

HOUSE SUBSTITUTE FOR  
SENATE BILL NO. 105

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 promote safe and efficient travel for motor vehicle drivers, bicyclists, pedestrians, and other legal users of roads, streets, and highways; 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 10 (MCL 247.660), as amended by 2015 PA 175, and by adding sections 11g and 11h.

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

1       Sec. 10. (1) A fund to be known as the Michigan transportation  
2 fund is established in the state treasury as a separate fund. The  
3 state treasurer may receive money or other assets from any source  
4 for deposit into the fund. The state treasurer shall direct the  
5 investment of the fund. The state treasurer shall credit to the  
6 fund interest and earnings from fund investments. Except as  
7 provided in this act, no other money, whether appropriated from the  
8 general fund of this state or any other source, shall be deposited  
9 in the Michigan transportation fund. Except as otherwise provided  
10 in this section, the legislature shall appropriate money for the  
11 necessary expenses incurred in the administration and enforcement  
12 of the motor fuel tax act, 2000 PA 403, MCL 207.1001 to 207.1170,  
13 the motor carrier act, 1933 PA 254, MCL 475.1 to 479.42, and  
14 sections 801 to 810 of the Michigan vehicle code, 1949 PA 300, MCL

1 257.801 to 257.810. Money appropriated for necessary expenses shall  
2 be based upon established cost allocation methodology that reflects  
3 actual costs. Appropriations for the necessary expenses incurred by  
4 the department of state in administration and enforcement of  
5 sections 801 to 810 of the Michigan vehicle code, 1949 PA 300, MCL  
6 257.801 to 257.810, shall be made from the Michigan transportation  
7 fund and from money in the transportation administration collection  
8 fund created in section 810b of the Michigan vehicle code, 1949 PA  
9 300, MCL 257.810b. Appropriations from the Michigan transportation  
10 fund for the necessary expenses incurred by the department of state  
11 in administration and enforcement of sections 801 to 810 of the  
12 Michigan vehicle code, 1949 PA 300, MCL 257.801 to 257.810, shall  
13 not exceed \$20,000,000.00 per state fiscal year. Except as provided  
14 in section 51d of the income tax act of 1967, 1967 PA 281, MCL  
15 206.51d, all money in the Michigan transportation fund is  
16 apportioned and appropriated in the following manner:

17 (a) Not more than \$3,000,000.00 as may be annually  
18 appropriated each fiscal year to the state trunk line fund for  
19 subsequent deposit in the rail grade crossing account.

20 (b) Not more than \$3,000,000.00 as may be annually  
21 appropriated each fiscal year to the state trunk line fund for  
22 subsequent deposit in the grade crossing surface account.

23 (c) Not ~~less~~**MORE** than \$3,000,000.00 each year to the local  
24 bridge fund established in subsection (4) for the purpose of  
25 payment of the principal, interest, and redemption premium on any  
26 notes or bonds issued by the state transportation commission under  
27 former section 11b or subsection (9).

1 (D) EXCEPT AS OTHERWISE PROVIDED IN THIS SUBDIVISION AND  
2 SUBJECT TO SECTION 11H, \$2,000,000.00 EACH YEAR OF THE REVENUE FROM  
3 3 CENTS OF THE TAX LEVIED UNDER SECTION 8(1)(A) OF THE MOTOR FUEL  
4 TAX ACT, 2000 PA 403, MCL 207.1008, TO THE LOCAL AGENCY WETLAND  
5 MITIGATION BANK FUND CREATED IN SECTION 11H.

6 (E) ~~(d) Revenue~~ EXCEPT AS OTHERWISE PROVIDED IN THIS  
7 SUBDIVISION, \$5,000,000.00 EACH YEAR OF THE REVENUE from 3 cents of  
8 the tax levied under section 8(1)(a) of the motor fuel tax act,  
9 2000 PA 403, MCL 207.1008, to the MOVABLE BRIDGE FUND CREATED IN  
10 SECTION 11G, WITH THE REMAINDER TO THE state trunk line fund,  
11 county road commissions, and cities and villages in the percentages  
12 provided in subdivision ~~(k)~~ (l). THE DEPARTMENT SHALL ANNUALLY  
13 ADJUST THE AMOUNT ALLOCATED UNDER THIS SUBDIVISION BY AN AMOUNT  
14 EQUAL TO THE ANNUAL INCREASE IN THE DETROIT CONSUMER PRICE INDEX  
15 FOR THE PRECEDING YEAR.

16 (F) ~~(e)~~ One-half of the revenue from 1 cent of the tax levied  
17 under section 8(1)(a) of the motor fuel tax act, 2000 PA 403, MCL  
18 207.1008, to the state trunk line fund for the repair of state  
19 bridges under section 11, and 1/2 of the revenue from 1 cent of the  
20 tax levied under section 8(1)(a) of the motor fuel tax act, 2000 PA  
21 403, MCL 207.1008, to the local bridge fund created in subsection  
22 (4) for distribution only to cities, villages, and county road  
23 commissions.

24 (G) ~~(f)~~ \$50,000,000.00 to the state trunk line fund for debt  
25 service costs on state of Michigan projects.

26 (H) ~~(g)~~ Ten percent to the comprehensive transportation fund  
27 for the purposes described in section 10e.

1       (I) ~~(h)~~—\$5,000,000.00 to the local bridge fund established in  
 2 subsection (4) for distribution only to the local bridge advisory  
 3 board, the regional bridge councils, cities, villages, and county  
 4 road commissions.

5       (J) ~~(i)~~—\$36,775,000.00 to the state trunk line fund for  
 6 subsequent deposit in the transportation economic development fund,  
 7 with first priority for allocation to debt service on bonds issued  
 8 to fund transportation economic development fund projects. In  
 9 addition, \$3,500,000.00 is appropriated from the Michigan  
 10 transportation fund to the state trunk line fund for subsequent  
 11 deposit in the transportation economic development fund to be used  
 12 for economic development road projects in any of the targeted  
 13 industries described in section 9(1)(a) of 1987 PA 231, MCL  
 14 247.909.

15       (K) ~~(j)~~—Not less than \$33,000,000.00 as may be annually  
 16 appropriated each fiscal year to the local program fund created in  
 17 section 11e.

18       (l) ~~(k)~~—The balance of the Michigan transportation fund as  
 19 follows, after deduction of the amounts appropriated in  
 20 subdivisions (a) to ~~(j)~~ **(K)** :

21       (i) 39.1% to the state trunk line fund for the purposes  
 22 described in section 11.

23       (ii) 39.1% to the county road commissions of this state.

24       (iii) 21.8% to the cities and villages of this state.

25       (2) The money appropriated pursuant to this section shall be  
 26 used for the purposes as provided in this act and any other  
 27 applicable act. Subject to the requirements of section 9b, the

1 department shall develop programs in conjunction with the Michigan  
2 ~~state chamber of commerce~~ **CHAMBER OF COMMERCE** and the Michigan  
3 ~~minority business development council~~ **MINORITY SUPPLIER DEVELOPMENT**  
4 **COUNCIL** to assist small businesses, including those located in  
5 enterprise zones and those located in empowerment zones as  
6 determined under federal law, as defined by law in becoming  
7 qualified to bid.

8 (3) Thirty-one and one-half percent of the money appropriated  
9 to this state from the federal government under 23 USC 157,  
10 commonly known as minimum guarantee funds, shall be allocated to  
11 the transportation economic development fund, if the allocation is  
12 consistent with federal law. This money shall be distributed 16-  
13 1/2% for development projects for rural counties as defined by law  
14 and 15% for capacity improvement or advanced traffic management  
15 systems in urban counties as defined by law. Federal money  
16 allocated for distribution under this section is eligible for  
17 obligation and use by all recipients as provided in the moving  
18 ahead for progress in the 21st century act, Public Law 112-141.

19 (4) A fund to be known as the local bridge fund is established  
20 in the state treasury as a separate fund. The money appropriated to  
21 the local bridge fund and the interest accruing to that fund shall  
22 be expended for the local bridge program. The purpose of the fund  
23 is to provide financial assistance to highway authorities for the  
24 preservation, improvement, or reconstruction of existing bridges or  
25 for the construction of bridges to replace existing bridges in  
26 whole or part. The money in the local bridge fund is not subject to  
27 section 12(15) or 13(5). The local bridge advisory board is created

1 and shall consist of 6 voting members appointed by the state  
2 transportation commission and 2 nonvoting members appointed by the  
3 department. The board shall include 3 members from the ~~county road~~  
4 ~~association~~ **COUNTY ROAD ASSOCIATION** of Michigan, 1 member who  
5 represents counties with populations 65,000 or greater, 1 member  
6 who represents counties with populations greater than 30,000 and  
7 less than 65,000, and 1 member who represents counties with  
8 populations of 30,000 or less. Three members shall be appointed  
9 from the Michigan ~~municipal league~~, **MUNICIPAL LEAGUE**, 1 member who  
10 represents cities with a population 75,000 or greater, 1 member who  
11 represents cities with a population less than 75,000, and 1 member  
12 who represents villages. Each organization with voting rights shall  
13 submit a list of nominees in each population category to the state  
14 transportation commission. The state transportation commission  
15 shall make the appointments from the lists submitted under this  
16 subsection. Voting members shall be appointed for 2 years. The  
17 chairperson of the board shall be selected from among the voting  
18 members of the board. In addition to the 2 nonvoting members, the  
19 department shall provide qualified administrative staff and  
20 qualified technical assistance to the board.

21 (5) No less than 5% and no more than 15% of the money received  
22 in the local bridge fund may be used for critical repair of large  
23 bridges and emergencies as determined by the local bridge advisory  
24 board. Money remaining after the money allocated for critical large  
25 bridge repair and emergencies is deducted shall be distributed by  
26 the board to the regional bridge councils created under this  
27 section. One regional council shall be formed for each department

1 of transportation region as those regions exist on October 1, 2004.  
2 The regional councils shall consist of 2 members of the ~~county road~~  
3 ~~association~~ **COUNTY ROAD ASSOCIATION** of Michigan from counties in  
4 the region, 2 members of the Michigan ~~municipal league~~ **MUNICIPAL**  
5 **LEAGUE** from cities and villages in the region, and 1 member of the  
6 department in each region. The members of the department are  
7 nonvoting members and shall provide qualified administrative staff  
8 and qualified technical assistance to the regional councils.

9 (6) Money in the local bridge fund after deduction of the  
10 amounts set aside for critical repair of large bridges and  
11 emergency repairs shall be distributed among the regional bridge  
12 councils according to all of the following ratios, which shall be  
13 assigned a weight expressed as a percentage as determined by the  
14 board, with each ratio receiving no greater than a 50% weight and  
15 no less than a 25% weight:

16 (a) A ratio with a numerator that is the total number of local  
17 bridges in the region and a denominator that is the total number of  
18 local bridges in this state.

19 (b) A ratio with a numerator that is the total local bridge  
20 deck area in the region and a denominator that is the total local  
21 bridge deck area in this state.

22 (c) A ratio with a numerator that is the total amount of  
23 structurally deficient local bridge deck area in the region and a  
24 denominator that is the total amount of structurally deficient  
25 local bridge deck area in this state.

26 (7) The regional bridge councils shall allocate the money  
27 received from the board for the preservation, improvement, and



1 reconstruction of existing bridges or for the construction of  
2 bridges to replace existing bridges in whole or in part in each  
3 region.

4 (8) Each January, the department shall submit a report to the  
5 chair and the minority vice-chair of the appropriations committees  
6 of the senate and the house of representatives, and to the standing  
7 committees on transportation of the senate and the house of  
8 representatives, on all of the following activities for the  
9 previous state fiscal year:

10 (a) A listing of how much money was dedicated for emergency  
11 and large bridge repair.

12 (b) A listing of what emergency and large bridge repair  
13 projects were funded.

14 (c) The actual weights used in the calculation required under  
15 subsection (6).

16 (d) A listing of the total money distributed to each region.

17 (e) A listing of the specific projects that were funded under  
18 subsection (7).

19 (9) The state transportation commission shall borrow money and  
20 issue notes or bonds in an amount of not less than \$30,000,000.00  
21 to supplement the funding provided for the local bridge program  
22 under subsection (5). The bonds or notes issued under this  
23 subsection may be issued by the commission for any purpose for  
24 which other local bridge money may be used under this section. The  
25 bonds or notes authorized by this subsection shall be issued by  
26 resolution of the state transportation commission consistent with  
27 the requirements of section 18b.

1           (10) The department shall promulgate rules under the  
2 administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to  
3 24.328, governing the administration of the local bridge program.  
4 The rules shall set forth the eligibility criteria for financial  
5 assistance under the program and other matters related to the  
6 program that the department considers necessary and desirable. The  
7 department shall take into consideration the availability of  
8 federal aid and other financial resources of the highway authority  
9 responsible for the bridge, the importance of the bridge to the  
10 highway, road, or street network, and the condition of the existing  
11 bridge.

12           (11) The revenue appropriated to the local bridge fund under  
13 subsection (1)(e) shall be distributed only to the local bridge  
14 advisory board, the regional bridge councils, cities, villages, and  
15 county road commissions.

16           (12) The regional bridge councils shall determine what bridge  
17 projects are selected for funding from the local bridge fund  
18 created in subsection (4) and shall make a list of selected  
19 projects available to interested parties in the region. A  
20 determination that a bridge project is selected for funding in a  
21 given fiscal year is not approval to disburse the money.

22           (13) A county road commission, city, or village may implement  
23 a bridge project if the bridge project has been selected for  
24 funding and is included in the appropriate regional bridge  
25 council's current multiyear bridge plan for the local bridge  
26 program but the regional bridge council has not allocated money to  
27 the bridge project for the fiscal year that the bridge project is

1 on the current multiyear bridge plan. A county road commission,  
2 city, or village may borrow money to implement a project that has  
3 been selected for funding and is included in the appropriate  
4 regional bridge council's current multiyear bridge plan but has not  
5 been allocated money by the regional bridge council. Based on  
6 available local bridge money, when a bridge project that was  
7 implemented with borrowed money is allocated funding in a  
8 subsequent fiscal year, the funding shall only be used to repay the  
9 amount approved by the multiyear bridge plan when the money was  
10 borrowed. To be eligible for repayment of the amount borrowed, a  
11 bridge project that has been implemented with borrowed money shall  
12 be administered through the department's local bridge program.

13       **SEC. 11G. (1) THE MOVABLE BRIDGE FUND IS CREATED IN THE STATE**  
14 **TREASURY AS A SEPARATE FUND. THE STATE TREASURER MAY RECEIVE MONEY**  
15 **OR OTHER ASSETS FROM ANY SOURCE FOR DEPOSIT INTO THE FUND. THE**  
16 **STATE TREASURER SHALL DIRECT THE INVESTMENT OF THE FUND. THE STATE**  
17 **TREASURER SHALL CREDIT TO THE FUND INTEREST AND EARNINGS FROM FUND**  
18 **INVESTMENTS. MONEY IN THE FUND AT THE CLOSE OF THE FISCAL YEAR**  
19 **SHALL REMAIN IN THE FUND AND SHALL NOT LAPSE TO THE GENERAL FUND.**  
20 **THE DEPARTMENT SHALL BE THE ADMINISTRATOR OF THE FUND FOR AUDITING**  
21 **PURPOSES.**

22       **(2) THE DEPARTMENT MAY ENTER INTO A CONTRACT WITH A PERSON OR**  
23 **AGENCY THAT HAS JURISDICTION OF A PUBLICLY OWNED MOVABLE BRIDGE FOR**  
24 **THE OPERATION OF THAT BRIDGE. A CONTRACT ENTERED INTO UNDER THIS**  
25 **SUBSECTION SHALL REQUIRE ANY CONTRACTOR HIRED BY THE DEPARTMENT TO**  
26 **OPERATE THE BRIDGE TO MAINTAIN INSURANCE IN AN AMOUNT SPECIFIED BY**  
27 **THE DEPARTMENT. THIS SUBSECTION DOES NOT REQUIRE THE DEPARTMENT TO**

1 ASSUME OWNERSHIP OR JURISDICTION OF A PUBLICLY OWNED MOVABLE BRIDGE  
2 AS PART OF A CONTRACT DESCRIBED IN THIS SUBSECTION.

3 (3) EACH PERSON OR AGENCY OTHER THAN THE DEPARTMENT THAT OWNS  
4 OR HAS JURISDICTION OF A PUBLICLY OWNED MOVABLE BRIDGE SHALL SUBMIT  
5 TO THE DEPARTMENT THE OPERATIONAL PROCEDURES FOR THAT BRIDGE AND  
6 THE OPERATIONAL COSTS INCURRED BY THE PERSON OR AGENCY IN OPERATING  
7 THE BRIDGE ON AN ANNUAL BASIS. THE DEPARTMENT SHALL DEVELOP  
8 PROCEDURES TO GOVERN THE OPERATION OF AND TO DETERMINE THE  
9 OPERATIONAL COSTS OF ALL PUBLICLY OWNED MOVABLE BRIDGES IN THIS  
10 STATE. THE DEPARTMENT SHALL ANNUALLY DEVELOP AN ESTIMATE FOR THE  
11 OPERATIONAL COST OF EACH PUBLICLY OWNED MOVABLE BRIDGE IN THIS  
12 STATE FOR EACH FISCAL YEAR. FOR EACH PUBLICLY OWNED MOVABLE BRIDGE  
13 THAT IS OWNED BY OR UNDER THE JURISDICTION OF A PERSON OR AGENCY  
14 OTHER THAN THE DEPARTMENT, THE DEPARTMENT SHALL USE THE OPERATIONAL  
15 PROCEDURES AND OPERATIONAL COSTS SUBMITTED BY THAT PERSON OR AGENCY  
16 UNDER THIS SUBSECTION IN DEVELOPING THE PROCEDURES AND ESTIMATE  
17 REQUIRED BY THIS SUBSECTION. USING THE ESTIMATES DEVELOPED UNDER  
18 THIS SUBSECTION, THE DEPARTMENT SHALL DISTRIBUTE A PERCENTAGE OF  
19 MONEY FROM THE MOVABLE BRIDGE FUND TO EACH PERSON OR AGENCY  
20 RESPONSIBLE FOR THE OPERATION OF A PUBLICLY OWNED MOVABLE BRIDGE.  
21 IF THE DEPARTMENT IS RESPONSIBLE FOR THE OPERATION OF A PUBLICLY  
22 OWNED MOVABLE BRIDGE, THE MONEY DISTRIBUTED UNDER THIS SUBSECTION  
23 SHALL BE DISTRIBUTED TO THE DEPARTMENT.

24 (4) IF THE DEPARTMENT OFFERS TO ENTER INTO A CONTRACT  
25 DESCRIBED IN SUBSECTION (2) AND THE OWNER OR AGENCY THAT HAS  
26 JURISDICTION OF THE BRIDGE DECLINES, THE OWNER OR AGENCY SHALL  
27 CONTINUE TO RECEIVE THE AMOUNT OF MONEY THAT IT OTHERWISE WOULD

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1 HAVE RECEIVED FOR THE OPERATION OF THAT BRIDGE UNDER THIS ACT.

2 (5) AS USED IN THIS SECTION, "OPERATIONAL COSTS" INCLUDES ALL  
3 REASONABLE AND CUSTOMARY COSTS ASSOCIATED WITH THE OPERATION OF A  
4 PUBLICLY OWNED MOVEABLE BRIDGE. OPERATIONAL COSTS DO NOT INCLUDE  
5 ROUTINE MAINTENANCE COSTS, CAPITAL IMPROVEMENT COSTS, OR EMERGENCY  
6 STRUCTURAL, MECHANICAL, ELECTRICAL, OR HYDRAULIC REPAIRS.

7 SEC. 11H. (1) THE LOCAL AGENCY WETLAND MITIGATION BANK FUND IS  
8 ESTABLISHED IN THE STATE TREASURY AS A SEPARATE FUND. THE STATE  
9 TREASURER MAY RECEIVE MONEY OR OTHER ASSETS FROM ANY SOURCE FOR  
10 DEPOSIT INTO THE FUND. THE STATE TREASURER SHALL DIRECT THE  
11 INVESTMENT OF THE FUND. THE STATE TREASURER SHALL CREDIT TO THE  
12 FUND INTEREST AND EARNINGS FROM FUND INVESTMENTS.

13 (2) THE MONEY APPROPRIATED TO THE LOCAL AGENCY WETLAND  
14 MITIGATION BANK FUND AND THE INTEREST ACCRUING TO THAT FUND SHALL  
15 BE EXPENDED FOR THE LOCAL AGENCY WETLAND MITIGATION BANK PROGRAM.  
16 THE BALANCE OF THE FUND SHALL NOT EXCEED [\$5,000,000.00] AT THE  
17 BEGINNING OF A FISCAL YEAR, LESS THE AMOUNT OF FUNDS THAT HAVE BEEN  
18 OBLIGATED BUT NOT YET EXPENDED. THE MONEY IN THE LOCAL AGENCY  
19 WETLAND MITIGATION BANK FUND IS NOT SUBJECT TO SECTION 12(15).

20 (3) THE LOCAL AGENCY WETLAND MITIGATION BANK ADVISORY BOARD IS  
21 CREATED AND SHALL CONSIST OF THE FOLLOWING 9 MEMBERS:

22 (A) ONE VOTING MEMBER APPOINTED BY THE COUNTY ROAD ASSOCIATION  
23 OF MICHIGAN FROM A COUNTY WITH A POPULATION GREATER THAN 400,000.

24 (B) ONE VOTING MEMBER APPOINTED BY THE COUNTY ROAD ASSOCIATION  
25 OF MICHIGAN FROM A COUNTY WITH A POPULATION GREATER THAN 65,000 BUT  
26 NO MORE THAN 400,000.

27 (C) ONE VOTING MEMBER APPOINTED BY THE COUNTY ROAD ASSOCIATION

1 OF MICHIGAN FROM A COUNTY WITH A POPULATION OF LESS THAN 65,000.

2 (D) ONE VOTING MEMBER WHO SHALL BE AN ENGINEER APPOINTED  
3 JOINTLY BY THE COUNTY ROAD ASSOCIATION OF MICHIGAN AND THE MICHIGAN  
4 MUNICIPAL LEAGUE.

5 (E) ONE VOTING MEMBER APPOINTED BY THE MICHIGAN MUNICIPAL  
6 LEAGUE FROM A CITY WITH A POPULATION OF MORE THAN 70,000.

7 (F) ONE VOTING MEMBER APPOINTED BY THE MICHIGAN MUNICIPAL  
8 LEAGUE FROM A CITY WITH A POPULATION OF 70,000 OR LESS.

9 (G) ONE VOTING MEMBER APPOINTED BY THE MICHIGAN MUNICIPAL  
10 LEAGUE FROM A VILLAGE.

11 (H) TWO NONVOTING MEMBERS APPOINTED BY THE DEPARTMENT AND THE  
12 DEPARTMENT OF ENVIRONMENTAL QUALITY.

13 (4) THE MEMBERS FIRST APPOINTED TO THE BOARD SHALL BE  
14 APPOINTED NO LATER THAN OCTOBER 1, 2015.

15 (5) MEMBERS OF THE BOARD SHALL SERVE FOR TERMS OF 2 YEARS OR  
16 UNTIL A SUCCESSOR IS APPOINTED, WHICHEVER IS LATER, EXCEPT THAT OF  
17 THE MEMBERS FIRST APPOINTED 2 OF THE MEMBERS APPOINTED BY THE  
18 COUNTY ROAD ASSOCIATION OF MICHIGAN AND 2 OF THE MEMBERS APPOINTED  
19 BY THE MICHIGAN MUNICIPAL LEAGUE SHALL SERVE FOR 1 YEAR.

20 (6) IF A VACANCY OCCURS ON THE BOARD, THE PERSON THAT  
21 APPOINTED THE VACATING MEMBER SHALL MAKE AN APPOINTMENT FOR THE  
22 UNEXPIRED TERM IN THE SAME MANNER AS THE ORIGINAL APPOINTMENT.

23 (7) A MEMBER OF THE BOARD MAY BE REMOVED FOR INCOMPETENCE,  
24 DERELICTION OF DUTY, MALFEASANCE, MISFEASANCE, OR NONFEASANCE IN  
25 OFFICE, OR ANY OTHER GOOD CAUSE.

26 (8) THE FIRST MEETING OF THE BOARD SHALL BE CALLED BY THE  
27 MEMBER APPOINTED BY THE DEPARTMENT UNDER SUBSECTION (3)(H). AT THE

1 FIRST MEETING, THE BOARD SHALL ELECT FROM AMONG ITS VOTING MEMBERS  
2 A CHAIRPERSON AND OTHER OFFICERS AS IT CONSIDERS NECESSARY OR  
3 APPROPRIATE. AFTER THE FIRST MEETING, THE BOARD SHALL MEET AT LEAST  
4 QUARTERLY.

5 (9) A MAJORITY OF THE VOTING MEMBERS OF THE BOARD CONSTITUTE A  
6 QUORUM FOR THE TRANSACTION OF BUSINESS AT A MEETING OF THE BOARD. A  
7 MAJORITY OF THE MEMBERS PRESENT AND SERVING ARE REQUIRED FOR  
8 OFFICIAL ACTION OF THE BOARD.

9 (10) A BOARD MEMBER SHALL SERVE WITHOUT COMPENSATION, BUT MAY  
10 RECEIVE REIMBURSEMENT FOR NECESSARY TRAVEL AND EXPENSES CONSISTENT  
11 WITH APPLICABLE LAW AND RULES AND PROCEDURES OF THE CIVIL SERVICE  
12 COMMISSION AND DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET OR  
13 LOCAL ROAD AGENCY POLICIES, SUBJECT TO AVAILABLE FUNDING. THE BOARD  
14 MAY EMPLOY A PART-TIME OR FULL-TIME MANAGER OR ENGINEER WHO SHALL  
15 MAINTAIN AND REPORT THE ACTIVITIES OF THE LOCAL AGENCY WETLAND  
16 MITIGATION BANK FUND TO THE BOARD, WORK WITH LOCAL ROAD AGENCIES,  
17 ENGINEERS, AND ENVIRONMENTAL CONSULTANTS TO IMPLEMENT THIS SECTION  
18 AND PROMOTE EFFICIENCY AND ECONOMY IN THE OPERATIONS OF THE LOCAL  
19 AGENCY WETLAND MITIGATION BANK PROGRAM, EXERCISE GENERAL OVERSIGHT  
20 OF CONSTRUCTION TO ENSURE THAT ENVIRONMENTAL LAWS AND REGULATIONS,  
21 PLANS, AND SPECIFICATIONS ARE FOLLOWED, AND PERFORM OTHER DUTIES AS  
22 DIRECTED BY THE BOARD.

23 (11) THE BUSINESS THAT THE BOARD MAY PERFORM SHALL BE  
24 CONDUCTED AT A PUBLIC MEETING OF THE BOARD HELD IN COMPLIANCE WITH  
25 THE OPEN MEETINGS ACT, 1976 PA 267, MCL 15.261 TO 15.275.

26 (12) A WRITING PREPARED, OWNED, USED, IN THE POSSESSION OF, OR  
27 RETAINED BY THE BOARD IN THE PERFORMANCE OF AN OFFICIAL FUNCTION IS

1 SUBJECT TO THE FREEDOM OF INFORMATION ACT, 1976 PA 442, MCL 15.231  
2 TO 15.246.

3 (13) THE 2 NONVOTING MEMBERS OF THE BOARD, THE DEPARTMENT, AND  
4 THE DEPARTMENT OF ENVIRONMENTAL QUALITY SHALL PROVIDE QUALIFIED  
5 ADMINISTRATIVE STAFF AND QUALIFIED TECHNICAL ASSISTANCE TO THE  
6 BOARD AS NECESSARY.

7 (14) THE LOCAL AGENCY WETLAND MITIGATION BANK PROGRAM SHALL  
8 PROVIDE GRANTS TO LOCAL ROAD AGENCIES FOR 1 OR MORE OF THE  
9 FOLLOWING:

10 (A) COMPLETE ENGINEERING AND DESIGN FOR A WETLAND MITIGATION  
11 BANK.

12 (B) PURCHASE OF LAND FOR A WETLAND MITIGATION BANK.

13 (C) CONSTRUCTION OF A WETLAND MITIGATION BANK.

14 (D) MONITORING AND MAINTENANCE NECESSARY TO ENSURE THAT THE  
15 PERFORMANCE STANDARDS ARE OR WILL BE MET.

16 (E) FUNDING FOR A WETLAND MITIGATION BANK ESTABLISHED BEFORE  
17 THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SECTION.

18 (15) NOT MORE THAN 20% OF A WETLAND MITIGATION BANK MAY BE  
19 SOLD TO THE PRIVATE SECTOR, AND ANY REVENUES GENERATED FROM THAT  
20 SALE SHALL BE DEPOSITED INTO THE LOCAL AGENCY WETLAND BANK PROGRAM  
21 FUND.

22 (16) THE BOARD MAY APPROVE THE USE OF GRANT FUNDS FOR OTHER  
23 ACTIVITIES NEEDED TO ESTABLISH A WETLAND MITIGATION BANK UPON A  
24 DEMONSTRATED NEED BY A LOCAL ROAD AGENCY.

25 (17) AN APPLICATION FOR A GRANT FROM THE LOCAL AGENCY WETLAND  
26 MITIGATION BANK PROGRAM SHALL BE MADE ON A FORM APPROVED BY THE  
27 BOARD AND SHALL CONTAIN THE INFORMATION REQUIRED BY THE BOARD. A



1 GRANT APPLICATION MAY BE MADE AT ANY TIME.

2 (18) THE BOARD SHALL ESTABLISH A REVIEW PROCESS FOR  
3 CONSIDERING GRANT APPLICATIONS UNDER THIS SECTION. NO LATER THAN 90  
4 DAYS AFTER RECEIVING A GRANT APPLICATION UNDER THIS SECTION, THE  
5 BOARD SHALL NOTIFY THE APPLICANT IN WRITING WHETHER THE GRANT IS  
6 APPROVED OR REJECTED. IF THE BOARD FAILS TO NOTIFY AN APPLICANT IN  
7 WRITING WHETHER A GRANT IS APPROVED OR REJECTED WITHIN 90 DAYS  
8 AFTER RECEIVING THE GRANT APPLICATION, THE GRANT SHALL BE  
9 CONSIDERED APPROVED. PRIOR TO RELEASING GRANT FUNDS, THE BOARD  
10 SHALL ENTER INTO A GRANT AGREEMENT WITH THE GRANT RECIPIENT.

11 (19) FOR EACH YEAR IN WHICH THE BOARD RECEIVES GRANT  
12 APPLICATIONS, THE BOARD SHALL REPORT BY OCTOBER 1 TO THE STANDING  
13 COMMITTEES OF THE SENATE AND THE HOUSE OF REPRESENTATIVES WITH  
14 PRIMARY JURISDICTION OVER ISSUES PERTAINING TO TRANSPORTATION AND  
15 NATURAL RESOURCES AND THE ENVIRONMENT AND TO THE SENATE AND HOUSE  
16 OF REPRESENTATIVES APPROPRIATIONS COMMITTEES ON THE UTILIZATION OF  
17 FUNDS FROM THE LOCAL AGENCY WETLAND MITIGATION BANK FUND. THE  
18 REPORT SHALL INCLUDE, AT A MINIMUM, ALL OF THE FOLLOWING:

19 (A) THE NUMBER OF GRANT APPLICATIONS RECEIVED UNDER THIS  
20 SECTION.

21 (B) THE NAME OF EACH LOCAL ROAD AGENCY APPLYING FOR A GRANT,  
22 AND WHETHER EACH APPLICATION WAS APPROVED OR DENIED.

23 (C) THE AMOUNT OF LOCAL MATCH FOR EACH GRANT AWARDED.

24 (D) THE INDIVIDUAL AND ANNUAL CUMULATIVE AMOUNT OF GRANT FUNDS  
25 AWARDED, INCLUDING AN IDENTIFICATION OF THE PURPOSE OF EACH GRANT  
26 AWARDED.

27 Enacting section 1. This amendatory act takes effect 90 days

1 after the date it is enacted into law.