projects for the fiscal year and all expected projects for the  
16 ensuing fiscal years.

17       Sec. 308. (1) The department and local road agencies that  
18 receive appropriations under this act shall pursue compliance with  
19 contract specifications for construction and maintenance of state  
20 highways and local roads and streets. Work shall not be accepted  
21 and paid for until it complies with contract requirements.  
22 Contractors with unsatisfactory performance ratings shall be  
23 restricted from future bidding through the prequalification process  
24 established by the department or a local road agency. The  
25 department, county road commissions, and cities and villages shall  
26 report to the house of representatives and senate appropriations  
27 subcommittees on transportation, the senate and house fiscal

1 agencies, and the state budget director on their respective  
2 activities under this section.

3 (2) A contractor's prequalification rating shall not be  
4 reduced or restricted until all administrative appeals have been  
5 completed. The department can take immediate action regarding a  
6 contractor's prequalification rating for public safety reasons or  
7 to prevent fraud and malfeasance of public funds.

8 Sec. 310. The department shall provide in a timely manner  
9 copies of the agenda and approved minutes of monthly transportation  
10 commission meetings to the members of the house and senate  
11 appropriations subcommittees on transportation, the house and  
12 senate fiscal agencies, and the state budget director.

13 Sec. 313. (1) From funds appropriated in part 1, the  
14 department may increase a state infrastructure bank program and  
15 grant or loan funds in accordance with regulations of the state  
16 infrastructure bank program of the United States department of  
17 transportation. The state infrastructure bank is to be administered  
18 by the department for the purpose of providing a revolving, self-  
19 sustaining resource for financing transportation infrastructure  
20 projects.

21 (2) In addition to funds provided in subsection (1), money  
22 received by the state as federal grants, repayment of state  
23 infrastructure bank loans, or other reimbursement or revenue  
24 received by the state as a result of projects funded by the program  
25 and interest earned on that money shall be deposited in the  
26 revolving state infrastructure bank fund and shall be available for  
27 transportation infrastructure projects. At the close of the fiscal

1 year, any unencumbered funds remaining in the state infrastructure  
2 bank fund shall remain in the fund and be carried forward into the  
3 succeeding fiscal year.

4 Sec. 319. The department shall post signs at each rest area to  
5 identify the agency or contractor responsible for maintenance of  
6 the rest area. The signs shall include a department telephone  
7 number and shall indicate that unsafe or unclean conditions at the  
8 rest area may be reported to that telephone number.

9 Sec. 353. The department shall review its contractor payment  
10 process and ensure that all prime contractors are paid promptly.  
11 The department shall ensure that prime contractors are in  
12 compliance with special provision 109.10 regarding the prompt  
13 payment of subcontractors.

14 Sec. 354. On or before March 1, 2013, the department shall  
15 solicit and evaluate proposals for services related to the audit of  
16 vendor and contract payments and the recovery of overpayments and  
17 duplicate payments. The department shall report to the house and  
18 senate committees on appropriations and the house and senate fiscal  
19 agencies on the results of the proposal solicitation and results of  
20 the subsequent payment audits.

21 Sec. 357. When presented with complete local federal aid  
22 project submittals, the department shall complete all necessary  
23 reviews and inspections required to let local federal aid projects  
24 within 120 days of receipt. The department shall implement a system  
25 for monitoring the local federal aid project review process.

26 Sec. 375. The department is prohibited from reimbursing  
27 contractors or consultants for costs associated with groundbreaking

1 ceremonies, receptions, open houses, or press conferences related  
2 to transportation projects funded, in whole or in part, by revenue  
3 appropriated in part 1.

4       Sec. 383. (1) The department shall prepare an annual report on  
5 all travel by executive branch employees, and others including  
6 local public officials, university employees, and other public  
7 employees on department-owned aircraft. The report shall include,  
8 by department, the name of the traveler, the travel origination  
9 location, the travel destination location, type of aircraft, and  
10 the total estimated costs associated with the air travel.

11       (2) The report shall be submitted to the senate and house  
12 appropriations subcommittees on transportation and the house and  
13 senate fiscal agencies no later than July 1.

14       (3) From the funds appropriated in part 1, the department is  
15 prohibited from transporting legislators or legislative staff on  
16 state-owned aircraft without prior approval from the senate  
17 majority leader or the speaker of the house of representatives and  
18 only when the aircraft is already scheduled by state employees on  
19 related official state business.

20       (4) The department shall maintain a system for recovering the  
21 cost of operating department-owned aircraft through charges to  
22 aircraft users.

23       Sec. 384. (1) The department shall not expend any state  
24 transportation revenue for construction planning or construction of  
25 the Detroit River International Crossing or a renamed successor. In  
26 addition, except as provided in subsection (3), the department  
27 shall not commit the state to any new contract related to the

1 construction planning or construction of the Detroit River  
2 International Crossing or a renamed successor unless the  
3 legislature has enacted specific enabling legislation to allow for  
4 the construction of the Detroit River International Crossing or a  
5 renamed successor.

6 (2) On or before March 31, 2013, the department shall report  
7 to the state budget director, the house and senate appropriations  
8 subcommittees on transportation, and the house and senate fiscal  
9 agencies on department activities related to the Detroit River  
10 International Crossing or a renamed successor.

11 (3) If the legislature enacts specific enabling legislation  
12 for the construction of the Detroit River International Crossing or  
13 a renamed successor, subsection (1) does not apply once the  
14 enabling legislation goes into effect.

15 Sec. 385. (1) The department shall use all available toll  
16 credits, as provided by private toll facilities in this state and  
17 certified by the federal highway administration, to match available  
18 federal aid highway funds.

19 (2) The department shall not use toll credits generated by a  
20 private tolled bridge crossing to finance, design, plan, construct,  
21 operate, or maintain any international bridge crossing within 5  
22 miles of that privately tolled bridge.

23 **FEDERAL**

24 Sec. 401. Within 30 days of receiving the applicable fiscal  
25 year authorization from the federal government to commit  
26 transportation funds, the department shall notify local agency

1 representatives, the senate and house of representatives  
2 appropriations transportation subcommittees, the senate and house  
3 fiscal agencies, and the state budget director regarding the amount  
4 of federal aid for categorical allocations to state and local  
5 agency programs not specifically allocated in either federal or  
6 state law.

7       Sec. 402. A portion of the federal DOT-FHWA highway research,  
8 planning, and construction funds made available to the state shall  
9 be allocated to transportation programs administered by local  
10 jurisdictions in accordance with section 10o of 1951 PA 51, MCL  
11 247.660o. A local road agency, with respect to a project approved  
12 for federal aid funding in a state transportation improvement  
13 program, may enter into a voluntary buyout agreement with the  
14 department or with another local road agency to exchange the  
15 federal aid with state restricted transportation funds as agreed to  
16 by the respective parties. The state restricted transportation  
17 funds received in exchange for federal aid funds shall be used for  
18 the same purpose as the federal aid funds were originally intended.

19 **MICHIGAN TRANSPORTATION FUND**

20       Sec. 501. The money received under the motor carrier act, 1933  
21 PA 254, MCL 475.1 to 479.43, and not appropriated to the department  
22 of energy, labor, and economic growth or the department of state  
23 police is deposited in the Michigan transportation fund.

24       Sec. 503. (1) The funds appropriated in part 1 for the  
25 economic development and local bridge programs shall not lapse at  
26 the end of the fiscal year but shall carry forward each fiscal year

1 for the purposes for which appropriated in accordance with 1987 PA  
2 231, MCL 247.901 to 247.913, and section 10(5) of 1951 PA 51, MCL  
3 247.660.

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

8 (3) In addition to the funds appropriated in part 1, the  
9 department of transportation economic development fund and local  
10 bridge fund may receive federal, local, or private funds or  
11 restricted source funds such as interest earnings. These funds are  
12 appropriated for projects that are consistent with the purposes of  
13 the respective funds.

14 (4) None of the funds statutorily dedicated to the  
15 transportation economic development fund and local bridge fund  
16 shall be diverted to other projects.

17 Sec. 504. Funds from the Michigan transportation fund (MTF)  
18 shall be distributed to the comprehensive transportation fund  
19 (CTF), the economic development fund (EDF), the recreation  
20 improvement fund (RIF), and the state trunkline fund (STF), in  
21 accordance with this article and part 711 of the natural resources  
22 and environmental protection act, 1994 PA 451, MCL 324.71101 to  
23 324.71108, and may only be used as specified in this article, 1951  
24 PA 51, MCL 247.651 to 247.675, and part 711 of the natural  
25 resources and environmental protection act, 1994 PA 451, MCL  
26 324.71101 to 324.71108.

1     **STATE TRUNKLINE FUND**

2           Sec. 601. The department shall work with the road construction  
3 industry and engineering consulting community to develop  
4 performance and road construction warranties for construction  
5 contracts. The development of warranties shall include warranties  
6 on materials, workmanship, performance criteria, and design/build  
7 projects. The department will report by September 30 of each  
8 calendar year to the house of representatives and senate  
9 appropriations subcommittees on transportation, the state budget  
10 director, and the house and senate fiscal agencies on the status of  
11 efforts to develop performance and road construction warranties.

12           Sec. 602. If the department uses manufactured pipe for road  
13 construction drainage, the department shall require that pipe used  
14 under certain load-bearing conditions beneath the roadway meets the  
15 standards established by the American society for testing and  
16 materials (ASTM) or American association of state highway and  
17 transportation officials (AASHTO). The department may also use the  
18 mandrel test for manufactured pipe 60 days after installation and  
19 provide a summary of the results of these inspections to the house  
20 of representatives and senate appropriations subcommittees on  
21 transportation and house and senate fiscal agencies.

22           Sec. 603. The department shall use traffic congestion as 1 of  
23 the criteria in determining the priorities for designating which  
24 roads shall be remediated in its 5-year road plan, which must be  
25 submitted on or before March 1 of each year. Criteria for  
26 evaluating traffic congestion shall include, but not be limited to,  
27 coordination with local, county, and regional planning, improvement



1 in traffic operations, improvement in physical roadway conditions,  
2 accident reduction, and coordination with area public  
3 transportation planning.

4 Sec. 604. At the close of the fiscal year, any unencumbered  
5 and unexpended balance in the state trunkline fund shall remain in  
6 the state trunkline fund and shall carry forward and is  
7 appropriated for federal aid road and bridge programs for projects  
8 contained in the annual state transportation program.

9 Sec. 610. The department shall have as a priority the removal  
10 of dead deer and other large animal remains from the traveled  
11 portion and shoulder of state highways. The department, and  
12 counties that perform state highway maintenance under contract,  
13 shall remove animal remains, wherever practicable and when funds  
14 are available, away from the traveled portion and shoulder of state  
15 highways.

16 Sec. 612. The department shall establish guidelines governing  
17 incentives and disincentives provided under contracts for state  
18 trunkline projects. The guidelines shall include specific financial  
19 information concerning incentives and disincentives. On or before  
20 January 1 of each year, the department shall prepare a report for  
21 the immediately preceding fiscal year regarding contract incentives  
22 and disincentives. This report shall include a list, by project, of  
23 the contractors that received contract incentives and/or  
24 disincentives, the amount of the incentives and/or disincentives,  
25 and the number of days that each project was completed either ahead  
26 or past the contracted completion date. This report shall be  
27 provided to the senate and house appropriations subcommittees on

1 transportation, the senate and house standing committees on  
2 transportation, and the senate and house fiscal agencies.

3 Sec. 660. (1) The legislature encourages the department to  
4 examine the use of alternative road surface materials, including  
5 recycled materials, and to develop criteria and specifications for  
6 their use in both department-managed and contracted projects.

7 (2) The department shall evaluate the use of a bituminous mix  
8 which incorporates crumb rubber from scrap tires.

9 Sec. 661. Of the appropriation from the state trunkline fund  
10 in part 1 for state trunkline federal aid and road and bridge  
11 construction, \$96,000,000.00 represents estimated revenue from  
12 passage of Senate Bill No. 351 of the 2011-2012 legislative session  
13 and is intended to ensure that the state is able to match all  
14 available federal-aid highway funds.

#### 15 **COMPREHENSIVE TRANSPORTATION FUND**

16 Sec. 701. Money that is received by the state as a lease  
17 payment for state-owned intercity bus equipment is not money to be  
18 deposited in the comprehensive transportation fund under section  
19 10b of 1951 PA 51, MCL 247.660b, but is money that is deposited in  
20 an intercity bus equipment fund for appropriation for the purchase  
21 and repair of intercity bus equipment. Proceeds received by the  
22 state from the sale of intercity bus equipment are deposited in an  
23 intercity bus equipment fund for appropriation for the purchase and  
24 repair of intercity bus equipment. Security deposits from the lease  
25 of state-owned intercity bus equipment not returned to the lessee  
26 of the equipment under terms of the lease agreement are deposited

1 in an intercity bus equipment fund for appropriation for the repair  
2 of intercity bus equipment. At the close of the fiscal year, any  
3 funds remaining in the intercity bus equipment fund shall remain in  
4 the fund and be carried forward into the succeeding fiscal year.

5       Sec. 702. Money that is received by the state as repayment for  
6 loans made for rail or water freight capital projects, and as a  
7 result of the sale of property or equipment used or projected to be  
8 used for rail or water freight projects shall be deposited in the  
9 fund created by section 17 of the state transportation preservation  
10 act of 1976, 1976 PA 295, MCL 474.67. At the close of the fiscal  
11 year, any funds remaining in the rail freight fund shall remain in  
12 the fund and be carried forward into the succeeding fiscal year.

13       Sec. 703. After receiving notification from a railroad company  
14 pursuant to section 8 of the state transportation preservation act  
15 of 1976, 1976 PA 295, MCL 474.58, the department shall immediately  
16 notify the house of representatives and senate appropriations  
17 subcommittees on transportation and the state budget office that  
18 the railroad company has filed with the appropriate governmental  
19 agencies for abandonment of a line.

20       Sec. 706. The Detroit/Wayne County port authority shall issue  
21 a complete operations assessment and a financial disclosure  
22 statement. The operations assessment shall include operational  
23 goals for the next 5 years and recommendations to improve land  
24 acquisition and development efficiency. The report shall be  
25 completed and submitted to the house of representatives and senate  
26 appropriations subcommittees on transportation, the state budget  
27 director, and the house and senate fiscal agencies by February 15

1 of each fiscal year for the prior fiscal year.

2           Sec. 711. (1) From the funds appropriated in part 1 from the  
3 comprehensive transportation fund for rail passenger service, the  
4 department shall negotiate with a rail carrier to provide rail  
5 service between Grand Rapids and Chicago and between Port Huron and  
6 Chicago, consistent with the other provisions of this section.

7           (2) The rail carrier shall, as a condition to receiving a  
8 state operating subsidy, maintain a system to monitor, collect, and  
9 resolve customer complaints and shall make the information  
10 available to the department, the house and senate appropriations  
11 subcommittees on transportation, and the house and senate fiscal  
12 agencies.

13           (3) Future state support for the service between Grand Rapids  
14 and Chicago and Port Huron and Chicago is dependent on the  
15 department's ability to provide a plan and a contract for services  
16 that increase ridership and revenue, reduce operating costs, and  
17 improve on-time performance.

18           (4) No state subsidy shall be provided from the funds  
19 appropriated in part 1 if the chosen rail carrier is Amtrak and  
20 Amtrak discontinued service or any portion of the service between  
21 Port Huron and Chicago or Grand Rapids and Chicago during the  
22 preceding fiscal year, unless the discontinuance of service was for  
23 track maintenance or was caused by acts of God.

24           (5) For rail passenger service supported in any part through  
25 capital or operating assistance from funds appropriated in this  
26 article, the department shall work with the rail carrier to  
27 identify ways in which reasonable transport of bicycles by

1 passengers can be accommodated.

2 (6) Unless the report required by July 1, 2012 complies with  
3 the requirements of this subsection, the department shall report to  
4 the house and senate appropriations subcommittees on transportation  
5 and the house and senate fiscal agencies, not later than July 1,  
6 2013, on the status of capital grants related to rail passenger  
7 service in Michigan. The report shall identify, and describe the  
8 status of, capital improvement projects related to higher train  
9 speeds, reduced travel time, station renovations, and other service  
10 improvements. The report shall also identify actual or anticipated  
11 costs of these projects, funding sources, and anticipated costs and  
12 funding sources required to maintain the improvements.

13 Sec. 714. The department, in cooperation with local transit  
14 agencies, shall work to ensure that demand-response services are  
15 provided throughout Michigan. The department shall continue to work  
16 with local units of government to address the unmet transit needs  
17 in Michigan.

18 Sec. 731. The department shall charge public transit agencies  
19 and intercity bus carriers equal rates per square foot for leasing  
20 space in state-owned intermodal facilities.

21 Sec. 734. (1) The department shall ensure that all public  
22 transit agencies provide the highest quality public transit service  
23 by moving people in a cost-effective, safe, and user-friendly  
24 manner that maintains and attracts residents and businesses.

25 (2) Public transit agencies receiving funds under part 1 shall  
26 do all of the following:

27 (a) Provide efficient, cost-effective, safe, well-maintained,

1 reliable, customer-driven transportation services.

2 (b) Provide a quality work environment that has and fulfills  
3 employee performance, productivity, and development standards.

4 (c) Identify and capture all available funding or create cost-  
5 effective programs to eliminate debt and have a balanced budget.

6 (d) Maintain sufficient local and community funding.

7 (e) Support business development by providing transportation  
8 to areas of employment and commerce, emerging or established  
9 businesses, and health care facilities.

10 Sec. 735. For the fiscal year ending September 30, 2013, the  
11 appropriation to a street railway pursuant to section 10e(22) of  
12 1951 PA 51, MCL 247.660e, is \$0.

13 Sec. 740. The department shall report by March 1 of each year  
14 to the house of representatives and senate appropriations  
15 subcommittees on transportation, the house and senate fiscal  
16 agencies, and the state budget director the encumbered and  
17 unencumbered balances of the comprehensive transportation fund.

18 Sec. 741. By December 1, 2012, the department shall submit a  
19 report to the senate and house appropriations subcommittees on  
20 transportation and the senate and house fiscal agencies on the  
21 need, feasibility, and cost for increasing the safety standard of  
22 transit buses procured by Michigan transit agencies by requiring a  
23 federally approved rollover test standard.

#### 24 AERONAUTICS FUND

25 Sec. 801. Except as otherwise provided in section 903 for  
26 capital outlay, at the close of the fiscal year, any unobligated

1 and unexpended balance in the state aeronautics fund created in the  
2 aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.1  
3 to 259.208, shall lapse to the state aeronautics fund and be  
4 appropriated by the legislature in the immediately succeeding  
5 fiscal year.

6 **CAPITAL OUTLAY**

7       Sec. 901. (1) From federal-state-local project appropriations  
8 contained in part 1 for the purpose of assisting political entities  
9 and subdivisions of this state in the construction and improvement  
10 of publicly used airports and landing fields within this state, the  
11 state transportation department may permit the award of contracts  
12 on behalf of units of local government for the authorized locations  
13 not to exceed the indicated amounts, of which the state allocated  
14 portion shall not exceed the amount appropriated in part 1.

15       (2) Political entities and subdivisions shall provide not less  
16 than 2.5% of the cost of any project under this section, unless a  
17 total nonfederal share greater than 5% is otherwise specified in  
18 federal law. State money shall not be allocated until local money  
19 is allocated. State money for any 1 project shall not exceed 1/3 of  
20 the total appropriation in part 1 from state funds for airport  
21 improvement programs.

22       (3) The Michigan aeronautics commission may take those steps  
23 necessary to match federal money available for airport construction  
24 and improvement within this state and to meet the matching  
25 requirements of the federal government. Whether acting alone or  
26 jointly with another political subdivision or public agency or with

1 this state, a political subdivision or public agency of this state  
2 shall not submit to any agency of the federal government a project  
3 application for airport planning or development unless it is  
4 authorized in this article and the project application is approved  
5 by the governing body of each political subdivision or public  
6 agency making the application and by the Michigan aeronautics  
7 commission.

8       Sec. 902. Before the end of each fiscal year, the state  
9 transportation department shall report to the house and senate  
10 appropriations subcommittees on transportation the status of  
11 airport improvement projects funded in part 1 with the estimated  
12 dollars allocated for each project. If there has to be a delay in  
13 reporting, the state transportation department shall notify the  
14 house and senate appropriations subcommittees on transportation in  
15 writing of the date the report will be received.

16       Sec. 903. The appropriations in part 1 for capital outlay  
17 shall be carried forward at the end of the fiscal year consistent  
18 with the provisions of section 248 of the management and budget  
19 act, 1984 PA 431, MCL 18.1248.

20       Sec. 904. (1) The director shall allocate lump-sum  
21 appropriations made in this act consistent with statutory  
22 provisions and the purposes for which funds were appropriated.  
23 Lump-sum allocations shall address priority program or facility  
24 needs and may include, but are not limited to, design,  
25 construction, remodeling and addition, special maintenance, major  
26 special maintenance, energy conservation, and demolition.

27       (2) The state budget director may authorize that funds





1 conference.