

STATE TRUNK LINE HIGHWAY SYSTEM (EXCERPT)

Act 51 of 1951

247.660/ Return of audit as credit to cities, villages, and townships; expenditure of credit; use of unexpended credit; final decision; expenditure by county as condition prohibited; coordination of services; "operating deficit" defined.

Sec. 10l. (1) Subject to subsections (2) and (3), for each 12-month period beginning October 1, 1987, and each 12-month period thereafter, \$2,000,000.00 shall be returned from the distribution under section 10e(4)(a) by each eligible authority organized or continued under the regional transit authority act as a credit to those cities, villages, and townships within the authority that receive credits under this section or that are eligible to receive credits as of October 1, 2001 if the city, village, or township applies to the authority for the credit in accordance with procedures and standards established by the authority. The return of money in terms of a credit shall be based upon the population of each city, village, or township within the authority.

(2) For each 12-month period described in subsection (1), a city, village, or township described in subsection (1) may apply to the authority to use its credit for public transportation purposes within the authority's jurisdiction. However, the money returned as a credit to any city, village, or township that provides public transportation service for that city, village, or township shall be used exclusively toward reducing the operating deficit of that service. Any service provided by the city, township, or village utilizing the credit received under this section shall be operated by the authority returning the money in terms of a credit on a contractual basis with each city, village, or township or with a combination of cities, villages, and townships. If a city, township, or village has not applied to the authority to utilize its credit pursuant to this subsection by the last day of the 12-month period, that municipality's share of the money credited pursuant to subsection (1) shall be used by the authority for an expenditure within the county within which the city, village, or township lies.

(3) A city, village, or township that has applied for and received approval from the authority for use of its credit pursuant to subsection (2) shall have 1 year after the end of the period in which the application was made to actually expend that credit. A credit not actually expended by the city, village, or township by the last day of the year after the end of the period in which the application was made shall be used by the authority for an expenditure within the county within which the city, village, or township lies.

(4) Notwithstanding any other section of this or any other act, each authority authorized by this section to return money in terms of a credit shall have the final decision as to what constitutes a proper expenditure, a public transportation service, or a public transportation purpose under subsections (2) and (3).

(5) The expenditure of the amounts required to be expended under subsections (2) and (3) shall not be conditioned on an expenditure by a county in which the expenditure is required to be expended.

(6) An authority shall retain the ability to coordinate services between contracting cities, villages, and townships or groups of cities, villages, or townships.

(7) As used in this section, "operating deficit" means the operating cost of a public transportation service less the revenues generated by the service.

History: Add. 1982, Act 438, Eff. Jan. 1, 1983;—Am. 1987, Act 234, Imd. Eff. Dec. 28, 1987;—Am. 2012, Act 391, Imd. Eff. Dec. 19, 2012.

Compiler's note: Former MCL 247.660l, pertaining to operation of authority within transportation district, expired October 10, 1982.

Popular name: McNitt Act

Popular name: Michigan Transportation Fund Act