

# HOUSE BILL NO. 6138

November 14, 2024, Introduced by Reps. Rheingans and Tsernoglou and referred to the Committee on Labor.

A bill to amend 1951 PA 51, entitled

"An act to provide for the classification of all public roads, streets, and highways in this state, and for the revision of that classification and for additions to and deletions from each classification; to set up and establish the Michigan transportation fund; to provide for the deposits in the Michigan transportation fund of specific taxes on motor vehicles and motor vehicle fuels; to provide for the allocation of funds from the Michigan transportation fund and the use and administration of the fund for transportation purposes; to promote safe and efficient travel for motor vehicle drivers, bicyclists, pedestrians, and other legal users of roads, streets, and highways; to set up and establish the truck safety fund; to provide for the allocation of funds from the

truck safety fund and administration of the fund for truck safety purposes; to set up and establish the Michigan truck safety commission; to establish certain standards for road contracts for certain businesses; to provide for the continuing review of transportation needs within the state; to authorize the state transportation commission, counties, cities, and villages to borrow money, issue bonds, and make pledges of funds for transportation purposes; to authorize counties to advance funds for the payment of deficiencies necessary for the payment of bonds issued under this act; to provide for the limitations, payment, retirement, and security of the bonds and pledges; to provide for appropriations and tax levies by counties and townships for county roads; to authorize contributions by townships for county roads; to provide for the establishment and administration of the state trunk line fund, local bridge fund, comprehensive transportation fund, and certain other funds; to provide for the deposits in the state trunk line fund, critical bridge fund, comprehensive transportation fund, and certain other funds of money raised by specific taxes and fees; to provide for definitions of public transportation functions and criteria; to define the purposes for which Michigan transportation funds may be allocated; to provide for Michigan transportation fund grants; to provide for review and approval of transportation programs; to provide for submission of annual legislative requests and reports; to provide for the establishment and functions of certain advisory entities; to provide for conditions for grants; to provide for the issuance of bonds and notes for transportation purposes; to provide for the powers and duties of certain state and local agencies and officials; to provide for the making of loans for transportation purposes by the state transportation department and for the receipt and repayment by local units and agencies of those loans from certain specified sources; to investigate and study the tolling of roads, streets, highways, or bridges; and to repeal acts and parts of acts,"

by amending section 18j (MCL 247.668j), as amended by 2014 PA 301.

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

1           Sec. 18j. (1) Beginning September 30, 2015, each local road  
2 agency shall annually certify to the department that it ~~satisfies 1~~  
3 ~~of the following conditions with respect to employees:~~

4           ~~(a) The local road agency has developed and publicized an~~  
5 employee compensation plan that the local road agency intends to

1 implement with any new, modified, or extended contract or  
 2 employment agreements for employees not covered under contract or  
 3 employment agreement. The employee compensation plan that each  
 4 local road agency plans to achieve ~~shall~~**must** be posted on a  
 5 publicly accessible internet site and ~~shall~~ be submitted to the  
 6 department. At a minimum, the employee compensation plan ~~shall~~**must**  
 7 include all of the following:

8       **(a) ~~(i)~~**—New employee hires who are eligible for retirement  
 9 plans are placed on retirement plans that cap annual employer  
 10 contributions at 10% of base salary for employees who are eligible  
 11 for ~~social security~~**Social Security** benefits. For employees who are  
 12 not eligible for ~~social security~~**Social Security** benefits, the  
 13 annual employer contribution is capped at 16.2% of base salary.

14       **(b) ~~(ii)~~**—For defined benefit pension plans, a maximum  
 15 multiplier of 1.5% for all employees who are eligible for ~~social~~  
 16 ~~security~~**Social Security** benefits, except, if postemployment health  
 17 care is not provided, the maximum multiplier ~~shall~~**must** be 2.25%.  
 18 For all employees who are not eligible for ~~social security~~**Social**  
 19 **Security** benefits, a maximum multiplier of 2.25%, except, if  
 20 postemployment health care is not provided, the maximum multiplier  
 21 ~~shall~~**must** be 3.0%. This ~~subparagraph~~**subdivision** does not apply to  
 22 years of service accrued prior to September 30, 2013, or to  
 23 contracts entered into prior to September 30, 2013.

24       **(c) ~~(iii)~~**—For defined benefit pension plans, final average  
 25 compensation for all employees is calculated using a minimum of 3  
 26 years of compensation and ~~shall~~**must** not include more than a total  
 27 of 240 hours of paid leave. Overtime hours ~~shall~~**must** not be used  
 28 in computing the final average compensation for an employee. This  
 29 ~~subparagraph~~**subdivision** does not apply to years of service accrued

1 prior to September 30, 2013, or to contracts entered into prior to  
2 September 30, 2013.

3 ~~(d) (iv) Health care premium costs for new employee hires.~~  
4 ~~shall include a minimum employee share of 20%; or, an employer's~~  
5 ~~share of the local health care plan costs shall be cost competitive~~  
6 ~~with the new state preferred provider organization health plan, on~~  
7 ~~a per-employee basis.~~

8 ~~(b) The local road agency complies with 1 of the following:~~

9 ~~(i) A local road agency that offers medical benefits to its~~  
10 ~~employees or elected public officials shall certify to the~~  
11 ~~department by September 30, 2015 that it is in compliance with the~~  
12 ~~publicly funded health insurance contribution act, 2011 PA 152, MCL~~  
13 ~~15.561 to 15.569. For purposes of this subparagraph, dental and~~  
14 ~~vision coverages are not considered medical benefits. The~~  
15 ~~department shall develop a certification process and method for~~  
16 ~~local road agencies to follow. A local road agency shall indicate~~  
17 ~~in a certification under this subparagraph whether it has exempted~~  
18 ~~itself from the publicly funded health insurance contribution act,~~  
19 ~~2011 PA 152, MCL 15.561 to 15.569, as provided in section 8 of the~~  
20 ~~publicly funded health insurance contribution act, 2011 PA 152, MCL~~  
21 ~~15.568.~~

22 ~~(ii) A local road agency that does not offer medical benefits~~  
23 ~~to its employees or elected public officials shall certify to the~~  
24 ~~department by September 30, 2015 that it does not offer medical~~  
25 ~~benefits to its employees or elected public officials. For purposes~~  
26 ~~of this subparagraph, dental and vision coverages are not~~  
27 ~~considered medical benefits. The department shall develop a~~  
28 ~~certification process and method for local road agencies to follow.~~

29 (2) If a local road agency does not make the certification

1 required under subsection (1), the department may withhold all or  
2 part of the distributions to the local road agency from the  
3 Michigan transportation fund under this act. A withholding under  
4 this subsection ~~shall continue~~**continues** for the period of  
5 noncompliance with subsection (1) by the local road agency.

6 (3) A county road commission shall 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) Current fiscal year budget.

10 (b) The number of active employees of the county road  
11 commission by job classification and wage rate.

12 (c) A financial performance dashboard that contains  
13 information on revenues, expenditures, and unfunded liabilities.  
14 The county road commission may link to financial information  
15 provided by the Michigan transportation asset management council.

16 (d) The names and contact information for the governing body  
17 of the county road commission.

18 (e) A copy of the certification required by subsection (1).

19 (4) The department shall maintain a searchable website  
20 accessible by the public at no cost. A website maintained by the  
21 department under this subsection ~~shall~~**must** include, but is not  
22 limited to, the following:

23 (a) Current fiscal year budget.

24 (b) The number of active employees of the department by job  
25 classification and wage rate.

26 (c) A financial performance dashboard that contains  
27 information on revenues, expenditures, and unfunded liabilities.  
28 The department may link to financial information provided by the  
29 Michigan transportation asset management council.

1 (d) The names and contact information for the governing body  
2 of the department.

3 (5) A county road commission may develop and operate its own  
4 website to provide the information required under subsection (3),  
5 or the county road commission may reference this state's central  
6 transparency website as the source for the information required  
7 under subsection (3). If a county road commission does not have a  
8 website, the county road commission may post the information  
9 required under subsection (3) on the website for the county within  
10 which the county road commission is located or on the website of a  
11 statewide road association of which the county road commission is a  
12 member.

13 Enacting section 1. This amendatory act does not take effect  
14 unless Senate Bill No. \_\_\_\_ or House Bill No. 6136(request no.  
15 02062'23) of the 102nd Legislature is enacted into law.