

FIRST CONFERENCE REPORT

The Committee of Conference on the matters of difference between the two Houses concerning

Senate Bill No. 132, entitled

A bill to make appropriations for the department of transportation for the fiscal year ending September 30, 2016; and to provide for the expenditure of the appropriations.

Recommends:

First: That the House recede from the Substitute of the House as passed by the House.

Second: That the Senate and House agree to the Substitute of the Senate as passed by the Senate, amended to read as follows:

(attached)

Third: That the Senate and House agree to the title of the bill to read as follows:

A bill to make appropriations for the department of transportation for the fiscal year ending September 30, 2016; and to provide for the expenditure of the appropriations.

Goeff Hansen

Edward J. Canfield

Marty Knollenberg

Roger Victory

Coleman Young II

Brian Banks

Conferees for the Senate

Conferees for the House

**SUBSTITUTE FOR
SENATE BILL NO. 132**

A bill to make appropriations for the department of transportation for the fiscal year ending September 30, 2016; 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. There is appropriated for the department of transportation for the fiscal year ending September 30, 2016, from the following funds:

STATE TRANSPORTATION DEPARTMENT

APPROPRIATION SUMMARY

Full-time equated unclassified positions..... 6.0

Full-time equated classified positions..... 2,912.3

GROSS APPROPRIATION..... \$ 3,896,201,400

1	Total interdepartmental grants and intradepartmental	
2	transfers	3,928,500
3	ADJUSTED GROSS APPROPRIATION.....	\$ 3,892,272,900
4	Federal revenues:	
5	Federal aid - transportation programs.....	1,257,488,000
6	Total federal revenues.....	1,257,488,000
7	Special revenue funds:	
8	Local revenues.....	50,293,500
9	Private revenues.....	100,000
10	Total local and private revenues.....	50,393,500
11	Blue Water Bridge fund.....	23,943,300
12	Comprehensive transportation fund.....	272,383,600
13	Economic development fund.....	50,859,000
14	IRS debt service rebate.....	6,974,200
15	Intercity bus equipment fund.....	140,000
16	Local bridge fund.....	29,235,400
17	Michigan transportation fund.....	1,046,130,000
18	Rail freight fund.....	6,000,000
19	State aeronautics fund.....	16,878,600
20	State trunkline fund.....	731,847,300
21	Total other state restricted revenues.....	2,184,391,400
22	State general fund/general purpose.....	\$ 400,000,000
23	State general fund/general purpose schedule:	
24	Ongoing state general fund/general	
25	purpose	\$142,000,000
26	One-time state general fund/general	
27	purpose	\$258,000,000

1 **Sec. 102. DEBT SERVICE**

2	State trunkline.....	\$	194,617,900
3	Economic development.....		11,672,600
4	Local bridge fund.....		2,406,800
5	Blue Water Bridge fund.....		6,963,600
6	Airport safety and protection plan.....		4,997,700
7	Comprehensive transportation.....		<u>18,202,200</u>
8	GROSS APPROPRIATION.....	\$	238,860,800
9	Appropriated from:		
10	Federal revenues:		
11	Federal aid - transportation programs.....		45,766,900
12	Special revenue funds:		
13	Blue Water Bridge fund.....		6,963,600
14	Comprehensive transportation fund.....		18,202,200
15	Economic development fund.....		11,672,600
16	Local bridge fund.....		2,406,800
17	IRS debt service rebate.....		6,974,200
18	State aeronautics fund.....		4,997,700
19	State trunkline fund.....		141,876,800
20	State general fund/general purpose.....	\$	0

21 **Sec. 103. COLLECTION, ENFORCEMENT, AND OTHER AGENCY**

22 **SUPPORT SERVICES**

23	MTF grant to department of environmental quality.....	\$	1,310,500
24	MTF grant to department of state for collection of		
25	revenue and fees		20,000,000
26	MTF grant to department of treasury.....		2,700,000
27	MTF grant to legislative auditor general.....		309,600

1	STF grant to department of attorney general	2,377,300
2	STF grant to civil service commission	5,447,000
3	STF grant to department of technology, management, and	
4	budget	1,136,300
5	STF grant to department of state police	11,413,900
6	STF grant to department of treasury	149,200
7	STF grant to legislative auditor general	719,100
8	SAF grant to department of attorney general	173,800
9	SAF grant to civil service commission	150,000
10	SAF grant to department of technology, management, and	
11	budget	31,200
12	SAF grant to department of treasury	75,300
13	SAF grant to legislative auditor general	29,700
14	CTF grant to department of attorney general	200,100
15	CTF grant to civil service commission	200,000
16	CTF grant to department of technology, management, and	
17	budget	36,800
18	CTF grant to department of treasury	8,900
19	CTF grant to legislative auditor general	<u>38,200</u>
20	GROSS APPROPRIATION	\$ 46,506,900
21	Appropriated from:	
22	Special revenue funds:	
23	Comprehensive transportation fund	484,000
24	Michigan transportation fund	24,320,100
25	State aeronautics fund	460,000
26	State trunkline fund	21,242,800
27	State general fund/general purpose	\$ 0

1	Sec. 104. EXECUTIVE DIRECTION		
2	Full-time equated unclassified positions.....	6.0	
3	Full-time equated classified positions.....	29.3	
4	Unclassified salaries.....		\$ 735,600
5	Asset management council.....		1,626,400
6	Commission audit--29.3 FTE positions.....		<u>3,347,900</u>
7	GROSS APPROPRIATION.....		\$ 5,709,900
8	Appropriated from:		
9	Special revenue funds:		
10	Michigan transportation fund.....		1,626,400
11	State trunkline fund.....		4,083,500
12	State general fund/general purpose.....		\$ 0
13	Sec. 105. BUSINESS SUPPORT		
14	Full-time equated classified positions.....	53.0	
15	Business support services--44.0 FTE positions.....		\$ 6,625,800
16	Economic development and enhancement programs--9.0 FTE		
17	positions		1,449,200
18	Property management.....		7,740,500
19	Worker's compensation.....		<u>1,805,200</u>
20	GROSS APPROPRIATION.....		\$ 17,620,700
21	Appropriated from:		
22	Special revenue funds:		
23	Comprehensive transportation fund.....		1,742,700
24	Economic development fund.....		378,700
25	Michigan transportation fund.....		777,100
26	State aeronautics fund.....		661,900
27	State trunkline fund.....		14,060,300

1	State general fund/general purpose	\$	0
2	Sec. 106. INFORMATION TECHNOLOGY		
3	Information technology services and projects	\$	<u>31,429,600</u>
4	GROSS APPROPRIATION	\$	31,429,600
5	Appropriated from:		
6	Federal revenues:		
7	Federal aid - transportation programs		520,500
8	Special revenue funds:		
9	Blue Water Bridge fund		53,600
10	Comprehensive transportation fund		217,800
11	Economic development fund		37,200
12	Michigan transportation fund		287,600
13	State aeronautics fund		170,000
14	State trunkline fund		30,142,900
15	State general fund/general purpose	\$	0
16	Sec. 107. FINANCE, CONTRACTS, AND SUPPORT SERVICES		
17	Full-time equated classified positions		185.0
18	Finance, contracts, and support services--185.0 FTE		
19	positions	\$	<u>21,416,800</u>
20	GROSS APPROPRIATION	\$	21,416,800
21	Appropriated from:		
22	Interdepartmental grant revenues:		
23	IDG for accounting service center user charges		3,928,500
24	Special revenue funds:		
25	Michigan transportation fund		1,545,500
26	State trunkline fund		15,942,800
27	State general fund/general purpose	\$	0

1	Sec. 108. TRANSPORTATION PLANNING		
2	Full-time equated classified positions.....	141.0	
3	Transportation planning--141.0 FTE positions		\$ 38,213,700
4	Grants to regional planning councils		<u>488,800</u>
5	GROSS APPROPRIATION.....		\$ 38,702,500
6	Appropriated from:		
7	Federal revenues:		
8	Federal aid - transportation programs		20,000,000
9	Special revenue funds:		
10	Comprehensive transportation fund.....		610,500
11	Michigan transportation fund.....		8,619,300
12	State aeronautics fund.....		15,000
13	State trunkline fund.....		9,457,700
14	State general fund/general purpose		\$ 0
15	Sec. 109. DESIGN AND ENGINEERING SERVICES		
16	Full-time equated classified positions.....	1,590.3	
17	Systems operations management--460.6 FTE positions ...		\$ 78,572,900
18	Development and delivery--1,079.7 FTE positions		76,247,700
19	Welcome center operations--50.0 FTE positions		<u>4,457,200</u>
20	GROSS APPROPRIATION.....		\$ 159,277,800
21	Appropriated from:		
22	Federal revenues:		
23	Federal aid - transportation programs		23,529,800
24	Special revenue funds:		
25	Michigan transportation fund.....		11,913,200
26	State trunkline fund.....		123,834,800
27	State general fund/general purpose		\$ 0

1	Sec. 110. HIGHWAY MAINTENANCE	
2	Full-time equated classified positions.....	743.7
3	State trunkline operations--743.7 FTE positions.....	\$ <u>310,692,000</u>
4	GROSS APPROPRIATION.....	\$ 310,692,000
5	Appropriated from:	
6	Special revenue funds:	
7	State trunkline fund.....	310,692,000
8	State general fund/general purpose.....	\$ 0
9	Sec. 111. ROAD AND BRIDGE PROGRAMS	
10	State trunkline federal aid and road and bridge	
11	construction	\$ 839,663,400
12	Local federal aid and road and bridge construction...	240,443,000
13	Grants to local programs.....	33,000,000
14	Rail grade crossing.....	3,000,000
15	Local bridge program.....	26,828,600
16	County road commissions.....	615,734,000
17	Cities and villages.....	<u>343,299,300</u>
18	GROSS APPROPRIATION.....	\$ 2,101,968,300
19	Appropriated from:	
20	Federal revenues:	
21	Federal aid - transportation programs.....	982,720,800
22	Special revenue funds:	
23	Local funds.....	30,000,000
24	Blue Water Bridge fund.....	10,580,400
25	Local bridge fund.....	26,828,600
26	Michigan transportation fund.....	995,033,300
27	State trunkline fund.....	56,805,200

1	State general fund/general purpose.....	\$	0
2	Sec. 112. BLUE WATER BRIDGE		
3	Full-time equated classified positions.....	41.0	
4	Blue Water Bridge operations--41.0 FTE positions.....	\$	<u>6,345,700</u>
5	GROSS APPROPRIATION.....	\$	6,345,700
6	Appropriated from:		
7	Special revenue funds:		
8	Blue Water Bridge fund.....		6,345,700
9	State general fund/general purpose.....	\$	0
10	Sec. 113. TRANSPORTATION ECONOMIC DEVELOPMENT		
11	Forest roads.....	\$	5,000,000
12	Rural county urban system.....		2,500,000
13	Target industries/economic redevelopment.....		15,385,300
14	Urban county congestion.....		7,942,600
15	Rural county primary.....		<u>7,942,600</u>
16	GROSS APPROPRIATION.....	\$	38,770,500
17	Appropriated from:		
18	Special revenue funds:		
19	Economic development fund.....		38,770,500
20	State general fund/general purpose.....	\$	0
21	Sec. 114. AERONAUTICS SERVICES		
22	Full-time equated classified positions.....	54.0	
23	Aviation services--54.0 FTE positions.....	\$	<u>7,039,300</u>
24	GROSS APPROPRIATION.....	\$	7,039,300
25	Appropriated from:		
26	Special revenue funds:		
27	State aeronautics fund.....		7,039,300

1	State general fund/general purpose.....	\$	0
2	Sec. 115. PUBLIC TRANSPORTATION SERVICES		
3	Full-time equated classified positions.....		36.0
4	Passenger transportation services--36.0 FTE positions	\$	<u>5,689,500</u>
5	GROSS APPROPRIATION.....	\$	5,689,500
6	Appropriated from:		
7	Federal revenues:		
8	Federal aid - transportation programs.....		972,100
9	Special revenue funds:		
10	Comprehensive transportation fund.....		4,717,400
11	State general fund/general purpose.....	\$	0
12	Sec. 116. BUS TRANSIT DIVISION: STATUTORY OPERATING		
13	Local bus operating.....	\$	167,400,000
14	Nonurban operating/capital.....		<u>26,027,900</u>
15	GROSS APPROPRIATION.....	\$	193,427,900
16	Appropriated from:		
17	Federal revenues:		
18	Federal aid - transportation programs.....		24,027,900
19	Special revenue funds:		
20	Comprehensive transportation fund.....		167,400,000
21	Local funds.....		2,000,000
22	State general fund/general purpose.....	\$	0
23	Sec. 117. INTERCITY PASSENGER		
24	Full-time equated classified positions.....		39.0
25	Office of rail--39.0 FTE positions.....	\$	6,355,400
26	Freight property management.....		1,000,000
27	Detroit/Wayne County Port Authority.....		468,200

1	Intercity services.....	5,690,000
2	Rail operations and infrastructure.....	103,090,400
3	Marine passenger service.....	400,000
4	Terminal development.....	<u>150,000</u>
5	GROSS APPROPRIATION.....	\$ 117,154,000
6	Appropriated from:	
7	Federal revenues:	
8	Federal aid - transportation programs.....	64,600,000
9	Special revenue funds:	
10	Local funds.....	150,000
11	Private funds.....	100,000
12	Comprehensive transportation fund.....	43,449,500
13	Intercity bus equipment fund.....	140,000
14	Rail freight fund.....	6,000,000
15	Michigan transportation fund.....	2,007,500
16	State trunkline fund.....	707,000
17	State general fund/general purpose.....	\$ 0
18	Sec. 118. PUBLIC TRANSPORTATION DEVELOPMENT	
19	Specialized services.....	\$ 17,938,900
20	Municipal credit program.....	2,000,000
21	Transit capital.....	31,160,800
22	Van pooling.....	195,000
23	Service initiatives.....	2,349,800
24	Transportation to work.....	<u>3,900,000</u>
25	GROSS APPROPRIATION.....	\$ 57,544,500
26	Appropriated from:	
27	Federal revenues:	

1	Federal aid - transportation programs	16,350,000
2	Special revenue funds:	
3	Local funds	5,635,000
4	Comprehensive transportation fund	35,559,500
5	State general fund/general purpose	\$ 0
6	Sec. 119. CAPITAL OUTLAY	
7	(1) BUILDINGS AND FACILITIES	
8	Special maintenance, remodeling, and additions	\$ <u>3,001,500</u>
9	GROSS APPROPRIATION	\$ 3,001,500
10	Appropriated from:	
11	State trunkline fund	3,001,500
12	State general fund/general purpose	\$ 0
13	(2) AIRPORT IMPROVEMENT PROGRAMS	
14	Airport safety, protection, and improvement program ..	\$ <u>95,043,200</u>
15	GROSS APPROPRIATION	\$ 95,043,200
16	Appropriated from:	
17	Federal revenues:	
18	Federal aid - transportation programs	79,000,000
19	Special revenue funds:	
20	Local funds	12,508,500
21	State aeronautics fund	3,534,700
22	State general fund/general purpose	\$ 0
23	Sec. 120. ONGOING STATE GENERAL FUND APPROPRIATIONS	
24	State trunkline federal aid and road and bridge	
25	construction	\$ 113,000,000
26	State and local road and bridge programs	2,478,900
27	Transit capital and rail infrastructure	25,000,000

1	Airport safety, protection, and improvement program..	<u>1,521,100</u>
2	GROSS APPROPRIATION.....	\$ 142,000,000
3	Appropriated from:	
4	State general fund/general purpose - ongoing.....	\$ 142,000,000
5	Sec. 121. ONE-TIME BASIS ONLY	
6	State and local road and bridge programs.....	<u>258,000,000</u>
7	GROSS APPROPRIATION.....	\$ 258,000,000
8	Appropriated from:	
9	State general fund/general purpose - one-time.....	\$ 258,000,000

10 PART 2
11 PROVISIONS CONCERNING APPROPRIATIONS
12 FOR FISCAL YEAR 2015-2016

13 GENERAL SECTIONS

14 Sec. 201. Pursuant to section 30 of article IX of the state
15 constitution of 1963, total state spending from state resources
16 under part 1 for fiscal year 2015-2016 is \$2,584,391,400.00 and
17 state spending from state resources to be paid to local units of
18 government for fiscal year 2015-2016 is \$1,438,206,000.00. The
19 itemized statement below identifies appropriations from which
20 spending to local units of government will occur:

21 DEPARTMENT OF TRANSPORTATION

22	Grants to regional planning councils.....	\$ 488,800
23	Grants to local programs.....	33,000,000
24	Rail grade crossing.....	3,000,000
25	Local bridge program.....	26,828,600

1	Grants to county road commissions.....	615,734,000
2	Grants to cities and villages.....	343,299,300
3	Economic development fund.....	23,385,200
4	Local bus operating.....	167,400,000
5	Detroit/Wayne County Port Authority.....	468,200
6	Marine passenger service.....	400,000
7	Terminal development.....	150,000
8	Specialized services.....	3,853,900
9	Municipal credit program.....	2,000,000
10	Transit capital.....	24,610,800
11	Service initiatives.....	999,800
12	Transportation to work.....	3,900,000
13	Airport safety, protection, and improvement	
14	program.....	5,055,800
15	Transit capital and rail infrastructure.....	25,000,000
16	State and local road and bridge programs.....	<u>158,631,600</u>
17	Total payments to local units of government.....	\$ 1,438,206,000

18 Sec. 202. The appropriations authorized under this part and
 19 part 1 are subject to the management and budget act, 1984 PA 431,
 20 MCL 18.1101 to 18.1594.

21 Sec. 203. As used in this part and part 1:

22 (a) "Amtrak" means the National Railroad Passenger
 23 Corporation.

24 (b) "CTF" means comprehensive transportation fund.

25 (c) "Department" means the state transportation department.

26 (d) "Director" means the director of the department.

27 (e) "DOT" means the United States Department of

1 Transportation.

2 (f) "DOT-FHWA" means DOT, Federal Highway Administration.

3 (g) "FTE" means full-time equated.

4 (h) "IDG" means interdepartmental grant.

5 (i) "IRS" means the Internal Revenue Service.

6 (j) "MTF" means Michigan transportation fund.

7 (k) "SAF" means state aeronautics fund.

8 (l) "STF" means state trunkline fund.

9 Sec. 204. In addition to the metrics required under section
10 447 of the management and budget act, 1984 PA 431, MCL 18.1447, for
11 each new program or program enhancement for which funds in excess
12 of \$500,000.00 are appropriated in part 1, the department shall
13 provide not later than November 1, 2015 a list of program-specific
14 metrics intended to measure its performance based on a return on
15 taxpayer investment. The department shall deliver the program-
16 specific metrics to members of the senate and house subcommittees
17 that have subject matter jurisdiction for this budget, fiscal
18 agencies, and the state budget director. The department shall
19 provide an update on its progress in tracking program-specific
20 metrics and the status of program success at an appropriations
21 subcommittee meeting called for by the subcommittee chair.

22 Sec. 205. The department shall provide notice to the speaker
23 of the house, the house minority leader, the senate majority
24 leader, the senate minority leader, the house and senate standing
25 committees on transportation, the appropriate house and senate
26 appropriations subcommittees on transportation, and the house and
27 senate fiscal agencies on proposed federal rule changes related to

1 the department that would require amendments to the laws of this
2 state. The notice shall be given within 30 business days of the
3 proposed federal rule being posted to the federal register and
4 shall include a description of the proposed federal rule, the
5 publication date, the date when public comment closes, the document
6 citation, and a description of the statutory changes needed when
7 the rule is finalized.

8 Sec. 206. (1) In addition to the funds appropriated in part 1,
9 there is appropriated an amount not to exceed \$200,000,000.00 for
10 federal contingency funds. These funds are not available for
11 expenditure until they have been transferred to another line item
12 in part 1 pursuant to section 393(2) of the management and budget
13 act, 1984 PA 431, MCL 18.1393.

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

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

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

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

5 Sec. 207. The department shall cooperate with the department
6 of technology, management, and budget to maintain a searchable
7 website accessible by the public at no cost that includes, but is
8 not limited to, all of the following:

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

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

11 (c) Fiscal year-to-date payments to a selected vendor,
12 including the vendor name, payment date, payment amount, and
13 payment description.

14 (d) The number of active department employees by job
15 classification.

16 (e) Job specifications and wage rates.

17 Sec. 208. The departments and agencies receiving
18 appropriations in part 1 shall use the Internet to fulfill the
19 reporting requirements of this part. This requirement may include
20 transmission of reports via electronic mail to the recipients
21 identified for each reporting requirement, or it may include
22 placement of reports on an Internet or Intranet site.

23 Sec. 209. Funds appropriated in part 1 shall not be used for
24 the purchase of foreign goods or services, or both, if
25 competitively priced and of comparable quality American goods or
26 services, or both, are available. Preference shall be given to
27 goods or services, or both, manufactured or provided by Michigan

1 businesses, if they are competitively priced and of comparable
2 quality. In addition, preference shall be given to goods or
3 services, or both, that are manufactured or provided by Michigan
4 businesses owned and operated by veterans, if they are
5 competitively priced and of comparable quality.

6 Sec. 210. The director shall take all reasonable steps to
7 ensure businesses in deprived and depressed communities compete for
8 and perform contracts to provide services or supplies, or both.
9 Each director shall strongly encourage firms with which the
10 department contracts to subcontract with certified businesses in
11 depressed and deprived communities for services, supplies, or both.

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 30, the state budget office
16 shall prepare and transmit a report that provides for estimates of
17 the total general fund/general purpose appropriation lapses at the
18 close of the prior fiscal year. This report shall summarize the
19 projected year-end general fund/general purpose appropriation
20 lapses by major departmental program or program areas. The report
21 shall be transmitted to the chairpersons of the senate and house of
22 representatives standing committees on appropriations and the
23 senate and house fiscal agencies.

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

1 transportation, respectively, and the senate and house fiscal
2 agencies with an annual report on estimated state restricted fund
3 balances, state restricted fund projected revenues, and state
4 restricted fund expenditures for the fiscal years ending September
5 30, 2015 and September 30, 2016.

6 Sec. 233. Not later than April 1, the department shall prepare
7 and transmit a report that provides detail regarding the
8 department's expenditures for administration and planning
9 associated with local units of government. The report shall list
10 the portion of all the expenditures from part 1 that are allocated
11 for administration and planning that are associated with the
12 disbursement of all local funds. The report shall be transmitted to
13 the office of the state budget, the senate and house appropriations
14 chairs, the senate and house appropriations subcommittees on
15 transportation, respectively, and the senate and house fiscal
16 agencies.

17 Sec. 235. The department shall maintain, on a publicly
18 accessible website, a department scorecard that identifies, tracks,
19 and regularly updates key metrics that are used to monitor and
20 improve the agency's performance.

21 Sec. 260. The departments and agencies receiving
22 appropriations in part 1 shall prepare a report on out-of-state
23 travel expenses not later than January 1 of each year. The travel
24 report shall be a listing of all travel by classified and
25 unclassified employees outside this state in the immediately
26 preceding fiscal year that was funded in whole or in part with
27 funds appropriated in the department's budget. The report shall be

1 submitted to the senate and house appropriations committees, the
2 house and senate fiscal agencies, and the state budget director.
3 The report shall include the following information:

4 (a) The dates of each travel occurrence.

5 (b) The transportation and related costs of each travel
6 occurrence, including the proportion funded with state general
7 fund/general purpose revenues, the proportion funded with state
8 restricted revenues, the proportion funded with federal revenues,
9 and the proportion funded with other revenues.

10 Sec. 262. Funds appropriated in part 1 shall not be used by a
11 principal executive department, state agency, or authority to hire
12 a person to provide legal services that are the responsibility of
13 the attorney general. This prohibition does not apply to legal
14 services for bonding activities and for those activities that the
15 attorney general authorizes.

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

22 Sec. 271. Total authorized appropriations from all sources
23 under part 1 for legacy costs for the fiscal year ending September
24 30, 2016 are \$68,873,400.00. From this amount, total agency
25 appropriations for pension-related legacy costs are estimated at
26 \$39,092,200.00. Total agency appropriations for retiree health care
27 legacy costs are estimated at \$29,781,200.00.

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

27 Sec. 305. (1) The department may permit space on public

1 passenger transportation properties to be occupied by public or
2 private tenants on a competitive market rate basis. The department
3 shall require that revenue from the tenants be placed in an account
4 to be used to pay the costs to maintain and improve the property.

5 (2) The department shall charge public transit agencies and
6 intercity bus carriers equal rates per square foot for leasing
7 space in state-owned intermodal facilities.

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

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

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

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

23 (2) Not later than 2 months after publication of the state of
24 Michigan comprehensive annual financial report, each state
25 department receiving funding pursuant to an interdepartment
26 contract with the department shall submit a written report to the
27 department, the state budget director, and the house and senate

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

9 (3) Biennially, in each even-numbered fiscal year, the auditor
10 general shall conduct an audit of charges to transportation funds
11 by state departments for the 2 preceding fiscal years. The audit
12 shall include both charges governed by interdepartmental contracts
13 as well as miscellaneous charges from other state departments not
14 governed by contracts. The auditor general shall prepare a detailed
15 report, with recommendations and conclusions, including a summary
16 of charges and related services to transportation funds by
17 department, the appropriateness of those charges, the cost
18 allocation methodologies used in determining the level of funding,
19 and any unreimbursed transportation-related costs, if any. The
20 report shall be provided to the senate and house of representatives
21 committees on appropriations, the senate and house fiscal agencies,
22 and the state budget director 9 months after publication of the
23 state of Michigan comprehensive annual financial report.

24 Sec. 307. Before March 1 of each year, the department will
25 provide to the legislature, the state budget office, and the house
26 and senate fiscal agencies its rolling 5-year plan listing by
27 county or by county road commission all highway construction

1 projects for the fiscal year and all expected projects for the
2 ensuing fiscal years.

3 Sec. 308. (1) As prescribed in subsection (2), the department
4 shall submit reports to the state budget director, the house and
5 senate appropriations subcommittees on transportation, and the
6 house and senate fiscal agencies on department activities related
7 to the prequalification of construction contractors under 1933 PA
8 170, MCL 123.501 to 123.508, and related administrative rules. The
9 report shall be submitted on or before March 1, 2016.

10 (2) The report shall include all of the following:

11 (a) A description of the department's processes and procedures
12 for evaluating construction contractor performance on capital
13 construction projects administered by the department including
14 state trunkline projects, rail infrastructure projects, local
15 agency federal-aid highway projects, and airport improvement
16 projects.

17 (b) Criteria that would cause the department to rate
18 contractor performance as unsatisfactory.

19 (c) The impact, if any, on a contractor's prequalification if
20 given an unsatisfactory performance rating by the department.

21 (d) A description of all department actions related to
22 unsatisfactory contractor performance ratings and restrictions on
23 contractor prequalification during the fiscal year ending September
24 30, 2015.

25 Sec. 310. The department shall provide in a timely manner
26 copies of the agenda and approved minutes of monthly transportation
27 commission meetings to the members of the house and senate

1 appropriations subcommittees on transportation, the house and
2 senate fiscal agencies, and the state budget director.

3 Sec. 313. (1) From funds appropriated in part 1, the
4 department may increase a state infrastructure bank program and
5 grant or loan funds in accordance with regulations of the state
6 infrastructure bank program of the United States Department of
7 Transportation. The state infrastructure bank is to be administered
8 by the department for the purpose of providing a revolving, self-
9 sustaining resource for financing transportation infrastructure
10 projects.

11 (2) In addition to funds provided in subsection (1), money
12 received by the state as federal grants, repayment of state
13 infrastructure bank loans, or other reimbursement or revenue
14 received by the state as a result of projects funded by the program
15 and interest earned on that money shall be deposited in the
16 revolving state infrastructure bank fund and shall be available for
17 transportation infrastructure projects. At the close of the fiscal
18 year, any unencumbered funds remaining in the state infrastructure
19 bank fund shall remain in the fund and be carried forward into the
20 succeeding fiscal year.

21 (3) The department shall submit a report to the state budget
22 director, the house and senate appropriations subcommittees on
23 transportation, and the house and senate fiscal agencies on the
24 status of the state infrastructure bank. The report shall be
25 submitted on or before December 1, 2015. The report shall include
26 all of the following:

27 (a) The balance in the state infrastructure bank at September

1 30, 2015, including a breakdown of the balance by cash and cash
2 equivalents, outstanding loans, and balance available for loan to
3 local agencies.

4 (b) A breakdown of the state infrastructure loan balance by
5 amounts designated as originating from federal sources and the
6 amounts originating from nonfederal sources.

7 (c) A list of outstanding loans by agency, original loan
8 amount, project description, loan term, and amount outstanding.
9 Sec. 319. The department shall post signs at each rest area to
10 identify the agency or contractor responsible for maintenance of
11 the rest area. The signs shall include a department telephone
12 number and shall indicate that unsafe or unclean conditions at the
13 rest area may be reported to that telephone number.

14 Sec. 353. The department shall review its contractor payment
15 process and ensure that all prime contractors are paid promptly.
16 The department shall ensure that prime contractors are in
17 compliance with special provision 109.10 regarding the prompt
18 payment of subcontractors.

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

24 Sec. 375. The department is prohibited from reimbursing
25 contractors or consultants for costs associated with groundbreaking
26 ceremonies, receptions, open houses, or press conferences related
27 to transportation projects funded, in whole or in part, by revenue

1 appropriated in part 1.

2 Sec. 376. The department shall not spend funds appropriated in
3 part 1 for the purpose of examining the potential association
4 between commercial signs, outdoor advertising signs, billboards,
5 digital billboards, or commercial electronic variable message signs
6 and motor vehicle activity or motor vehicle driver behavior.

7 Sec. 381. The department shall require as a condition of each
8 contract or subcontract for construction, maintenance, or
9 engineering services that the prequalified contractor or
10 prequalified subcontractor agree to use the E-Verify system to
11 verify that all persons hired during the contract term by the
12 contractor or subcontractor are legally present and authorized to
13 work in the United States. The department may verify this
14 information directly or may require contractors and subcontractors
15 to verify the information and submit a certification to the
16 department. The department shall report to the house and senate
17 appropriations committees and the house and senate fiscal agencies
18 by March 1 of each year describing the processes it has developed
19 and implemented under provisions of this section. As used in this
20 section, "E-Verify" means an Internet-based system operated by the
21 Department of Homeland Security, U.S. Citizenship and Immigration
22 Services in partnership with the Social Security Administration.

23 Sec. 382. In administering a contract with a county road
24 commission, city, or village that allocates costs of construction
25 or reconstruction of highways, roads, and streets as provided in
26 section 18d of 1951 PA 51, MCL 247.668d, the department shall
27 submit the final cost-sharing bill to the county road commission,

1 city, or village not later than 2 years after the date of the final
2 contract payment to the construction contractor.

3 Sec. 383. (1) The department shall prepare a report on use of
4 department-owned aircraft during the fiscal year ending September
5 30, 2015. With respect to each department-owned aircraft, the
6 report shall include all of the following:

7 (a) Total hours of usage.

8 (b) Description of specific flights including dates of travel,
9 names of passengers including state agency, university, or local
10 government affiliation, travel origin and destination, and total
11 estimated costs associated with the air travel.

12 (2) The report shall be submitted to the senate and house
13 appropriations subcommittees on transportation and the house and
14 senate fiscal agencies no later than February 1, 2016.

15 (3) The department shall maintain a system for recovering the
16 cost of operating department-owned aircraft through charges to
17 aircraft users.

18 (4) From the funds appropriated in part 1, the department is
19 prohibited from transporting legislators or legislative staff on
20 state-owned aircraft without prior approval from the senate
21 majority leader or the speaker of the house of representatives and
22 only when the aircraft is already scheduled by state agencies on
23 related official state business.

24 (5) It is the intent of the legislature that the department
25 work with the Michigan state police to establish a reciprocal
26 agreement on employing fixed-wing aircraft with specifically
27 designed equipment for use by the Michigan state police when

1 conducting operations.

2 Sec. 384. (1) Except as otherwise provided in subsection (2),
3 the department shall not obligate the state to expend any state
4 transportation revenue for construction planning or construction of
5 the Detroit River International Crossing or a renamed successor. In
6 addition, except as provided in subsection (2), the department
7 shall not commit the state to any new contract related to the
8 construction planning or construction of the Detroit River
9 International Crossing or a renamed successor that would obligate
10 the state to expend any state transportation revenue. An
11 expenditure for staff resources used in connection with project
12 activities, which expenditure is subject to full and prompt
13 reimbursement from Canada, shall not be considered an expenditure
14 of state transportation revenue.

15 (2) If the legislature enacts specific enabling legislation
16 for the construction of the Detroit River International Crossing or
17 a renamed successor, subsection (1) does not apply once the
18 enabling legislation goes into effect.

19 Sec. 385. (1) The department shall submit reports to the state
20 budget director, the speaker of the house, the house minority
21 leader, the senate majority leader, the senate minority leader, the
22 house and senate appropriations subcommittees on transportation,
23 and the house and senate fiscal agencies on department activities
24 related to all nonconstruction or construction planning activities
25 related to the Detroit River International Crossing or a renamed
26 successor. The initial report shall be submitted on or before
27 December 1, 2015 and shall cover the fiscal year ending September

1 30, 2015.

2 (2) The initial report shall include, at a minimum, all of the
3 following:

4 (a) Department costs incurred in the fiscal year ending
5 September 30, 2015, including employee salaries, wages, benefits,
6 travel, and contractual services, and what activities those costs
7 were related to.

8 (b) Costs of other executive branch agencies incurred in the
9 fiscal year ending September 30, 2015, including employee salaries,
10 wages, benefits, travel, and contractual services, and what
11 activities those costs were related to.

12 (c) A breakdown of the source of funds used for the activities
13 described in subdivisions (a) and (b).

14 (d) A breakdown of reimbursements made by Canada under section
15 384(1) to the state for expenditures for staff resources used in
16 connection with project activities.

17 (e) A narrative description of the status of the Detroit River
18 International Crossing or a renamed successor, including efforts
19 undertaken to implement provisions of the crossing agreement
20 executed June 15, 2012 by representatives of the Canadian
21 government and this state.

22 (3) After submission of the initial report, a subsequent
23 report shall be submitted on March 1, 2016, June 1, 2016, and
24 September 1, 2016 and shall include the same information described
25 in subsection (2) for the applicable previous fiscal quarter.

26 Sec. 393. (1) The department shall promote best practices for
27 public transportation services in this state, including, but not

1 limited to, the following:

2 (a) Transit vehicle rehabilitation to reduce life-cycle cost
3 of public transportation through midlife rehabilitation of transit
4 buses.

5 (b) Cooperation between entities using transit, including
6 school districts, cities, townships, and counties with a view to
7 promoting cost savings through joint purchasing of fuel and other
8 procurements.

9 (c) Coordination of transportation dollars among state
10 departments which provide transit-related services, including the
11 department of human services and the department of community
12 health. Priority should be given to use of public transportation
13 services where available.

14 (d) Promotion of intelligent transportation services for buses
15 that incorporate computer and navigation technology to make transit
16 systems more efficient, including stoplight coordinating, vehicle
17 tracking, data tracking, and computerized scheduling.

18 (2) The department shall report on efforts taken to implement
19 this section as well as section 393 of article XVII of 2011 PA 63.
20 The department shall complete and submit the report to the state
21 budget director, the house and senate appropriations subcommittees
22 on transportation, and the house and senate fiscal agencies on or
23 before March 1, 2016.

24 Sec. 394. The department and local road agencies shall make
25 the preservation of their existing road networks a funding
26 priority.

1 FEDERAL

2 Sec. 402. A portion of the federal DOT-FHWA highway research,
3 planning, and construction funds made available to this state shall
4 be allocated to transportation programs administered by local
5 jurisdictions in accordance with section 10o of 1951 PA 51, MCL
6 247.660o. A local road agency, with respect to a project approved
7 for federal aid funding in a state transportation improvement
8 program, may enter into a voluntary buyout agreement with the
9 department or with another local road agency to exchange the
10 federal aid with state restricted transportation funds as agreed to
11 by the respective parties. The state restricted transportation
12 funds received in exchange for federal aid funds shall be used for
13 the same purpose as the federal aid funds were originally intended.

14 MICHIGAN TRANSPORTATION FUND

15 Sec. 501. The money received under the motor carrier act, 1933
16 PA 254, MCL 475.1 to 479.43, and not appropriated to the department
17 of licensing and regulatory affairs or the department of state
18 police is deposited in the Michigan transportation fund.

19 Sec. 503. (1) The funds appropriated in part 1 for the
20 economic development and local bridge programs shall not lapse at
21 the end of the fiscal year but shall carry forward each fiscal year
22 for the purposes for which appropriated in accordance with 1987 PA
23 231, MCL 247.901 to 247.913, and section 10(5) of 1951 PA 51, MCL
24 247.660.

25 (2) Interest earned in the department of transportation
26 economic development fund and local bridge fund shall remain in the

1 respective funds and shall be allocated to the respective programs
2 based on actual interest earned at the end of each fiscal year.

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

9 (4) None of the funds statutorily dedicated to the
10 transportation economic development fund and local bridge fund
11 shall be diverted to other projects.

12 Sec. 504. Funds from the Michigan transportation fund shall be
13 distributed to the comprehensive transportation fund, the economic
14 development fund, the recreation improvement fund, and the state
15 trunkline fund, in accordance with this part and part 1 and part
16 711 of the natural resources and environmental protection act, 1994
17 PA 451, MCL 324.71101 to 324.71108, and may only be used as
18 specified in this part and part 1, 1951 PA 51, MCL 247.651 to
19 247.675, and part 711 of the natural resources and environmental
20 protection act, 1994 PA 451, MCL 324.71101 to 324.71108.

21 **STATE TRUNKLINE FUND**

22 Sec. 601. (1) The department shall work with the road
23 construction industry and engineering consulting community to
24 develop a warranty program for capital road and bridge
25 construction, reconstruction, and rehabilitation projects. In
26 developing the warranty program, the department shall consider all

1 of the following:

2 (a) Scope of warranties, including warranties on materials and
3 workmanship, pavement or bridge performance criteria, and the
4 application of warranties to design/build projects.

5 (b) Length of warranty.

6 (c) Costs and benefits associated with scope of warranty and
7 various warranty provisions, including length of warranty.

8 (d) Any other relevant factors that might determine the use of
9 warranties, scope of warranty, or length of warranty.

10 (e) Use of warranties on local agency projects administered by
11 the department.

12 (f) Other measures used to identify premature failure of road
13 pavement or bridge elements and the related cause of those
14 failures.

15 (2) The department shall report on March 1 of each year to the
16 house of representatives and senate appropriations subcommittees on
17 transportation and the house and senate fiscal agencies on
18 provisions of the department's warrant program described under
19 subsection (1). The department shall timely inspect warrantied
20 projects prior to the expiration of any associated warranty.

21 (3) The department shall report to the legislature all of the
22 following with regard to road and bridge construction projects:

23 (a) An update on procedures involving the attorney general's
24 office regarding nonresponsive contractors that had received notice
25 but failed to fulfill the terms of a warranty.

26 (b) An update on any upgrades and improvements to the
27 statewide warranty administrative database.

1 (c) The number of active road and bridge construction
2 warranties.

3 (d) The number of road and bridge project warranties that
4 required corrective action, and the date or dates of any corrective
5 action.

6 (e) The number of warrantied projects that required corrective
7 action but expired prior to the contractor receiving notice and the
8 total cost of each of those projects.

9 (f) The number of instances where a contractor was notified of
10 the need for corrective action more than 60 days after the
11 associated warranty period.

12 (g) The number of unresolved corrective actions outstanding
13 beyond 15 months, and the department's findings and any changes to
14 existing policies and procedures as required in subsection (5).

15 (4) The report required under subsection (3) is due on March 1
16 of each calendar year, shall reflect the prior 12-month period, and
17 shall be transmitted to the house of representatives and senate
18 appropriations subcommittees on transportation, the state budget
19 director, and the house and senate fiscal agencies.

20 (5) The department shall maintain documentation to support
21 initial acceptance of warrantied projects, interim and final
22 inspections, and notifications to contractors that the warranty
23 period had expired. The department also shall review and evaluate
24 consultant evaluation requirements or recommendations and update
25 existing policies and procedures accordingly.

26 Sec. 603. The department shall use traffic congestion as 1 of
27 the criteria in determining the priorities for designating which

1 roads shall be remediated in its 5-year road plan, which must be
2 submitted on or before March 1 of each year. Criteria for
3 evaluating traffic congestion shall include, but not be limited to,
4 coordination with local, county, and regional planning, improvement
5 in traffic operations, improvement in physical roadway conditions,
6 accident reduction, and coordination with area public
7 transportation planning.

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

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

20 Sec. 612. The department shall establish guidelines governing
21 incentives and disincentives provided under contracts for state
22 trunkline projects. The guidelines shall include specific financial
23 information concerning incentives and disincentives. On or before
24 January 1 of each year, the department shall prepare a report for
25 the immediately preceding fiscal year regarding contract incentives
26 and disincentives. This report shall include a list, by project, of
27 the contractors that received contract incentives and/or

1 disincentives, the amount of the incentives and/or disincentives,
2 the fund source of any incentives, and the number of days that each
3 project was completed either ahead or past the contracted
4 completion date. This report shall be provided to the senate and
5 house appropriations subcommittees on transportation, the senate
6 and house standing committees on transportation, and the senate and
7 house fiscal agencies.

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

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

14 (3) The department shall report on efforts taken to implement
15 this section. The report shall include descriptions of specific
16 materials evaluated, evaluation methods, and results of specific
17 field or laboratory tests. The department shall complete and submit
18 the report to the state budget director, the house and senate
19 appropriations subcommittees on transportation, and the house and
20 senate fiscal agencies on or before March 1 of each year.

21 **TRANSIT AND RAIL RELATED FUNDS**

22 Sec. 701. The department shall establish an intercity bus
23 equipment and facility fund as a subsidiary fund within the
24 comprehensive transportation fund created under section 10b of 1951
25 PA 51, MCL 247.660b. Proceeds received by this state from the sale
26 of state-owned intercity bus equipment shall be credited to the

1 intercity bus equipment facility fund for the purchase and repair
2 of intercity bus equipment, as appropriated. Security deposits not
3 returned to a lessee of state-owned intercity bus equipment under
4 terms of the lease agreement shall be credited to the intercity bus
5 equipment fund for the repair of intercity bus equipment, as
6 appropriated. Money received by the department from lease payments
7 for state-owned intercity bus equipment, and facility maintenance
8 charges under terms of leases of state-owned intercity facilities,
9 shall be credited to the intercity bus equipment facility fund for
10 the purchase and repair of intercity bus equipment or for the
11 maintenance and rehabilitation of state-owned intercity facilities,
12 as appropriated. At the close of the fiscal year, any funds
13 remaining in the intercity bus equipment facility fund shall remain
14 in the fund and be carried forward into the succeeding fiscal year.

15 Sec. 702. Money that is received by this state as repayment
16 for loans made for rail or water freight capital projects, and as a
17 result of the sale of property or equipment used or projected to be
18 used for rail or water freight projects shall be deposited in the
19 rail freight fund created by section 17 of the state transportation
20 preservation act of 1976, 1976 PA 295, MCL 474.67. At the close of
21 the fiscal year, any funds remaining in the rail freight fund shall
22 remain in the fund and be carried forward into the succeeding
23 fiscal year.

24 Sec. 703. After receiving notification from a railroad company
25 pursuant to section 8 of the state transportation preservation act
26 of 1976, 1976 PA 295, MCL 474.58, the department shall immediately
27 notify the house of representatives and senate appropriations

1 subcommittees on transportation and the state budget office that
2 the railroad company has filed with the appropriate governmental
3 agencies for abandonment of a line.

4 Sec. 706. The Detroit/Wayne County Port Authority shall issue
5 a complete operations assessment and a financial disclosure
6 statement. The operations assessment shall include operational
7 goals for the next 5 years and recommendations to improve land
8 acquisition and development efficiency. The report shall be
9 completed and submitted to the house of representatives and senate
10 appropriations subcommittees on transportation, the state budget
11 director, and the house and senate fiscal agencies by February 15
12 of each fiscal year for the prior fiscal year.

13 Sec. 711. (1) As prescribed in subsection (2), the department
14 shall submit reports to the state budget director, the house and
15 senate appropriations subcommittees on transportation, and the
16 house and senate fiscal agencies on rail passenger service provided
17 by Amtrak under a contractual agreement with the department. The
18 report shall be submitted on or before May 1 of each year.

19 (2) The report shall include all of the following:

20 (a) Passenger counts for the preceding fiscal year for each of
21 the 3 Amtrak routes in Michigan.

22 (b) Revenue and operating expenses by Amtrak route.

23 (c) Total state operating payments to Amtrak in the preceding
24 fiscal year by Amtrak route.

25 (d) A discussion of major factors affecting route costs and
26 revenue and net state costs in the preceding fiscal year, and
27 factors affecting route costs and revenue and net state costs

1 anticipated in the current and future fiscal years.

2 Sec. 713. On or before November 1, 2015, the department shall
3 report to the state budget director, the house and senate
4 appropriations subcommittees on transportation, and the house and
5 senate fiscal agencies on the status of commuter rail demonstration
6 projects in the state, including the disposition of rail cars
7 leased by the department for commuter rail service.

8 Sec. 735. For the fiscal year ending September 30, 2016, the
9 appropriation to a street railway pursuant to section 10e(22) of
10 1951 PA 51, MCL 247.660e, is \$0.

11 **AERONAUTICS FUND**

12 Sec. 801. Except as otherwise provided in section 903 for
13 capital outlay, at the close of the fiscal year, any unobligated
14 and unexpended balance in the state aeronautics fund created in the
15 aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.1
16 to 259.208, shall lapse to the state aeronautics fund and be
17 appropriated by the legislature in the immediately succeeding
18 fiscal year.

19 Sec. 802. The legislature encourages the department to find
20 private entities or local public agencies to assume ownership and
21 operating responsibility for airports currently owned by the
22 department.

23 **CAPITAL OUTLAY**

24 Sec. 901. (1) From federal-state-local project appropriations
25 contained in part 1 for the purpose of assisting political entities

1 and subdivisions of this state in the construction and improvement
2 of publicly used airports and landing fields within this state, the
3 state transportation department may permit the award of contracts
4 on behalf of units of local government for the authorized locations
5 not to exceed the indicated amounts, of which the state allocated
6 portion shall not exceed the amount appropriated in part 1.

7 (2) Political entities and subdivisions shall provide not less
8 than 5% of the cost of any project under this section, unless a
9 total nonfederal share greater than 10% is otherwise specified in
10 federal law. State money shall not be allocated until local money
11 is allocated. State money for any 1 project shall not exceed 1/3 of
12 the total appropriation in part 1 from state funds for airport
13 improvement programs.

14 (3) The Michigan aeronautics commission may take those steps
15 necessary to match federal money available for airport construction
16 and improvement within this state and to meet the matching
17 requirements of the federal government. Whether acting alone or
18 jointly with another political subdivision or public agency or with
19 this state, a political subdivision or public agency of this state
20 shall not submit to any agency of the federal government a project
21 application for airport planning or development unless it is
22 authorized in this part and part 1 and the project application is
23 approved by the governing body of each political subdivision or
24 public agency making the application and by the Michigan
25 aeronautics commission.

26 Sec. 903. The appropriations in part 1 for capital outlay
27 shall be carried forward at the end of the fiscal year consistent

1 with the provisions of section 248 of the management and budget
2 act, 1984 PA 431, MCL 18.1248.

3 **ONE-TIME AND ONGOING GENERAL FUND APPROPRIATIONS**

4 Sec. 1001. The state general fund/general purpose
5 appropriation in part 1 for state trunkline federal aid and road
6 and bridge construction shall be used to ensure that the state
7 match all available federal-aid highway funds.

8 Sec. 1002. The general fund/general purpose appropriation in
9 part 1 for state and local road and bridge programs shall be
10 distributed to the state trunk line fund, county road commissions,
11 and cities and villages in the same percentages described in
12 section 10(1)(j) of 1951 PA 51, MCL 247.660. Funds distributed to
13 county road commissions under this section shall be distributed
14 among the county road commissions in accordance with section 12 of
15 1951 PA 51, MCL 247.662. Funds distributed to cities and villages
16 under this section shall be distributed among cities and villages
17 in accordance with section 13 of 1951 PA 51, MCL 247.663.

18 Sec. 1003. By December 1, 2016, the department shall report to
19 the house and senate appropriations subcommittees on
20 transportation, and the house and senate fiscal agencies, on the
21 use of general fund/general purpose funds appropriated in part 1
22 for transit capital and rail infrastructure. The report shall
23 include a summary of funds expended, encumbered, and lapsed for
24 both transit capital and rail infrastructure. With regard to
25 transit capital projects, the report shall include grantees, grant
26 amounts, project description, and project completion dates. With

1 regard to rail infrastructure projects, the report shall include
2 grant amounts, project description, and project completion dates.

3 Sec. 1006. The department shall prepare a report regarding
4 progress on the construction of a new rail tunnel crossing of the
5 Detroit River between the city of Detroit and Windsor, Ontario,
6 Canada, referenced in the balance of this section as "the project".
7 On November 10, 2015, the department shall provide the report to
8 the house and senate transportation appropriations subcommittees
9 and the house and senate fiscal agencies. The report shall include
10 the following:

11 (a) Whether the project has obtained all necessary
12 environmental and cross-border crossing permits from the
13 governments of Canada and the United States.

14 (b) Whether the project is included in the long-range
15 transportation plan of the southeast Michigan council of
16 governments.

17 (c) Whether the department is satisfied that the project will
18 accommodate not fewer than 400,000 rail cars per year.

19 (d) Whether the department is satisfied that the project will
20 be available for use by all rail companies.

21 (e) Whether the department is satisfied that all approvals
22 necessary for the completion of the project have been secured.

23 PART 2A
24 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS
25 FOR FISCAL YEAR 2016-2017

1 **GENERAL SECTIONS**

2 Sec. 1201. It is the intent of the legislature to provide
3 appropriations for the fiscal year ending on September 30, 2017 for
4 the line items listed in part 1. The fiscal year 2016-2017
5 appropriations are anticipated to be the same as those for fiscal
6 year 2015-2016, except that the line items will be adjusted for
7 changes in caseload and related costs, federal fund match rates,
8 economic factors, and available revenue. These adjustments will be
9 determined after the January 2016 consensus revenue estimating
10 conference.