

**SUBSTITUTE FOR
HOUSE BILL NO. 4309**

A bill to make appropriations for the state transportation department for the fiscal year ending September 30, 2024; 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 state transportation department for the fiscal year ending September 30, 2024, from the following funds:

DEPARTMENT OF TRANSPORTATION

APPROPRIATION SUMMARY

Full-time equated unclassified positions 6.0

Full-time equated classified positions 3,218.3

1	GROSS APPROPRIATION	\$ 6,805,049,900
2	Interdepartmental grant revenues:	
3	Total interdepartmental grants and	
4	intradepartmental transfers	4,353,000
5	ADJUSTED GROSS APPROPRIATION	\$ 6,800,696,900
6	Federal revenues:	
7	Total federal revenues	2,090,121,400
8	Special revenue funds:	
9	Total local revenues	85,773,500
10	Total private revenues	16,800,000
11	Total other state restricted revenues	4,082,502,000
12	State general fund/general purpose	\$ 525,500,000
13	Sec. 102. DEBT SERVICE	
14	Airport safety and protection plan	\$ 3,616,900
15	Blue Water Bridge fund	3,963,000
16	Economic development	1,688,400
17	Local bridge fund	556,800
18	State trunkline	333,915,000
19	GROSS APPROPRIATION	\$ 343,740,100
20	Appropriated from:	
21	Special revenue funds:	
22	Blue Water Bridge fund	3,963,000
23	Economic development fund	1,688,400
24	Local bridge fund	556,800
25	State aeronautics fund	3,616,900
26	State trunkline fund	333,915,000
27	State general fund/general purpose	\$ 0

1	Sec. 103. COLLECTION, ENFORCEMENT, AND OTHER		
2	AGENCY SUPPORT SERVICES		
3	CTF grant to civil service commission	\$	250,000
4	CTF grant to department of attorney general		109,500
5	CTF grant to department of technology,		
6	management, and budget		35,600
7	CTF grant to department of treasury		54,900
8	CTF grant to legislative auditor general		44,900
9	MTF grant to department of environment, Great		
10	Lakes, and energy		2,180,800
11	MTF grant to department of state for collection		
12	of revenue and fees		20,000,000
13	MTF grant to department of treasury		3,528,000
14	MTF grant to legislative auditor general		364,200
15	SAF grant to civil service commission		150,000
16	SAF grant to department of attorney general		191,200
17	SAF grant to department of technology,		
18	management, and budget		28,100
19	SAF grant to department of treasury		81,600
20	SAF grant to legislative auditor general		35,200
21	STF grant to civil service commission		6,321,000
22	STF grant to department of attorney general		2,170,600
23	STF grant to department of state police		12,422,400
24	STF grant to department of technology,		
25	management, and budget		1,255,600
26	STF grant to department of treasury		167,000
27	STF grant to legislative auditor general		846,000
28	GROSS APPROPRIATION	\$	50,236,600

1	Appropriated from:		
2	Special revenue funds:		
3	Comprehensive transportation fund		494,900
4	Michigan transportation fund		26,073,000
5	State aeronautics fund		486,100
6	State trunkline fund		23,182,600
7	State general fund/general purpose	\$	0
8	Sec. 104. DEPARTMENTAL ADMINISTRATION AND		
9	SUPPORT		
10	Full-time equated unclassified positions	6.0	
11	Full-time equated classified positions	284.3	
12	Unclassified salaries--FTEs	6.0	\$ 918,400
13	Asset management council		1,876,400
14	Business support services--FTEs	49.0	8,059,900
15	Commission audit and support services--FTEs	29.3	4,805,400
16	Economic development and enhancement programs--		
17	FTEs	11.0	1,845,100
18	Finance, contracts, and support services--FTEs	195.0	27,123,200
19	Property management		8,499,500
20	Worker's compensation		1,734,500
21	GROSS APPROPRIATION	\$	54,862,400
22	Appropriated from:		
23	Interdepartmental grant revenues:		
24	IDG for accounting service center user charges		4,353,000
25	Special revenue funds:		
26	Comprehensive transportation fund		1,811,000
27	Economic development fund		408,800
28	Michigan transportation fund		4,432,200

1	State aeronautics fund		708,400
2	State trunkline fund		43,149,000
3	State general fund/general purpose	\$	0
4	Sec. 105. INFORMATION TECHNOLOGY		
5	Information technology services and projects	\$	41,634,600
6	GROSS APPROPRIATION	\$	41,634,600
7	Appropriated from:		
8	Federal revenues:		
9	Federal aid - transportation programs		520,500
10	Special revenue funds:		
11	Blue Water Bridge fund		57,600
12	Comprehensive transportation fund		234,400
13	Economic development fund		38,800
14	Michigan transportation fund		306,300
15	State aeronautics fund		182,800
16	State trunkline fund		40,294,200
17	State general fund/general purpose	\$	0
18	Sec. 106. TRANSPORTATION PLANNING		
19	Full-time equated classified positions	145.0	
20	Planning services--FTEs	145.0	\$ 42,804,200
21	Grants to regional planning councils		488,800
22	GROSS APPROPRIATION	\$	43,293,000
23	Appropriated from:		
24	Federal revenues:		
25	Federal aid - transportation programs		24,000,000
26	Special revenue funds:		
27	Comprehensive transportation fund		634,200
28	Michigan transportation fund		10,445,600

1	State aeronautics fund		16,000
2	State trunkline fund		8,197,200
3	State general fund/general purpose	\$	0
4	Sec. 107. DESIGN AND ENGINEERING SERVICES		
5	Full-time equated classified positions	1,706.3	
6	Business services--FTEs	178.4	\$ 25,796,300
7	* positions in above line		178
8	Program development and delivery--FTEs	1,173.3	153,477,100
9	* positions in above line		1,173
10	System operations management--FTEs	354.6	73,586,000
11	* positions in above line		355
12	GROSS APPROPRIATION	\$	252,859,400
13	Appropriated from:		
14	Federal revenues:		
15	Federal aid - transportation programs		13,529,800
16	Special revenue funds:		
17	Comprehensive transportation fund		187,100
18	Michigan transportation fund		17,110,700
19	State trunkline fund		222,031,800
20	State general fund/general purpose	\$	0
21	Sec. 108. HIGHWAY MAINTENANCE		
22	Full-time equated classified positions	909.7	
23	State trunkline operations--FTEs	909.7	\$ 465,846,700
24	GROSS APPROPRIATION	\$	465,846,700
25	Appropriated from:		
26	Special revenue funds:		
27	State trunkline fund		465,846,700
28	State general fund/general purpose	\$	0

1	Sec. 109. ROAD AND BRIDGE PROGRAM		
2	Cities and villages	\$	698,031,200
3	County road commissions		1,251,973,100
4	Grants to local programs		33,000,000
5	Local agency wetland mitigation bank fund		2,000,000
6	Local bridge program		27,398,500
7	Local federal aid and road and bridge		
8	construction		384,987,800
9	Movable bridge		6,016,600
10	Rail grade crossing		3,000,000
11	Rail grade crossing - surface improvements		3,000,000
12	State trunkline federal aid and road and bridge		
13	construction		1,499,639,000
14	GROSS APPROPRIATION	\$	3,909,046,200
15	Appropriated from:		
16	Federal revenues:		
17	Federal aid - transportation programs		1,580,218,700
18	Special revenue funds:		
19	Local funds		30,003,500
20	Private funds		10,000,000
21	Blue Water Bridge fund		20,714,400
22	Local bridge fund		27,398,500
23	Michigan transportation fund		1,997,020,900
24	State trunkline fund		243,690,200
25	State general fund/general purpose	\$	0
26	Sec. 110. BLUE WATER BRIDGE		
27	Full-time equated classified positions		44.0
28	Blue Water Bridge operations--FTEs	44.0 \$	7,142,400

1	GROSS APPROPRIATION		\$ 7,142,400
2	Appropriated from:		
3	Special revenue funds:		
4	Blue Water Bridge fund		7,142,400
5	State general fund/general purpose		\$ 0
6	Sec. 111. TRANSPORTATION ECONOMIC DEVELOPMENT		
7	Forest roads		\$ 5,000,000
8	Rural county primary		11,092,300
9	Rural county urban system		2,500,000
10	Target industries/economic redevelopment		25,684,400
11	Urban county congestion		11,092,300
12	GROSS APPROPRIATION		\$ 55,369,000
13	Appropriated from:		
14	Special revenue funds:		
15	Economic development fund		55,369,000
16	State general fund/general purpose		\$ 0
17	Sec. 112. AERONAUTICS SERVICES		
18	Full-time equated classified positions	48.0	
19	Air service program		\$ 50,000
20	Aviation services--FTEs	48.0	7,481,800
21	GROSS APPROPRIATION		\$ 7,531,800
22	Appropriated from:		
23	Special revenue funds:		
24	State aeronautics fund		7,531,800
25	State general fund/general purpose		\$ 0
26	Sec. 113. PUBLIC TRANSPORTATION SERVICES		
27	Full-time equated classified positions	40.0	
28	Passenger transportation services--FTEs	40.0	\$ 6,371,600

1	GROSS APPROPRIATION	\$	6,371,600
2	Appropriated from:		
3	Federal revenues:		
4	Federal aid - transportation programs		1,200,000
5	Special revenue funds:		
6	Comprehensive transportation fund		5,171,600
7	State general fund/general purpose	\$	0
8	Sec. 114. LOCAL BUS TRANSIT		
9	Local bus operating	\$	276,750,000
10	Nonurban operating/capital		39,845,600
11	GROSS APPROPRIATION	\$	316,595,600
12	Appropriated from:		
13	Federal revenues:		
14	Federal aid - transportation programs		37,845,600
15	Special revenue funds:		
16	Local funds		2,000,000
17	Comprehensive transportation fund		276,750,000
18	State general fund/general purpose	\$	0
19	Sec. 115. INTERCITY PASSENGER AND FREIGHT		
20	Full-time equated classified positions	41.0	
21	Detroit/Wayne County Port Authority	\$	600,000
22	Freight property management		1,300,000
23	Intercity services		9,514,200
24	Marine passenger service		5,152,000
25	Office of rail--FTEs	41.0	7,152,000
26	Rail operations and infrastructure		137,750,600
27	GROSS APPROPRIATION	\$	161,468,800
28	Appropriated from:		

1	Federal revenues:		
2	Federal aid - transportation programs		38,710,800
3	Special revenue funds:		
4	Local funds		760,000
5	Private funds		2,800,000
6	Comprehensive transportation fund		110,222,800
7	Intercity bus equipment fund		45,400
8	Michigan transportation fund		2,145,600
9	Rail freight fund		6,000,000
10	State trunkline fund		784,200
11	State general fund/general purpose	\$	0
12	Sec. 116. PUBLIC TRANSPORTATION DEVELOPMENT		
13	Municipal credit program	\$	2,000,000
14	Service initiatives		18,681,600
15	Specialized services		30,312,400
16	Transit capital		222,717,500
17	Van pooling		400,000
18	GROSS APPROPRIATION	\$	274,111,500
19	Appropriated from:		
20	Federal revenues:		
21	Federal aid - transportation programs		144,096,000
22	Special revenue funds:		
23	Local funds		35,510,000
24	Private funds		2,000,000
25	Comprehensive transportation fund		92,505,500
26	State general fund/general purpose	\$	0
27	Sec. 117. CAPITAL OUTLAY		
28	(1) BUILDINGS AND FACILITIES		

1	Salt storage buildings and containment control	\$	3,000,000
2	Special maintenance, remodeling, and additions		5,000,500
3	GROSS APPROPRIATION	\$	8,000,500
4	Appropriated from:		
5	Special revenue funds:		
6	State trunkline fund		8,000,500
7	State general fund/general purpose	\$	0
8	(2) AIRPORT IMPROVEMENT PROGRAMS		
9	Airport safety, protection, and improvement		
10	program	\$	180,069,700
11	Detroit Metropolitan Wayne County Airport		6,370,000
12	IIJA airport infrastructure grants		95,000,000
13	GROSS APPROPRIATION	\$	281,439,700
14	Appropriated from:		
15	Federal revenues:		
16	Federal aid - transportation programs		250,000,000
17	Special revenue funds:		
18	Local funds		17,500,000
19	Private funds		2,000,000
20	Qualified airport fund		6,370,000
21	State aeronautics fund		5,569,700
22	State general fund/general purpose	\$	0
23	Sec. 118. ONE-TIME APPROPRIATIONS		
24	Intermodal capital investment grants	\$	100
25	Michigan bridge bundling initiative		100
26	MI contracting opportunity		5,000,000
27	County road association software		1,000,000
28	Air service/airport revitalization		7,000,000

1	Local road preservation	400,000,000
2	Marine passenger capital grant	15,000,000
3	Michigan mobility challenge	10,000,000
4	Miss Dig	1,000,000
5	New technology and mobility	42,500,000
6	Shared streets and spaces	5,000,000
7	S. S. Badger conversion	5,000,000
8	Speed enforcement pilot project	1,000,000
9	Rail grade separation program	32,999,800
10	GROSS APPROPRIATION	\$ 525,500,000
11	Appropriated from:	
12	Special revenue funds:	
13	State general fund/general purpose	\$ 525,500,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2023-2024 is \$4,608,002,000.00 and state spending from state sources to be paid to local units of government for fiscal year 2023-2024 is \$2,914,454,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

STATE TRANSPORTATION DEPARTMENT

27	Grants to regional planning councils	\$ 488,800
28	Cities and villages	698,031,200

1	County road commissions	1,251,973,100
2	Grants to local programs	33,000,000
3	Local bridge program	27,398,500
4	Local agency wetland mitigation	2,000,000
5	Movable bridge	3,008,300
6	Rail grade crossing	1,500,000
7	Rail grade surface crossing improvements	3,000,000
8	Transportation economic development	45,608,900
9	Air service program	50,000
10	Local bus operating	276,750,000
11	Detroit/Wayne County Port Authority	600,000
12	Marine passenger service	2,000,000
13	Municipal credit program	2,000,000
14	Service initiatives	9,029,400
15	Specialized services	13,000,000
16	Transit capital	68,076,100
17	Airport safety, protection, and improvement	
18	program	5,569,700
19	Detroit Metropolitan Wayne County Airport	6,370,000
20	Intermodal capital investment grants	100
21	Michigan bridge bundling initiative	100
22	Local road preservation	400,000,000
23	Marine passenger capital grant	15,000,000
24	Michigan mobility challenge	10,000,000
25	Rail grade separation program	34,999,800
26	Shared streets and spaces	5,000,000
27	Total payments to local units of government	\$ 2,914,454,000

28 Sec. 202. The appropriations authorized under this part and
29 part 1 are subject to the management and budget act, 1984 PA 431,

1 MCL 18.1101 to 18.1594.

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

3 (a) "CTF" means comprehensive transportation fund.

4 (b) "Department" means the state transportation department.

5 (c) "Director" means the director of the department.

6 (d) "DOT" means the United States Department of
7 Transportation.

8 (e) "DOT-FHWA" means DOT, Federal Highway Administration.

9 (f) "FTE" means full-time equated.

10 (g) "IDG" means interdepartmental grant.

11 (h) "IIJA" means the infrastructure investment and jobs act,
12 2021, Public Law 117-58.

13 (i) "MTF" means Michigan transportation fund.

14 (j) "SAF" means state aeronautics fund.

15 (k) "STF" means state trunkline fund.

16 Sec. 204. The department shall use the internet to fulfill the
17 reporting requirements of this part. This requirement shall include
18 transmission of reports via email to the recipients identified for
19 each reporting requirement, and it shall include placement of
20 reports on an internet site.

21 Sec. 205. To the extent permissible under section 261 of the
22 management and budget act, 1984 PA 431, MCL 18.1261, all of the
23 following apply:

24 (a) The funds appropriated in part 1 must not be used for the
25 purchase of foreign goods or services, or both, if competitively
26 priced and of comparable quality American goods or services, or
27 both, are available.

28 (b) Preference must be given to goods or services, or both,
29 manufactured or provided by Michigan businesses, if they are

1 competitively priced and of comparable quality.

2 (c) Preference must be given to goods or services, or both,
3 that are manufactured or provided by Michigan businesses owned and
4 operated by veterans, if they are competitively priced and of
5 comparable quality.

6 Sec. 206. To the extent permissible under the management and
7 budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director shall
8 take all reasonable steps to ensure geographically disadvantaged
9 business enterprises compete for and perform contracts to provide
10 services or supplies, or both. The director shall strongly
11 encourage firms with which the department contracts to subcontract
12 with certified businesses in depressed and deprived communities for
13 services, supplies, or both.

14 Sec. 207. The department shall prepare a report on out-of-
15 state travel expenses not later than January 1 of each year. The
16 travel report shall be a listing of all travel by classified and
17 unclassified employees outside this state in the immediately
18 preceding fiscal year that was funded in whole or in part with
19 funds appropriated in the department's budget. The report shall be
20 submitted to the senate and house appropriations committees, the
21 house and senate fiscal agencies, and the state budget director.
22 The report shall include the following information:

23 (a) The dates of each travel occurrence.

24 (b) The transportation and related costs of each travel
25 occurrence, including the proportion funded with state general
26 fund/general purpose revenues, the proportion funded with state
27 restricted revenues, the proportion funded with federal revenues,
28 and the proportion funded with other revenues.

29 Sec. 208. Funds appropriated in part 1 shall not be used by a

1 principal executive department, state agency, or authority to hire
2 a person to provide legal services that are the responsibility of
3 the attorney general. This prohibition does not apply to legal
4 services for bonding activities and for those activities that the
5 attorney general authorizes.

6 Sec. 209. Not later than December 15, the state budget office
7 shall prepare and transmit a report that provides for estimates of
8 the total general fund/general purpose appropriation lapses at the
9 close of the prior fiscal year. This report shall summarize the
10 projected year-end general fund/general purpose appropriation
11 lapses by major departmental program or program areas. The report
12 shall be transmitted to the chairpersons of the senate and house of
13 representatives standing committees on appropriations and the
14 senate and house fiscal agencies.

15 Sec. 210. (1) In addition to the funds appropriated in part 1,
16 there is appropriated an amount not to exceed \$40,000,000.00 for
17 federal contingency authorization. These funds are not available
18 for expenditure until they have been transferred to another line
19 item in part 1 pursuant to section 393(2) of the management and
20 budget act, 1984 PA 431, MCL 18.1393.

21 (2) In addition to the funds appropriated in part 1, there is
22 appropriated an amount not to exceed \$5,000,000.00 for state
23 restricted contingency authorization. These funds are not available
24 for expenditure until they have been transferred to another line
25 item in part 1 pursuant to section 393(2) of the management and
26 budget act, 1984 PA 431, MCL 18.1393.

27 (3) In addition to the funds appropriated in part 1, there is
28 appropriated an amount not to exceed \$1,000,000.00 for local
29 contingency authorization. These funds are not available for

1 expenditure until they have been transferred to another line item
2 in part 1 pursuant to section 393(2) of the management and budget
3 act, 1984 PA 431, MCL 18.1393.

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

10 Sec. 211. The department shall cooperate with the department
11 of technology, management, and budget to maintain a searchable
12 website accessible by the public at no cost that includes, but is
13 not limited to, all of the following:

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

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

16 (c) Fiscal year-to-date payments to a selected vendor,
17 including the vendor name, payment date, payment amount, and
18 payment description.

19 (d) The number of active department employees by job
20 classification.

21 (e) Job specifications and wage rates.

22 Sec. 212. Within 14 days after the release of the executive
23 budget recommendation, the department shall cooperate with the
24 state budget office to provide information sufficient to provide
25 the senate and house appropriations chairs, the chairpersons of the
26 senate and house appropriations subcommittees on transportation,
27 and the senate and house fiscal agencies with an annual report on
28 estimated state restricted fund balances, state restricted fund
29 projected revenues, and state restricted fund expenditures for the

1 fiscal years ending September 30, 2023 and September 30, 2024.

2 Sec. 213. The department shall maintain, on a publicly
3 accessible website, a department scorecard that identifies, tracks,
4 and regularly updates key metrics that are used to monitor and
5 improve the department's performance.

6 Sec. 215. A department shall not take disciplinary action
7 against an employee of the department or departmental agency in the
8 state classified civil service because the employee communicates
9 with a member of the senate or house of representatives or a
10 member's staff, unless the communication is prohibited by law and
11 the department or agency taking disciplinary action is exercising
12 its authority as provided by law.

13 Sec. 216. On a quarterly basis, the department shall report to
14 the senate and house appropriations committees, the senate and
15 house appropriations subcommittees on transportation, the senate
16 and house fiscal agencies, and the state budget office a comparison
17 by line item of the number of FTEs authorized from funds
18 appropriated in part 1 to the actual number of FTEs at the end of
19 the reporting period.

20 Sec. 217. Appropriations in part 1 shall, to the extent
21 possible by the department, not be expended until all existing work
22 project authorization available for the same purposes is exhausted.

23 Sec. 219. The departments and agencies receiving
24 appropriations in part 1 shall receive and retain copies of all
25 reports funded from appropriations in part 1. Federal and state
26 guidelines for short-term and long-term retention of records shall
27 be followed. The department may electronically retain copies of
28 reports unless otherwise required by federal and state guidelines.

29 Sec. 220. The department shall report no later than April 1 on

1 each specific policy change made to implement a public act
2 affecting the department that took effect during the prior calendar
3 year to the senate and house appropriations committees, the senate
4 and house subcommittees on transportation, the joint committee on
5 administrative rules, and the senate and house fiscal agencies.

6 Sec. 221. (1) From the funds appropriated in part 1, the
7 department shall do all of the following:

8 (a) Report to the house and senate appropriations committees,
9 the house and senate fiscal agencies, the house and senate policy
10 offices, and the state budget office any amount of severance pay
11 for a department director, deputy director, or other high-ranking
12 department official not later than 14 days after a severance
13 agreement with the director or official is signed. The name of the
14 director or official and the amount of severance pay must be
15 included in the report required by this subdivision.

16 (b) By February 1, report to the house and senate
17 appropriations subcommittees on transportation, the house and
18 senate fiscal agencies, the house and senate policy offices, and
19 the state budget office on the total amount of severance pay
20 remitted to former department employees during the fiscal year
21 ending September 30, 2023 and the total number of former department
22 employees that were remitted severance pay during the fiscal year
23 ending September 30, 2023.

24 (2) As used in this section, "severance pay" means
25 compensation that is both payable or paid upon the termination of
26 employment and in addition to either wages or benefits earned
27 during the course of employment or generally applicable retirement
28 benefits.

29 Sec. 223. To the extent possible, the department shall provide

1 notice to the speaker of the house, the house minority leader, the
2 senate majority leader, the senate minority leader, the house and
3 senate standing committees on transportation, the appropriate house
4 and senate appropriations subcommittees on transportation, and the
5 house and senate fiscal agencies on proposed federal rule changes
6 related to the department that would require amendments to the laws
7 of this state. The notice shall be given within 30 business days of
8 the proposed federal rule being posted to the Federal Register and
9 shall include a description of the proposed federal rule, the
10 publication date, the date when public comment closes, the document
11 citation, and a description of the statutory changes needed when
12 the rule is finalized.

13 Sec. 224. It is the intent of the legislature that departments
14 maximize the efficiency of the state workforce and, where possible,
15 prioritize in-person work. Each executive branch department,
16 agency, board, or commission that receives funding under part 1
17 must post its in-person, remote, or hybrid work policy on its
18 website.

19 Sec. 225. (1) No money appropriated in part 1 shall be used to
20 restrict or interfere with actions related to diversity, equity,
21 and inclusion, or to restrict or impede a marginalized community's
22 access to government resources, programs, or facilities, or to
23 diminish, interfere with, or restrict an individual's ability to
24 exercise the right to reproductive freedom.

25 (2) From the funds appropriated in part 1, local governments
26 shall report any action or policy that attempts to restrict or
27 interfere with the duties of the local health officer.

28

29 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

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

8 Sec. 304. If, as a requirement of bidding on a highway
9 project, the department requires a contractor to submit financial
10 or proprietary documentation as to how the bid was calculated, that
11 bid documentation shall be kept confidential and shall not be
12 disclosed other than to a department representative without the
13 contractor's written consent. The department may disclose the bid
14 documentation if necessary to address or defend a claim by a
15 contractor.

16 Sec. 306. (1) The amounts appropriated in part 1 to support
17 tax and fee collection, law enforcement, and other program services
18 provided to the department and to transportation funds by other
19 state departments shall be expended from transportation funds
20 pursuant to annual contracts between the department and those other
21 state departments. The contracts shall be executed prior to the
22 expenditure or obligation of those funds. The contracts shall
23 provide, but are not limited to, the following data applicable to
24 each state department:

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

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

28 (c) Detailed cost allocation methods appropriate to the type
29 of services being provided and the activities financed with

1 transportation funds.

2 (2) Not later than 2 months after publication of the state of
3 Michigan annual comprehensive financial report, each state
4 department receiving funding pursuant to an interdepartment
5 contract with the department shall submit a written report to the
6 department, the state budget director, the house and senate fiscal
7 agencies, and the auditor general stating by spending authorization
8 account the amount of estimated funds contracted with the
9 department, the amount of funds expended, the amount of funds
10 returned to the transportation funds, and any unreimbursed
11 transportation-related costs incurred but not billed to
12 transportation funds.

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

19 Sec. 310. The department shall provide in a timely manner
20 copies of the agenda, approved minutes, and audio recording of
21 state transportation commission meetings to the members of the
22 house and senate appropriations subcommittees on transportation,
23 the house and senate fiscal agencies, and the state budget
24 director.

25 Sec. 311. On or before March 30, 2024, the department shall
26 provide a progress report on the CRRSAA highway infrastructure
27 program - local bridge bundling initiative established in section
28 113(2) of article 14 of 2021 PA 87, to the senate and house
29 transportation appropriations subcommittees, the state budget

1 director, and the senate and house fiscal agencies.

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

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

20 (3) The department shall submit a report to the state budget
21 director, the house and senate appropriations subcommittees on
22 transportation, and the house and senate fiscal agencies on the
23 status of the state infrastructure bank. The report shall be
24 submitted on or before December 1, 2023. The report shall include
25 all of the following:

26 (a) The balance in the state infrastructure bank at September
27 30, 2023, including a breakdown of the balance by cash and cash
28 equivalents, outstanding loans, and balance available for loan to
29 local agencies.

1 (b) A breakdown of the state infrastructure loan balance by
2 amounts designated as originating from federal sources and the
3 amounts originating from nonfederal sources.

4 (c) A list of outstanding loans by agency, original loan
5 amount, project description, loan term, and amount outstanding.

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

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

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

21 Sec. 375. The department is prohibited from reimbursing
22 contractors or consultants for costs associated with groundbreaking
23 ceremonies, receptions, open houses, or press conferences related
24 to transportation projects funded, in whole or in part, by revenue
25 appropriated in part 1.

26 Sec. 383. (1) The department shall prepare a report on use of
27 department-owned aircraft during the fiscal year ending September
28 30, 2023. With respect to each department-owned aircraft, the
29 report shall include all of the following:

1 (a) Total hours of usage.

2 (b) Description of specific flights including dates of travel,
3 names of passengers including state agency, university, or local
4 government affiliation, travel origin and destination, and total
5 estimated costs associated with the air travel.

6 (2) The report shall be submitted to the senate and house
7 appropriations subcommittees on transportation, state budget
8 director, and the house and senate fiscal agencies no later than
9 February 1, 2024.

10 (3) The department shall maintain a system for recovering the
11 cost of operating department-owned aircraft through charges to
12 aircraft users.

13 Sec. 384. (1) Except as otherwise provided in subsection (2),
14 the department shall not obligate the state to expend any state
15 transportation revenue for construction planning or construction of
16 the Gordie Howe International Crossing or a renamed successor. In
17 addition, except as provided in subsection (2), the department
18 shall not commit the state to any new contract related to the
19 construction planning or construction of the Gordie Howe
20 International Crossing or a renamed successor that would obligate
21 the state to expend any state transportation revenue. An
22 expenditure for staff resources used in connection with project
23 activities, which expenditure is subject to full and prompt
24 reimbursement from Canada, shall not be considered an expenditure
25 of state transportation revenue.

26 (2) If the legislature enacts specific enabling legislation
27 for the construction of the Gordie Howe International Crossing or a
28 renamed successor, subsection (1) does not apply once the enabling
29 legislation goes into effect.

1 Sec. 385. (1) The department shall submit monthly reports to
2 the state budget director, the speaker of the house of
3 representatives, the house of representatives minority leader, the
4 senate majority leader, the senate minority leader, the house and
5 senate appropriations subcommittees on transportation, and the
6 house and senate fiscal agencies on all of the following:

7 (a) All expenditures made by the state related to the Gordie
8 Howe Bridge.

9 (b) All reimbursements made by Canada under section 384(1) of
10 this part to the state for expenditures for staff resources used in
11 connection with project activities.

12 (c) All eminent domain and condemnation powers used, the
13 related real estate involved in any governmental taking, the price
14 paid for those properties, and the beneficiary's name or associated
15 corporation.

16 (2) The initial report required under subsection (1) shall be
17 submitted on or before December 1, 2023. The initial report shall
18 cover the fiscal year ending September 30, 2023.

19 Sec. 387. (1) Within 90 days of completion of any formal
20 traffic study, formal traffic control study, or formal traffic
21 mitigation study, the department shall post the results of the
22 study on the department's website.

23 (2) As used in this section, the terms "traffic study",
24 "traffic control study", and "traffic mitigation study" include,
25 but are not limited to, investigations into the need for traffic
26 lights, reviews of traffic speeds and related recommendations
27 regarding speed limits, and ways to improve traffic flow during
28 peak travel times.

29 Sec. 393. The department shall promote best practices for

1 public transportation services in this state, including, but not
2 limited to, the following:

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

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

10 (c) Coordination of transportation dollars among state
11 departments that provide transit-related services, including the
12 department of health and human services. Priority should be given
13 to use of public transportation 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 Sec. 394. The department and local road agencies shall make
19 the preservation of their existing road networks a funding
20 priority.

21 Sec. 395. From the funds appropriated in part 1 for state
22 trunkline federal aid road and bridge construction, the department
23 may expend up to \$10,000,000.00 on highway maintenance activities
24 to support safety-related, high-priority, and other deferred
25 routine maintenance needs on the state trunkline network.

26 Sec. 398. The department shall continue to work to eliminate
27 fatalities and serious injuries on the state trunkline network and
28 shall maintain the Toward Zero Deaths statewide safety campaign.

29 Sec. 399. In developing its state trunkline road and bridge

1 construction program, the department shall prioritize spending on
2 capital preventative maintenance.

3

4 **FEDERAL**

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

17

18 **MICHIGAN TRANSPORTATION FUND**

19 Sec. 501. The money received under the motor carrier act, 1933
20 PA 254, MCL 475.1 to 479.42, and not appropriated to the department
21 of licensing and regulatory affairs or the department of state
22 police is deposited in the Michigan transportation fund.

23 Sec. 503. (1) At the close of the fiscal year, funds
24 appropriated in part 1 for the transportation economic development
25 program shall lapse to the transportation economic development
26 fund.

27 (2) At the close of the fiscal year, funds appropriated in
28 part 1 for the local bridge program shall carry forward and are
29 appropriated for the purposes defined in section 10(5) of 1951 PA

1 51, MCL 247.660.

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

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

12 (5) None of the funds statutorily dedicated to the
13 transportation economic development fund and local bridge fund
14 shall be diverted to other projects.

15 Sec. 504. Funds from the Michigan transportation fund shall be
16 distributed to the comprehensive transportation fund, the economic
17 development fund, the recreation improvement fund, and the state
18 trunkline fund, in accordance with this part and part 1 and part
19 711 of the natural resources and environmental protection act, 1994
20 PA 451, MCL 324.71101 to 324.71108, and may only be used as
21 specified in this part and part 1, 1951 PA 51, MCL 247.651 to
22 247.675, and part 711 of the natural resources and environmental
23 protection act, 1994 PA 451, MCL 324.71101 to 324.71108.

24

25 **STATE TRUNKLINE FUND**

26 Sec. 601. (1) The department shall maintain documentation to
27 support initial acceptance of warrantied projects, interim and
28 final inspections, and notifications to contractors that the
29 warranty period had expired. The department also shall review and

1 evaluate consultant evaluation requirements or recommendations and
2 update existing policies and procedures accordingly.

3 (2) The department shall review its warranty administration
4 processes, procedures, and associated manuals to ensure that all of
5 the following occur:

6 (a) Initial notifications of needed corrective action are sent
7 prior to warranty expiration.

8 (b) Consistent and timely second notifications of needed
9 corrective action are sent if contractors do not respond within 30
10 days of an initial notification.

11 (c) The department has an effective process to establish time
12 frames for corrective action completion.

13 (d) Daily inspector reports on all warranty segments are
14 completed consistently.

15 (3) The department shall report on the review described in
16 subsection (2) and changes resulting from the review. The
17 department shall submit the report to the state budget director,
18 the house and senate appropriations subcommittees on
19 transportation, and the house and senate fiscal agencies no later
20 than March 31, 2024.

21 Sec. 604. At the close of the fiscal year, any unencumbered
22 and unexpended balance in the state trunkline fund shall remain in
23 the state trunkline fund and shall carry forward and is
24 appropriated for federal aid road and bridge programs for projects
25 contained in the annual state transportation program.

26 Sec. 614. From the funds appropriated in part 1, \$5,000,000.00
27 must be allocated to incentivize and support the inclusion of low-
28 impact development stormwater management practices in the design of
29 state trunkline and local road agency construction projects. With

1 respect to state trunkline highways, low-impact development
2 stormwater management practices must include consideration of
3 impacts on land and drainage within 75 feet of a state trunkline
4 highway.

5 Sec. 615. (1) From the funds appropriated in part 1, the
6 department shall apply for grant funding under the national motor
7 vehicle per-mile user fee pilot program under section 13002 of the
8 infrastructure investment and jobs act, Public Law 117-58. If the
9 grant funding is awarded, it must be used to establish a pilot
10 program to determine the feasibility of road usage charges as a
11 replacement for motor fuel taxes as a basis for transportation
12 funding.

13 (2) From the funds appropriated in part 1, \$1,000,000.00 is
14 appropriated to provide matching funds for an application for grant
15 funding as described in subsection (1).

16

17 **TRANSIT AND RAIL RELATED FUNDS**

18 Sec. 701. The department shall establish an intercity bus
19 equipment and facility fund as a subsidiary fund within the
20 comprehensive transportation fund created under section 10b of 1951
21 PA 51, MCL 247.660b. Proceeds received by this state from the sale
22 of state-owned intercity bus equipment shall be credited to the
23 intercity bus equipment and facility fund for the purchase and
24 repair of intercity bus equipment, as appropriated. Security
25 deposits not returned to a lessee of state-owned intercity bus
26 equipment under terms of the lease agreement shall be credited to
27 the intercity bus equipment and facility fund for the repair of
28 intercity bus equipment, as appropriated. Money received by the
29 department from lease payments for state-owned intercity bus

1 equipment, and facility maintenance charges under terms of leases
2 of state-owned intercity facilities, shall be credited to the
3 intercity bus equipment and facility fund for the purchase and
4 repair of intercity bus equipment or for the maintenance and
5 rehabilitation of state-owned intercity facilities, as
6 appropriated. At the close of the fiscal year, any funds remaining
7 in the intercity bus equipment and facility fund shall remain in
8 the fund and be carried forward into the succeeding fiscal year.

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

18 Sec. 704. From the funds appropriated in part 1, the
19 department shall prepare and transmit a report that includes the
20 department's current rolling 5-year rail plan and detail regarding
21 the department's obligations for programs funded under the
22 appropriation in part 1 for rail operations and infrastructure. The
23 report shall include a breakdown of the appropriation by program,
24 year-to-date obligations under each program itemized by project,
25 and an estimate of future obligations under each program itemized
26 by project for the remainder of the fiscal year. The report shall
27 be submitted to the senate and house appropriations subcommittees
28 on transportation, the state budget director, and the senate and
29 house fiscal agencies, on or before February 1, 2024.

1 Sec. 707. (1) Before March 1 of each year, the department will
2 provide to the legislature, the state budget office, and the house
3 and senate fiscal agencies its rail strategic plan. The strategic
4 plan shall include, but is not limited to, a rolling 5-year rail
5 plan and summary of the department's obligations for programs
6 funded under the appropriation in part 1 for rail operations and
7 infrastructure.

8 (2) The rolling 5-year rail plan shall include, but is not
9 limited to, all the following:

10 (a) A listing by county of all rail infrastructure projects on
11 rail lines within the state utilizing state funds, and the
12 estimated cost of each project.

13 (b) The actual or projected state expenditures for operation
14 of passenger rail service.

15 (c) The actual or projected state expenditures for maintenance
16 of passenger service rail lines.

17 (3) The period of the rolling 5-year rail plan includes the
18 current fiscal year and the 4 fiscal years immediately following
19 the current fiscal year.

20 (4) The summary of the department's obligations for programs
21 funded under the appropriation in part 1 for rail operations and
22 infrastructure shall include a breakdown of the appropriation by
23 program, year-to-year obligations under each program itemized by
24 project, and an estimate of future obligations under each program
25 itemized by project for the remainder of the fiscal year.

26 (5) from the funds appropriated in part 1 for rail operations
27 and infrastructure, not less than \$21,500,000.00 must be allocated
28 for the support of rail-related economic development projects and
29 rail freight system preservation projects.

1 Sec. 735. For the fiscal year ending September 30, 2024, the
2 appropriation to a street railway pursuant to section 10e(22) of
3 1951 PA 51, MCL 247.660e, is \$0.

4 Sec. 752. The legislature encourages the department to meet
5 with representatives of a rail industry trade association to
6 provide information on the availability of rail infrastructure loan
7 and grant funding programs and freight economic development project
8 opportunities.

9
10 **AERONAUTICS FUND**

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

18
19 **CAPITAL OUTLAY**

20 Sec. 901. (1) From federal-state-local project appropriations
21 contained in part 1 for the purpose of assisting political entities
22 and subdivisions of this state in the construction and improvement
23 of publicly used airports and landing fields within this state, the
24 state transportation department may permit the award of contracts
25 on behalf of units of local government for the authorized locations
26 not to exceed the indicated amounts, of which the state allocated
27 portion shall not exceed the amount appropriated in part 1.

28 (2) Political entities and subdivisions shall provide not less
29 than 5% of the cost of any project under this section, unless a

1 total nonfederal share less than 10% is otherwise specified in
2 federal law. State money shall not be allocated until local money
3 is allocated. State money for any 1 project shall not exceed 1/3 of
4 the total appropriation in part 1 from state funds for airport
5 improvement programs.

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

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

22

23 **ONE-TIME APPROPRIATIONS**

24 Sec. 1001. (1) From the funds appropriated in part 1 for
25 Michigan mobility challenge, \$10,000,000.00 must be used by the
26 department for grants in support of projects related to enhanced
27 transportation services for senior citizens and persons with
28 disabilities.

29 (2) By not later than March 1, 2024, the department shall

1 submit a report to the state budget director, the chairs of the
2 house and senate committees on appropriations, the house and senate
3 appropriations subcommittees on transportation, and the house and
4 senate fiscal agencies on the use of funds appropriated under
5 subsection (1). In awarding grants under this section, the
6 department must give consideration to the values of diversity,
7 equity, and inclusion.

8 (3) In implementing the appropriations in this section, the
9 department shall work with the office of future mobility and
10 electrification. In awarding grants under this section, the
11 department must give consideration to diversity and equity values.

12 Sec. 1002. From the funds appropriated in part 1 for county
13 road association software, \$1,000,000.00 is appropriated to the
14 department for grant funding to the County Road Association of
15 Michigan as follows:

16 (a) \$500,000.00 for the development of a local road agency
17 field construction management software system consistent with
18 department and FHWA construction project reporting requirements.

19 (b) \$500,000.00 for the development of a local road agency
20 accounting software program consistent with 1951 PA 51, MCL 247.651
21 to 247.675, and department of treasury reporting requirements.

22 Sec. 1003. From the funds appropriated in part 1 for Miss Dig
23 grants, \$1,000,000.00 is appropriated to the department for grant
24 funding to Miss Dig as follows:

25 (a) \$500,000.00 for the development of utility mapping
26 including digitized records of utility facilities.

27 (b) \$500,000.00 for Miss Dig education and training
28 activities.

29 Sec. 1004. (1) From the funds appropriated in part 1 for

1 shared streets and spaces, the department shall establish and
2 administer a shared streets and spaces grant program.

3 (2) The shared streets and spaces program shall provide grant
4 funding, as provided in this section, to municipalities and public
5 transit agencies to implement improvements to plazas, sidewalks,
6 curbs, streets, bus stops, parking areas, and other public spaces
7 in support of public health, safe mobility, and strengthened
8 commerce.

9 (3) From the funds appropriated in part 1 for shared streets
10 and spaces, \$5,000,000.00 is appropriated for grants for new or
11 improved bicycle and pedestrian infrastructure intended to increase
12 safety and convenience of biking and walking. Eligible projects
13 include any of the following:

14 (a) New or improved pedestrian crossings, including new paint,
15 shortened crossings, better ramps, or refuge islands.

16 (b) Pedestrian signal upgrades at intersections or mid-block
17 crossings.

18 (c) Bike lanes.

19 (d) Trails or shared-use path connections.

20 (e) At-grade rail crossing improvements for bicyclists and
21 pedestrians.

22 (f) Bicycle parking.

23 (g) Pedestrian or bicyclist lighting.

24 (h) Pedestrian or bicyclist wayfinding.

25 (i) New bikeshare equipment.

26 (j) Bicycle-friendly drain grates.

27 (4) Grants for projects under the shared streets and spaces
28 grant program may be awarded up to \$200,000.00 per project to any
29 municipality or public transit agency.

1 (5) Projects funded through the shared streets and spaces
2 grant program must be established under a grant agreement that does
3 both of the following:

4 (a) Outlines milestones and activities that must be met in
5 order to receive a disbursement of funds.

6 (b) Identifies measurable project outcomes.

7 (6) As used in this section:

8 (a) "Municipality" means an incorporated city.

9 (b) "Public transit agency" means an eligible authority or
10 eligible governmental agency as those terms are defined in section
11 10c of 1951 PA 51, MCL 247.660c.

12 Sec. 1005. (1) From the funds appropriated in part 1 for speed
13 enforcement pilot project, the department shall establish an
14 automated speed enforcement pilot project. The purpose of the
15 project is to determine the effectiveness of automated speed
16 enforcement technology. The pilot project must include a study of
17 at least 1 school zone and 1 work zone.

18 (2) By not later than March 1, 2024, the department shall
19 submit a report to the state budget director, the chairs of the
20 house and senate committees on appropriations, the house and senate
21 appropriations subcommittees on transportation, and the house and
22 senate fiscal agencies on the outcome of the study. The report
23 shall include a description of project methodology, findings and
24 recommendations, and a breakdown of expenditures by vendor or
25 object.

26 Sec. 1006. From the 1-time funds appropriated in part 1 for
27 marine passenger capital grant, \$15,000,000.00 is appropriated and
28 must be used by the department for a grant for the acquisition of a
29 ferry to transport passengers and motor vehicles on the St. Mary's

1 River in Chippewa County. The grant shall be awarded to an eligible
2 authority or eligible governmental agency as defined in section 10c
3 of 1951 PA 51, MCL 247.660c.

4 Sec. 1007. From the funds appropriated in part 1 for S. S.
5 Badger conversion, \$5,000,000.00 must be used by the department for
6 a grant to support the conversion of the S. S. Badger from coal
7 power to electric and diesel power.

8 Sec. 1008. (1) From the funds appropriated in part 1 for local
9 road preservation, the department shall allocate and distribute
10 \$400,000,000.00 as follows:

11 (a) The department shall allocate \$400,000,000.00 to local
12 road agencies in each county in this state proportionately, based
13 on each county's population in relation to the total state
14 population. This allocation is the total county share.

15 (b) The department shall allocate and distribute the total
16 county share of each county as follows:

17 (i) The department shall allocate a percentage equal to that
18 county's municipal population as a municipal share.

19 (ii) The department shall distribute the municipal share to
20 each municipality in the county proportionately, based on each
21 municipality's population in relation to that county's municipal
22 population.

23 (iii) The department shall distribute the remainder of the total
24 county share to the county road agency.

25 (2) A local road agency receiving money under the local road
26 agency preservation program shall use the money for the
27 preservation of local roads and streets as defined in section 10c
28 of 1951 PA 51, MCL 247.660c.

29 (3) As used in this section:

1 (a) "Local road agency" means that term as defined in section
2 9a of 1951 PA 51, MCL 247.659a.

3 (b) "Municipality" means an incorporated city or village that
4 is also a local road agency.

5 (c) "Municipal population" means the percentage of a county's
6 population that resides in municipalities.

7 (d) "Population" means the population according to the most
8 recent federal decennial census.

9 (e) "Total county share" means the amount allocated to local
10 road agencies within a county under subsection (1)(a).

11 Sec. 1009. Funds appropriated in part 1 for rail grade
12 separation program shall be expended by the department to support a
13 grant program for the separation of motor vehicle traffic and
14 railroad traffic. Grant funds awarded under this program may be
15 used by local road agencies for design and construction related to
16 a grade separation project or a project that improves traffic at a
17 rail crossing without a full grade separation, including, but not
18 limited to, construction of a rail siding or spur. Projects shall
19 be selected for inclusion in the program subject to available
20 funding and according to the following criteria:

21 (a) Grade separation projects that will eliminate significant
22 blockages or backups.

23 (b) Grade separation projects that will have a positive impact
24 on the local economy, safety, and the efficient movement of goods
25 and people.

26 (c) Any other criteria established by the department.

27 Sec. 1010. (1) From the 1-time funds appropriated in part 1
28 for new technology and mobility, \$42,500,000.00 is appropriated to
29 the department to be used as follows:

1 (a) \$20,000,000.00 for implementation of aerial mobility and
2 drone infrastructure projects, including drone hubs, drone ports,
3 and last mile delivery.

4 (b) \$5,000,000.00 for Michigan mobility fund platform and
5 mobility public-private partnership and programming projects.

6 (c) \$5,000,000.00 for an inductive charging interoperability
7 pilot project.

8 (d) \$7,500,000.00 for a Lake Michigan electric vehicle circuit
9 tour project.

10 (e) \$5,000,000.00 for a Michigan e-bike purchase incentive
11 program.

12 (2) In implementing the appropriations in this section, the
13 department shall work with the office of future mobility and
14 electrification.

15 Sec. 1011. Funds appropriated in part 1 for MI contracting
16 opportunity shall be expended by the department to support
17 activities that enhance the development and availability of
18 contractors or suppliers for the delivery of the department's
19 programs that are socially or economically disadvantaged business
20 concerns as defined under section 100002 of the infrastructure
21 investment and jobs act, Public Law 117-58. These activities may
22 include, but are not limited to, the following:

23 (a) A revolving loan program to provide for bank fees and
24 initial project-based loans for socially or economically
25 disadvantaged businesses to participate in the delivery of the
26 department's programs. To provide for this program, an MI
27 contracting opportunity loan fund is created in the department. Any
28 funds deposited into the fund from the part 1 appropriation or
29 funds received by this state as repayment of past loans are

1 appropriated and shall be available for future loans. At the close
2 of the fiscal year, any unencumbered funds remaining in the fund
3 shall be carried forward into the succeeding fiscal year.

4 (b) Development of a small business mentor protégé program.

5 (c) A program to expand the availability of affordable
6 insurance options for eligible suppliers.

7 Sec. 1012. (1) From the funds appropriated in part 1, an
8 amount not to exceed \$20,000,000.00 is appropriated for a local
9 disaster relief fund. The local disaster relief fund shall provide
10 funding for a local disaster relief program. The local disaster
11 relief program shall provide grants to local road agencies in
12 response to natural disasters and other emergency events that
13 affect transportation infrastructure or operations.

14 (2) It is the intent of this legislature that the legislature
15 make appropriations in subsequent fiscal years to the local
16 disaster relief fund to maintain a fund balance sufficient to
17 respond to disasters and emergencies impacting local road agency
18 infrastructure and operations.

19 Sec. 1013. From the funds appropriated in part 1 for air
20 service/airport revitalization, \$7,000,000.00 is appropriated to
21 the department for grant funding to airports in this state as
22 follows:

23 (a) \$5,000,000.00 for air service development, air service
24 connectivity, and service retention.

25 (b) \$2,000,000.00 for capital development projects at general
26 aviation airports in this state. Capital development projects
27 include obstruction removal, pavement rehabilitation, fuel facility
28 construction, and terminal improvements.