SUBSTITUTE FOR HOUSE BILL NO. 5284

A bill to make appropriations for the state transportation department and certain transportation purposes for the fiscal year ending September 30, 2001; to provide for the imposition of fees; to provide for reports; to create certain funds and programs; to prescribe requirements for certain railroad and bus facilities; to prescribe certain powers and duties of certain state departments and officials and local units of government; and to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

5 department and certain state purposes designated in this act for the	1	PART 1
4 amounts listed in this part are appropriated for the state transportates 5 department and certain state purposes designated in this act for the 6 fiscal year ending September 30, 2001, from the funds indicated in this	2	LINE-ITEM APPROPRIATIONS
5 department and certain state purposes designated in this act for the 6 fiscal year ending September 30, 2001, from the funds indicated in this	3	Sec. 101. Subject to the conditions set forth in this act, the
6 fiscal year ending September 30, 2001, from the funds indicated in this	4	amounts listed in this part are appropriated for the state transportation
	5	department and certain state purposes designated in this act for the
7 part. The following is a summary of the appropriations in this part:	6	fiscal year ending September 30, 2001, from the funds indicated in this
	7	part. The following is a summary of the appropriations in this part:
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2

For Fiscal Year Ending September 30, 2001

1,000,000

1	STATE TRANSPORTATION DEPARTMENT	
2	APPROPRIATION SUMMARY:	
3	Full-time equated unclassified positions6.0	
4	Full-time equated classified positions3,176.3	
5	GROSS APPROPRIATION	\$ 3,003,294,600
6	Total interdepartmental grants and intradepartmental	
7	transfers	10,459,500
8	ADJUSTED GROSS APPROPRIATION	\$ 2,992,835,100
9	Federal revenues:	
10	DOT-Federal transit act	52,200,000
11	DOT-FHWA, highway research, planning, and	
12	construction	881,239,000
13	DOT-FRA, local rail service assistance	500,000
14	DOT-FRA, rail passenger/HSGT	3,000,000
15	Total federal revenues	936,939,000
16	Special revenue funds:	
17	Total local revenues	5,700,000
18	Total private revenues	0
19	Total local and private revenues	5,700,000
20	Michigan transportation fund	1,031,653,000
21	Economic development fund	57,315,000
22	State trunkline fund	707,505,400
23	State aeronautics fund	9,043,400
24	Comprehensive transportation fund	229,146,600
25	Blue water bridge fund	12,532,700
~ ~		1 000 000

Intercity bus equipment fund.....

	House Bill No. 5284 For Fiscal Year Ending September 30, 2001
1	Rail preservation fund
2	Total other state restricted revenues
3	State general fund/general purpose\$
4	Sec. 102. DEBT SERVICE
5	State trunkline\$ 35,900,800
6	Trunkline bonds, series 1989A-EDF (\$100,000,000) 6,606,900
7	Critical bridge
8	Blue water bridge
9	Comprehensive transportation
10	GROSS APPROPRIATION\$ 69,514,100
11	Appropriated from:
12	Special revenue funds:
13	Comprehensive transportation fund
14	Michigan transportation fund
15	State trunkline fund
16	Blue water bridge fund
17	Economic development fund
18	State general fund/general purpose\$
19	Sec. 103. INTERDEPARTMENT AND STATUTORY CONTRACTS
20	Michigan transportation fund (MTF)
21	MTF grant to department of environmental quality \$ 855,500
22	MTF grant to department of state
23	MTF grant to legislative auditor general
24	State trunkline fund (STF)
25	STF grant to department of attorney general 2,590,400
26	STF grant to department of civil service

	House Bill No. 5284 For Fiscal September	Year Ending r 30, 2001
1	STF grant to department of management and budget	889,500
2	STF grant to department of state police	6,574,200
3	STF grant to department of treasury	32,200
4	STF grant to legislative auditor general	362,100
5	State aeronautics fund (SAF)	
6	SAF grant to department of attorney general	119,800
7	SAF grant to department of civil service	50,000
8	SAF grant to department of management and budget	26,600
9	SAF grant to department of treasury	63,900
10	SAF grant to legislative auditor general	31,100
11	Comprehensive transportation fund (CTF)	
12	CTF grant to department of civil service	90,000
13	CTF grant to department of management and budget	50,200
14	CTF grant to department of treasury	4,900
15	CTF grant to legislative auditor general	47,600
16	GROSS APPROPRIATION\$	68,868,400
17	Appropriated from:	
18	Special revenue funds:	
19	Comprehensive transportation fund	192,700
20	Michigan transportation fund	56,655,900
21	State aeronautics fund	291,400
22	State trunkline fund	11,728,400
23	State general fund/general purpose\$	0
24	Sec. 104. EXECUTIVE DIRECTION	
25	Full-time equated unclassified positions6.0	
26	Full-time equated classified positions33.3	

	House Bill No. 5284 For Fiscal Year English September 30, 20	nding 101
1	Unclassified salaries\$ 511	1,600
2	State transportation commission (per diem payments)	7,200
3	Commission audit33.3 FTE positions	3,600
4	GROSS APPROPRIATION\$ 3,407	7,400
5	Appropriated from:	
6	Special revenue funds:	
7	State trunkline fund	7,400
8	State general fund/general purpose\$	0
9	Sec. 105. ADMINISTRATIVE SERVICES	
10	Full-time equated classified positions146.7	
11	Administration and data center108.7 FTE positions \$ 27,462	2,600
12	Property management),600
13	Human resources33.0 FTE positions	3,500
14	Economic development administration5.0 FTE	
15	positions 500	700
16	Worker's compensation	5,000
17	GROSS APPROPRIATION\$ 39,913	3,400
18	Appropriated from:	
19	Special revenue funds:	
20	Economic development fund	7,800
21	State aeronautics fund	3,300
22	Comprehensive transportation fund	7,600
23	Michigan transportation fund	0,400
24	State trunkline fund	9,300
25	State general fund/general purpose\$	0
26	Sec. 106. BUREAU OF FINANCE AND ADMINISTRATION	

	House Bill No. 5284 For Fiscal Year Ending September 30, 2001
1	Full-time equated classified positions254.5
2	Administration254.5 FTE positions\$ 20,486,700
3	GROSS APPROPRIATION\$ 20,486,700
4	Appropriated from:
5	Special revenue funds:
6	Michigan transportation fund
7	State trunkline fund
8	State general fund/general purpose\$
9	Sec. 107. BUREAU OF TRANSPORTATION PLANNING
10	Full-time equated classified positions185.1
11	Administration185.1 FTE positions\$ 27,519,800
12	Grants to regional planning councils
13	GROSS APPROPRIATION\$ 28,008,600
14	Appropriated from:
15	Federal revenues:
16	DOT-FHWA, highway research, planning, and
17	construction
18	Special revenue funds:
19	State aeronautics fund
20	Comprehensive transportation fund
21	Michigan transportation fund
22	State trunkline fund
23	State general fund/general purpose\$
24	Sec. 108. BUREAU OF HIGHWAYS
25	Full-time equated classified positions1,655.2
26	Engineering operations820.1 FTE positions \$ 32,980,200

	House Bill No. 5284 For Fiscal Year Ending September 30, 2001
1	Maintenance operations78.0 FTE positions 6,918,300
2	Program services757.1 FTE positions
3	GROSS APPROPRIATION\$ 77,192,700
4	Appropriated from:
5	IDT - intradepartmental charges
6	Federal revenues:
7	DOT-FHWA, highway research, planning, and
8	construction
9	Special revenue funds:
10	Michigan transportation fund
11	State trunkline fund
12	State general fund/general purpose\$
13	Sec. 109. HIGHWAY MAINTENANCE
14	Full-time equated classified positions704.0
15	State trunkline operations704.0 FTE positions \$ 105,508,300
16	Contract operations
17	GROSS APPROPRIATION\$ 235,229,000
18	Appropriated from:
19	IDT - intradepartmental charges
20	Special revenue funds:
21	State trunkline fund
22	State general fund/general purpose\$
23	Sec. 110. ROAD AND BRIDGE PROGRAMS
24	State trunkline federal aid and road and bridge
25	construction\$ 933,730,400
26	Local federal aid and road and bridge construction 233,293,000

	House Bill No. 5284 Fo	r Fi Sept	scal Year tember 30,	Ending 2001
1	Grants to local programs		33,0	000,000
2	Rail grade crossing		3,0	000,000
3	Critical bridge program		5,5	750,000
4	County road commissions		589,6	521,700
5	Cities and villages		328,5	740,500
6	GROSS APPROPRIATION	\$	\$ 2,127,1	135,600
7	Appropriated from:			
8	Federal revenues:			
9	DOT-FHWA, highway research, planning, and			
10	construction		860,0	039,000
11	Special revenue funds:			
12	Local funds		5,0	000,000
13	Michigan transportation fund		959,3	362,200
14	State trunkline fund		302,5	734,300
15	State trunkline fund (local program fund)			100
16	State general fund/general purpose	\$	5	0
17	Sec. 111. BLUE WATER BRIDGE			
18	Full-time equated classified positions34	.0		
19	Blue water bridge operations34.0 FTE positions	٠. ۶	10,2	224,200
20	GROSS APPROPRIATION	٠. ۶	3 10,2	224,200
21	Appropriated from:			
22	Special revenue funds:			
23	Blue water bridge fund	• •	10,2	224,200
24	State general fund/general purpose	٠. \$	5	0
25	Sec. 112. TRANSPORTATION ECONOMIC DEVELOPMENT F	UND		
26	Forest roads	\$	\$ 5,0	040,000

	House Bill No. 5284 For Fiscal Year Ending 9 September 30, 2001	J
1	Rural county urban system	C
2	Target industries/economic redevelopment 23,065,10	C
3	Urban county congestion	C
4	Rural county primary	<u>)</u>
5	GROSS APPROPRIATION\$ 50,170,30	C
6	Appropriated from:	
7	Special revenue funds:	
8	Economic development fund	C
9	State general fund/general purpose\$	0
10	Sec. 113. BUREAU OF AERONAUTICS	
11	Full-time equated classified positions57.0	
12	Administration57.0 FTE positions\$ 6,773,20	C
13	Air service program	<u>)</u>
14	GROSS APPROPRIATION\$ 7,773,20	C
15	Appropriated from:	
16	Special revenue funds:	
17	State aeronautics fund	C
18	State general fund/general purpose\$	О
19	Sec. 114. BUREAU OF URBAN AND PUBLIC TRANSPORTATION	
20	Full-time equated classified positions106.5	
21	Administration106.5 FTE positions	<u>)</u>
22	GROSS APPROPRIATION\$ 8,673,20	C
23	Appropriated from:	
24	Special revenue funds:	
25	Comprehensive transportation fund	Э
26	Michigan transportation fund	C

	House Bill No. 5284 For	r Fiscal Septembe	Year Ending r 30, 2001
1			0
2	sec. 115. BUS TRANSIT DIVISION; STATUTORY OPERA	TING	
3	Local bus operating	\$	150,576,300
4	Nonurban operating/capital		8,900,000
5	GROSS APPROPRIATION	\$	159,476,300
6	Appropriated from:		
7	Federal revenues:		
8	DOT-federal transit act		8,700,000
9	Special revenue funds:		
10	Comprehensive transportation fund		150,576,300
11	Local funds		200,000
12	State general fund/general purpose	\$	0
13	Sec. 116. INTERCITY PASSENGER AND FREIGHT		
14	Freight property management	\$	1,893,300
15	Detroit/Wayne County port authority		408,500
16	Intercity bus equipment		3,324,500
17	Rail passenger service		9,000,000
18	Freight preservation and development		6,828,000
19	Rail infrastructure loan program		2,000,000
20	Intercity bus service development		2,225,500
21	Marine passenger service		800,000
22	Terminal development		1,000,000
23	GROSS APPROPRIATION	\$	27,479,800

Appropriated from:

Federal revenues:

24

25

	House Bill No. 5284 For F	iscal Year Ending tember 30, 2001
1	DOT-FRA, local rail service assistance	500,000
2	DOT-FRA, rail passenger/HSGT	3,000,000
3	Special revenue funds:	
4	Rail preservation fund	2,000,000
5	Intercity bus equipment fund	1,000,000
6	Comprehensive transportation fund	19,729,800
7	Local funds	50,000
8	State general fund/general purpose	\$ 0
9	Sec. 117. PUBLIC TRANSPORTATION DEVELOPMENT	
10	Specialized services	\$ 3,749,500
11	Municipal credit program	2,000,000
12	Bus capital	56,442,300
13	Ride sharing	330,700
14	Van pooling	195,000
15	Bus property management	100,000
16	Service development and new technology	1,675,000
17	Planning grants	120,000
18	Audit settlements	150,000
19	Regional service coordination	1,000,000
20	Work first initiative	3,979,200
21	GROSS APPROPRIATION	\$ 69,741,700
22	Appropriated from:	
23	Federal revenues:	
24	DOT-federal transit act	42,300,000
25	Special revenue funds:	
26	Comprehensive transportation fund	26,991,700

Suk	o. H.B. 5284 (H-1) as amended March 22, 2000 For Fis 12 Sept	scal Year Ending cember 30, 2001
1	Local funds	450,000
2	State general fund/general purpose	\$ 0
3		
4		
5	PART 2	
6	PROVISIONS CONCERNING APPROPRIATIONS	
7	GENERAL SECTIONS	
8	Sec. 201. [Pursuant to section 30 of article IX of t	the state
9	constitution of 1963, total state spending from state res	sources under
10	part 1 for fiscal year 2000-2001 is \$2,050,196,100.00 and	d state
11	spending from state resources to be paid to local units of	of government
12	for fiscal year 2000-2001 is \$1,157,733,500.00.] The ite	emized statement
13	below identifies appropriations from which spending to un	nits of local
14	government will occur:	
15	DEPARTMENT OF TRANSPORTATION	
16	Local grant program \$	\$ 33,000,000
17	Economic development fund	27,105,200
18	Grants to cities and villages	328,740,500
19	Grants to county road commissions	589,621,700
20	Critical bridge program	5,750,000
21	Grants to regional planning councils	488,800
22	Local bus operating	150,576,300
23	Bus capital	15,042,300
24	Marine passenger service	800,000
25	Detroit/Wayne County port authority	408,500
26	Local ride sharing operating grants	330,700

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Sub. H.B. 5284 (H-1) as amended March 22, 2000
                                                         13
     Planning grants.....
 1
                                                                 120,000
 2
    Municipal credit program.....
                                                               2,000,000
 3
     Specialized services.....
                                                             3,749,500
 4
     Total payments to local units of government..... $
                                                           1,157,733,500
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12
       [Sec. 202. The appropriations authorized under this act are
13 subject to the management and budget act, 1984 PA 431, MCL 18.1101 to
14 18.1594.
15
          ]
16
17
       Sec. 203. As used in this act:
            "CTF" means comprehensive transportation fund.
18
       (a)
19
       (b)
            "Department" means the department of transportation.
            "DOT" means the United States department of transportation.
20
       (C)
            "DOT-FHWA" means DOT, federal highway administration.
21
       (d)
            "DOT-FRA" means DOT, federal railroad administration.
22
       (e)
            "DOT-FRA, rail passenger/HSGT" means DOT, federal railroad
23
       (f)
24 administration, high-speed ground transportation.
            "EDF" means economic development fund.
25
       (g)
26
       (h)
            "FTE" means full-time equated.
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Sub. H.B. 5284 (H-1) as amended March 22, 2000
                                                              14
 1
        (i)
             "IDT" means intradepartmental transfer.
             "MDTR" means Michigan department of treasury.
 2
        (j)
 3
             "MTF" means Michigan transportation fund.
        (k)
             "RIF" means recreation improvement fund.
 4
        (1)
 5
        (m)
             "RTCC" means regional transit coordinating council.
             "SAF" means state aeronautics fund.
 6
        (n)
             "STF" means state trunkline fund.
 7
        (0)
 8
                      The department of civil service shall bill
 9 departments and agencies at the end of the first fiscal quarter for
10 the 1% charge authorized by section 5 of article XI of the state
11 constitution of 1963. Payments shall be made for the total amount
12 of the billing by the end of the second fiscal quarter.
13
14
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23
         Sec. 205. (1) Beginning October 1, a hiring freeze is imposed
24
25 on the state classified civil service. State departments and
26 agencies are prohibited from hiring any new full-time state
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Sub. H.B. 5284 (H-1) as amended March 22, 2000

- 1 classified civil service employees and prohibited from filling any
- vacant state classified civil service positions. This hiring freeze does not apply to internal transfers of classified employees from 1 position to another within a department or to positions that are funded with 80% or more federal or restricted funds.
 (2) The state budget director shall grant exceptions to this hiring freeze when the state budget director believes that the hiring freeze will result in rendering a state department or agency unable to deliver basic services. The state budget director shall report by the fifteenth of each month to the chairpersons of the senate and house of representatives standing committees on appropriations the number of exceptions to the hiring freeze approved during the previous month and the justification for the exception.]
- 3 Sec. 206. (1) In addition to the funds appropriated in part 1,
- 4 there is appropriated an amount not to exceed \$100,000,000.00 for federal
- 5 contingency funds. These funds are not available for expenditure until
- 6 they have been transferred to another line item in this act pursuant to
- 7 section 393(2) of the management and budget act, 1984 PA 431,
- 8 MCL 18.1393.
- 9 (2) In addition to the funds appropriated in part 1, there is appro-
- 10 priated an amount not to exceed \$40,000,000.00 for state restricted con-
- 11 tingency funds. These funds are not available for expenditure until they
- 12 have been transferred to another line item in this act pursuant to sec-
- 13 tion 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.
- 14 (3) In addition to the funds appropriated in part 1, there is appro-
- 15 priated an amount not to exceed \$1,000,000.00 for local contingency
- 16 funds. These funds are not available for expenditure until they have
- 17 been transferred to another line item in this act pursuant to section
- 18 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.
- 19 (4) In addition to the funds appropriated in part 1, there is appro-
- 20 priated an amount not to exceed \$1,000,000.00 for private contingency
- 21 funds. These funds are not available for expenditure until they have
- 22 been transferred to another line item in this act pursuant to section
- 23 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.
- 24 [Sec. 207. At least 60 days before beginning any effort to
- 25 privatize, the department shall submit a complete project plan to
- 26 the appropriate senate and house of representatives appropriations

Sub. H.B. 5284 (H-1) as amended March 22, 2000

1 subcommittees and the senate and house fiscal agencies. The plan

2 shall include the criteria under which the privatization initiative will be evaluated. The evaluation shall be completed and submitted to the appropriate senate and house of representatives appropriations subcommittees and the senate and house fiscal

16

appropriations subcommittees and the senate and house fiscal agencies within 30 months.

Sec. 208. The department shall continue to pilot the use of the Internet to fulfill the reporting requirements of this act. This may include transmission of reports via electronic mail to the recipients identified for each reporting requirement or it may include placement of reports on the Internet or legislative Intranet site. The senate and house of representatives appropriations subcommittees and senate and house fiscal agencies shall be notified in writing of the Internet or Internet site of any such report in writing of the Internet or Intranet site of any such report. Quarterly, the department shall provide a cumulative listing of the reports submitted during the most recent 3-month period along with the Internet or Intranet site of each report, and a list of those reports expected to be transmitted in the following quarter.

Sec. 209. Funds appropriated in part 1 shall not be used for

4 the purchase of foreign goods or services, or both, if competitively

5 priced and of comparable quality American goods or services, or

6 both, are available.

7

Sec. 210. The director of each department receiving appropriations in part 1 shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contacts to provide services or supplies, or both. Each director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.]

8 DEPARTMENTAL SECTIONS

- 9 Sec. 301. (1) The department may establish a fee schedule and col-
- 10 lect fees sufficient to cover the costs to issue the permits that the
- 11 department is authorized by law to issue upon request, and for which fees
- 12 are not otherwise stipulated by law.
- (2) A bridge authority shall hold 3 public hearings on a change in 13
- 14 any toll charged by the authority at least 30 days before the toll change
- 15 will become effective. Two of the hearings shall be held within 5 miles
- 16 of the bridge over which the bridge authority has jurisdiction. One
- 17 hearing shall be held in Lansing.
- 18 Sec. 302. The department shall prepare an official transportation
- 19 map that shall be distributed without charge. Each legislator shall
- 20 receive a quantity of maps as determined by the legislative council.
- 21 Sec. 303. On request, the department shall provide to a legislator,
- 22 in writing, a report on the amount of money to be received by each city
- 23 and village and the county road commission of each county, that is
- 24 included in whole or in part within the legislator's legislative
- 25 district.

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- 1 Sec. 304. If, as a requirement of bidding on a highway project, the
- 2 department requires a contractor to submit financial or proprietary docu-
- 3 mentation as to how the bid was calculated, that bid documentation shall
- 4 be kept confidential and shall not be disclosed other than to a depart-
- 5 ment representative without the contractor's written consent. The
- 6 department may disclose the bid documentation if necessary to address or
- 7 defend a claim by a contractor.
- 8 Sec. 305. The department may permit space on public passenger
- 9 transportation properties to be occupied by public or private tenants on
- 10 a competitive market rate basis. The department may require that revenue
- 11 from the tenants be placed in an account to be used to pay the costs to
- 12 maintain and improve the property.
- Sec. 306. From the funds appropriated in part 1, the auditor gen-
- 14 eral shall conduct an audit of charges to transportation funds by state
- 15 departments. The auditor general shall prepare a detailed report, with
- 16 recommendations and conclusions, including a list of services charged to
- 17 transportation funds, the appropriateness of those charges, and the cost
- 18 allocation methodologies used in determining the level of funding, and
- 19 provide the report, upon request, to any member of the senate and house
- 20 of representatives and to the senate and house fiscal agencies by March
- **21** 1, 2001.
- 22 Sec. 307. Before February 1 of each year, the department will pro-
- 23 vide to the legislature and to the house and senate fiscal agencies its
- 24 rolling 5-year plan listing by county or by county road commission all
- 25 highway construction projects for the fiscal year and all expected
- 26 projects for the ensuing fiscal years.

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Sub. H.B. 5284 (H-1) as amended March 22, 2000
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 1
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 3
                                       ]
 4
        Sec. 309. The department and local road agencies that receive
 5 appropriations under this act shall pursue compliance with contract spec-
 6 ifications for construction and maintenance of state highways and local
 7 roads and streets. Work shall not be accepted and paid for until it com-
 8 plies with contract requirements. Contractors with unsatisfactory per-
 9 formance ratings shall be restricted from future bidding through the pre-
10 qualification process established by the department or a local road
11 agency. The department, county road commissions, and cities and villages
12 shall report to the house of representatives and senate appropriations
13 subcommittees on transportation on their respective activities under this
14 section.
15
        Sec. 311. The department shall continue its efforts to reduce
16 administrative costs and provide the maximum funding possible for con-
17 struction projects.
        Sec. 313. To facilitate an informed and cooperative relationship
18
19 between the transportation commission and the legislature, the department
20 shall provide in a timely manner copies of the agenda and approved
21 minutes of monthly transportation commission meetings to the members of
22 the house and senate appropriations subcommittees on transportation, the
23 house and senate fiscal agencies, and the state budget director.
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        [
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   05716'00 (H-1)
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Sub. H.B. 5284 (H-1) as amended March 22, 2000
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 4
        Sec. 315. The department shall not use funds appropriated under
 5 part 1 on behalf of a local governmental unit to pay the amount required
 6 for that local governmental unit to participate in the federal advance
 7 construct program.
        Sec. 316. At the close of the fiscal year ending September 30,
 9 2001, any unencumbered and unexpended balance in the state trunkline fund
10 shall remain in the state trunkline fund and shall carry forward and be
11 appropriated for federal aid road and bridge programs for projects con-
12 tained in the annual state transportation program.
13
        Sec. 317. (1) From funds appropriated in part 1, the department may
14 increase a state infrastructure bank program and grant or loan funds in
15 accordance with regulations of the state infrastructure bank program of
16 the United States department of transportation. The state infrastructure
17 bank is to be administered by the department for the purpose of providing
18 a revolving, self-sustaining resource for financing transportation infra-
19 structure projects.
20
        (2) In addition to funds provided in subsection (1), money received
21 by the state as federal grants, repayment of state infrastructure bank
22 loans, or other reimbursement or revenue received by the state as a
23 result of projects funded by the program shall be deposited in the
24 revolving state infrastructure bank fund and shall be available for
25 transportation infrastructure projects. At the close of the fiscal year,
26 any funds remaining in the state infrastructure bank fund shall remain in
27 the fund and be carried forward into the succeeding fiscal year.
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Sub. H.B. 5284 (H-1) as amended March 22, 2000
                                                               20
 1
        Sec. 319. The department shall provide a report prepared by the
 2 department's internal auditor on the activities of the internal auditor
 3 for the prior fiscal year. This report shall include a listing of each
 4 audit or investigation performed by the internal auditor pursuant to sec-
 5 tions 486(4) and 487 of the management and budget act, 1984 PA 431,
 6 MCL 18.1486 and 18.1487. The report shall identify the proportion of
 7 time spent on each of the statutory responsibilities listed in sections
 8 485(4), 486(4), and 487 of the management and budget act, 1984 PA 431,
 9 MCL 18.1485, 18.1486, and 18.1487, and the time spent on all other activ-
10 ities performed in the internal audit function. The report shall be due
11 biennially beginning on May 1, 2001 and shall be submitted to the gover-
12 nor, auditor general, the senate and house of representatives appropria-
13 tions committees, the senate and house fiscal agencies, and the
14 director.
15
        Sec. 321. The legislature recommends that the department adopt
16 standard English units of weight and measure on all road and bridge con-
17 struction, maintenance, and improvement projects.
        [
18
19
20
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25
        Sec. 325. Funds appropriated in section 104 for state
26
27 transportation commission per diem payments shall provide daily per diem
   05716'00 (H-1)
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Sub. H.B. 5284 (H-1) as amended March 22, 2000
                                                              21
 1 payments of $100.00 to each of the 6 appointed members of the state
 2 transportation commission for all scheduled public state transportation
 3 commission meetings, with annual distributions of not more than $1,200.00
 4 to each appointed member.
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11
        Sec. 329. The department shall continue its program to increase the
12
13 use of women and minority owned businesses in state and local road con-
14 struction projects. This program shall comprise, at a minimum, outreach
15 and education efforts to inform women and minority owned firms of depart-
16 ment competitive bidding processes and requirements, and an assessment of
17 the availability of surety for women and minority owned businesses.
18 department shall report by March 31, 2001 to the house of representatives
19 and senate appropriations subcommittees on transportation and the house
20 and senate fiscal agencies of its progress in complying with this
21 section.
        Sec. 331. The department shall post signs at each rest area to
22
23 identify the agency or contractor responsible for maintenance of the rest
24 area. The signs shall include a department telephone number and shall
25 indicate that unsafe or unclean conditions at the rest area may be
26 reported to that telephone number.
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- 1 Sec. 333. The department shall work in collaboration with the
- 2 family independence agency regarding summer youth programs. The programs
- 3 shall seek to employ at-risk youth in street and highway beautification
- 4 projects.
- 5 Sec. 334. With regard to interdepartmental contracts between the
- 6 department and the attorney general, the department shall determine how
- 7 much time the attorney general spends on services financed with transpor-
- 8 tation funds. The determination shall include a breakdown of the
- 9 following:
- 10 (a) The time spent by the attorney general on activities which are
- 11 general in nature and which are of benefit to all transportation programs
- 12 or which cannot be readily identified with specific transportation
- 13 programs.
- 14 (b) The time spent by the attorney general on activities which are
- 15 of specific benefit to state trunkline programs, local road agency pro-
- 16 grams, public transportation programs, and aeronautics programs,
- 17 respectively.
- 18 Sec. 335. From the funds appropriated in part 1, the department
- 19 shall begin the redesign and construction process, which may include
- 20 traffic studies, preliminary engineering, right-of-way acquisition, and
- 21 construction, of "T" intersections in areas deemed critical by the
- 22 department.
- 23 Sec. 336. From the funds appropriated in part 1, the department
- 24 shall begin the construction process, which may include traffic studies,
- 25 preliminary engineering, right-of-way acquisition, and construction, of
- 26 pedestrian overpasses deemed critical by the department.

[Sec. 337. The department may provide funding for widening and resurfacing Grand River avenue between Beck and Novi roads, in the city of Novi, and in coordination with current project improvements.]

1 FEDERAL

- 2 Sec. 401. When the department receives authorization from the fed-
- 3 eral government to commit transportation funds pursuant to federal appro-
- 4 priations, it shall present to the senate and house of representatives
- 5 appropriations transportation subcommittees and the senate and house

23

- 6 fiscal agencies, the federal amounts and categories authorized and the
- 7 department's recommendation for distribution of these funds. If a recom-
- 8 mendation or recommendations are not disapproved within 30 business days
- 9 by either the senate or house of representatives appropriations transpor-
- 10 tation subcommittees, then the recommendation or recommendations shall be
- 11 considered as approved. If either the senate or house of representatives
- 12 appropriations transportation subcommittee disapproves the proposed dis-
- 13 tribution, then the senate and house of representatives appropriations
- 14 transportation subcommittees and the department shall hold a joint meet-
- 15 ing on the issue to arrive at a final distribution. If no agreement is
- 16 reached between the parties, the department's distribution shall stand.
- Sec. 402. (1) Twenty-three to twenty-seven percent of the DOT-FHWA
- 18 highway research, planning, and construction federal funds appropriated
- 19 in section 110 shall be allocated to programs administered by local
- 20 jurisdictions after deduction of the following:
- 21 (a) Funds that are specifically allocated at the federal level to
- 22 the state or local jurisdictions.
- 23 (b) Funds allocated by the department to the state and to local
- 24 jurisdictions through a competitive process.
- 25 (2) Federal aid excluded from the calculation of funding allocated
- 26 to programs administered by local jurisdictions in subsection (1)
- 27 includes, but is not limited to, congestion mitigation and air quality

1 funds, federal bridge funds, transportation enhancement funds, funds

24

- 2 distributed at the discretion of the United States secretary of transpor-
- 3 tation, and congressionally designated funds.
- 4 (3) The funds shall be distributed to eligible local agencies for
- 5 transportation purposes in a manner consistent with state and federal
- 6 law.
- 7 (4) It is the intent of the legislature that federal aid to highways
- 8 allocated to local jurisdictions in subsection (1) be distributed in a
- 9 manner that produces a 25% average allocation of applicable funds to pro-
- 10 grams for local jurisdictions in each fiscal year through the fiscal year
- 11 ending September 30, 2005. The average allocation of applicable federal
- 12 aid to highway funds to programs for local jurisdictions shall be the
- 13 average of the amount distributed to local jurisdictions under subsection
- 14 (1) and similarly calculated distributions in each succeeding fiscal
- **15** year.
- 16 (5) Thirty percent of all federal aid bridge funds shall be allo-
- 17 cated to the critical bridge fund for the purpose of repairing or replac-
- 18 ing bridges in the local off-system categories and local on-system
- 19 categories.
- 20 (6) The allocation percentage described in subsection (1) shall be
- 21 adjusted to reflect any voluntary agreements made by the department with
- 22 local jurisdictions regarding the transfer of federal aid eligible road-
- 23 ways or the state buyout of local federal aid.
- 24 (7) The department shall not borrow against the critical bridge fund
- 25 for the first 9 months of the fiscal year.
- 26 Sec. 404. The appropriation in part 1 for grants to regional
- 27 planning councils shall not be distributed until the regional planning

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- 25
- 1 councils submit to the department a work plan for the ensuing fiscal year
- 2 and a description of transportation planning activities performed in the
- 3 prior fiscal year. It is the intent of the legislature that in subse-
- 4 quent fiscal years the distribution of grants to regional planning coun-
- 5 cils be based on needs as supported by a submitted work plan.

6 MICHIGAN TRANSPORTATION FUND

- 7 Sec. 501. The money received under the motor carrier act, 1933
- 8 PA 254, MCL 475.1 to 479.43, and not appropriated to the department of
- 9 consumer and industry services or the department of state police, is
- 10 deposited in the Michigan transportation fund.
- 11 Sec. 502. The department of treasury shall perform audits and make
- 12 investigations of the disposition of all state funds received by county
- 13 road commissions or county boards of commissioners, as applicable, and
- 14 cities and villages for transportation purposes to determine compliance
- 15 with the terms and conditions of 1951 PA 51, MCL 247.651 to 247.675.
- 16 County road commissions or county boards of commissioners, as applicable,
- 17 and cities and villages shall make available to the department of trea-
- 18 sury the pertinent records for the audit.
- 19 Sec. 504. (1) The funds appropriated in part 1 for the economic
- 20 development programs shall not lapse at the end of the fiscal year but
- 21 shall carry forward each fiscal year for the purposes for which appropri-
- 22 ated in accordance with 1987 PA 231, MCL 247.901 to 247.913.
- 23 (2) Interest earned in the department of transportation economic
- 24 development fund shall remain in the fund and shall be allocated to the

- 1 respective programs based on actual interest earned at the end of each
- 2 fiscal year.
- 3 (3) The department of transportation economic development fund may
- 4 receive and expend federal, local, or private funds or restricted source
- 5 funds such as interest earnings for projects that are consistent with the
- 6 programmatic mission of the fund in addition to funds appropriated in
- 7 part 1.
- **8** (4) None of the funds statutorily dedicated to the transportation
- 9 economic development fund shall be diverted to other projects without the
- 10 notification and approval of the house of representatives and senate
- 11 appropriations subcommittees on transportation.
- 12 Sec. 505. (1) Funds from the Michigan transportation fund (MTF)
- 13 shall be distributed to the comprehensive transportation fund (CTF), the
- 14 economic development fund (EDF), the recreational improvement fund (RIF),
- 15 and the state trunkline fund (STF), in accordance with this act and part
- 16 711 (recreation improvement fund) of the natural resources and environ-
- 17 mental protection act, 1994 PA 451, MCL 324.71101 to 324.71108, and may
- 18 only be used as specified in this act, 1951 PA 51, MCL 247.651 to
- 19 247.675, and part 711 (recreation improvement fund) of the natural
- 20 resources and environmental protection act, 1994 PA 451, MCL 324.71101 to
- **21** 324.71108.
- 22 (2) The amounts appropriated and transferred to various state agen-
- 23 cies from part 1 shall be expended from the transportation funds pursuant
- 24 to annual contracts between the department and state agencies providing
- 25 tax and fee collection and other services applicable to transportation
- 26 funds. The contracts shall be executed prior to the transfer of these

1 funds. The contracts shall provide, but are not limited to, the

- 2 following data applicable to each state agency:
- 3 (a) Estimated costs to be recovered from transportation funds.
- 4 (b) Description of services financed with transportation funds.
- 5 (3) If the spending authorization accounts also are to be used for
- 6 financing other than transportation fund services, the contracts shall
- 7 include detailed cost allocation methods that are appropriate to the type
- 8 of services being provided and the activities financed and supporting
- 9 rationale for the portion of costs allocated to transportation funds.
- 10 (4) At the close of each fiscal year and before April 1, each state
- 11 agency shall submit a written report to the state budget director stating
- 12 by spending authorization account the amount of estimated funds con-
- 13 tracted with the department, the amount of funds expended, and the amount
- 14 of funds returned to the transportation funds. A copy of the report
- 15 shall be submitted to the auditor general and the report shall be subject
- 16 to audit by the auditor general.
- 17 (5) The department and the state agencies with which the department
- 18 contracts in the manner provided in subsection (2) shall work together to
- 19 explore methods of minimizing lapses or shortfalls in grants from trans-
- 20 portation funds.
- 21 Sec. 506. Of the amount appropriated in part 1 from the Michigan
- 22 transportation fund to the department of state, \$186,600.00 represents
- 23 the additional cost of issuing specialized license plates for veterans
- 24 and national guard members, as included in 1989 PAs 16, 17, 18, and 19,
- 25 MCL 257.803i, 257.803j, 257.803k, and 257.803l, and \$187,600.00 repre-
- 26 sents the additional cost of issuing generic license plates for nonprofit

- ${f 1}$ fraternal or public service organizations, as included in section 803m of
- 2 the Michigan vehicle code, 1949 PA 300, MCL 257.803m.
- 3 (2) In addition, commemorative and specialty license plate fee reve-
- 4 nue collected by the department of state and deposited into the Michigan
- 5 transportation fund is authorized for expenditure by the department of
- 6 state up to the amount of revenue collected, but not to exceed
- 7 \$2,853,300.00 for commemorative plates and \$4,215,000.00 for specialty
- 8 plates. These amounts are appropriated to the department of state in
- 9 part 1 to administer the commemorative and specialty license plate pro-
- 10 grams pursuant to section 225 of the Michigan vehicle code, 1949 PA 300,
- **11** MCL 257.225.
- 12 (3) The department of state shall prepare an annual report on the
- 13 number of, and the additional costs associated with, these license plate
- 14 programs to the department, the state budget director, the house and
- 15 senate fiscal agencies, and the chairpersons of the house of representa-
- 16 tives and senate appropriations subcommittees on transportation.
- 17 (4) Any unspent funds based on these annual reports shall lapse to
- 18 the Michigan transportation fund and be distributed in accordance with
- 19 1951 PA 51, MCL 247.651 to 247.675.
- Sec. 507. It is the intent of the legislature that as the appropri-
- 21 ation of Michigan transportation fund funds for administration for cer-
- 22 tain state agencies is phased out, as provided for in section 10(1) of
- 23 1951 PA 51, MCL 247.660, those funds shall be distributed pursuant to
- 24 section 10 of 1951 PA 51, MCL 247.660, and shall not be distributed to
- 25 any state agency that remains eligible to receive Michigan transportation
- 26 fund funds for administration.

1 STATE TRUNKLINE FUND

2 Sec. 601. The legislature encourages the department to work with

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- 3 the road construction industry to develop performance and road construc-
- 4 tion warranties for construction contracts. The development of warran-
- 5 ties shall include warranties on materials, workmanship, performance cri-
- 6 teria, and design/build projects. The department will report by
- 7 September 30, 2001, to the house of representatives and senate appropria-
- 8 tions subcommittees on transportation and to the house and senate fiscal
- 9 agencies on the status of efforts to develop performance and road con-
- 10 struction warranties.
- 11 Sec. 603. From the amounts appropriated in part 1 for forest roads
- 12 from the transportation economic development fund in the fiscal year
- 13 ending September 30, 2001, \$40,000.00 shall be used for the purpose of
- 14 establishing 2 additional truck inspection stations. The department
- 15 shall work directly with the timberman's association to educate truck
- 16 drivers on the use of the stations, as well as evaluate the stations'
- 17 effectiveness. The department shall report on the effectiveness of this
- 18 program.
- 19 Sec. 605. If the department uses manufactured pipe for road con-
- 20 struction drainage, the department shall require that pipe used under
- 21 certain load bearing conditions beneath the roadway meet the standards
- 22 established by the American society for testing and materials (ASTM) or
- 23 American association of state highway and transportation officials
- 24 (AASHTO). The department may also use the mandrel test for manufactured
- 25 pipe 60 days after installation and provide a summary of the results of
- 26 these inspections to the house of representatives and senate

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- 1 appropriations subcommittees on transportation and house and senate
- 2 fiscal agencies.
- 3 Sec. 607. The department shall continue to identify high-accident
- 4 intersections in conjunction with AAA or other automobile insurance car-
- 5 riers for safety project selection.
- 6 Sec. 609. It is the intent of the legislature that the department
- 7 shall use traffic congestion as 1 of the criteria in determining the pri-
- 8 orities for designating which roads shall be remediated in its 5-year
- 9 road plan, which must be submitted on or before February 1, 2001.
- 10 Criteria for evaluating traffic congestion shall include, but not be
- 11 limited to, coordination with local, county, and regional planning,
- 12 improvement in traffic operations, improvement in physical roadway condi-
- 13 tions, accident reduction, and coordination with area public transporta-
- 14 tion planning.
- 15 Sec. 611. The \$100.00 line item for the local program fund under
- 16 the state trunkline fund is for any funding adjustments that may be nec-
- 17 essary in the local program fund.
 - [Sec. 612. From funds appropriated in part 1, the department may construct a soundwall and pursue other noise abatement measures in Eastpointe along both sides of I-94 between 8 and 9 Mile roads, and in Roseville and St. Clair Shores along both sides of I-94 between 12 and 14 Mile roads.
 - Sec. 613. (1) From the appropriation for contract operations in section 109, up to \$5,000,000.00 is appropriated to the department for the removal of dead deer from state trunkline highways, and up to \$4,000,000.00 is appropriated to county road commissions for the removal of dead deer from roads under their jurisdiction. It is the intent of the legislature that the removal of dead deer be performed by private contractors or employees of state or local units of government
 - contractors or employees of state or local units of government.

 (2) The funds for animal disposal shall be distributed to each county road commission with distribution to be made based on the total percentage of dead deer killed on each county road system in 1999 compared to the statewide total of dead deer killed on all county roads in 1999.
 - (3) As part of maintenance reimbursement billings, counties shall include in their cost allocation the real costs associated for clearance and disposal of bovine tuberculosis infected deer carcasses on state trunkline highways. The resulting data shall be made available on or before March 15, 2001, to the department and house and senate appropriations subcommittees on agriculture.
 - Sec. 614. From funds appropriated in part 1, the department may construct a 1-mile extension of the soundwall and pursue other noise abatement measures along I-696 in Southfield.]

18 COMPREHENSIVE TRANSPORTATION FUND

- 19 Sec. 701. Money that is returned to the state as repayment for a
- 20 loan for intercity bus equipment is not money to be deposited in the com-
- 21 prehensive transportation fund under section 10b of 1951 PA 51,
- 22 MCL 247.660b, but is money that is deposited in an intercity bus equip-
- 23 ment fund for appropriation for the purchase and repair of intercity bus
- 24 equipment. Proceeds received by the state from the sale of intercity bus

- 25 equipment are deposited in an intercity bus equipment fund for 05716'00 (H-1)
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- 1 appropriation for the purchase and repair of intercity bus equipment.
- 2 Security deposits from the lease of state-owned intercity bus equipment
- 3 not returned to the lessee of the equipment under terms of the lease
- 4 agreement are deposited in an intercity bus equipment fund for appropria-
- 5 tion for the repair of intercity bus equipment.
- 6 Sec. 702. Money that is received by the state as repayment for
- 7 loans made for rail or water freight capital projects, and as a result of
- 8 the sale of property or equipment used or projected to be used for rail
- 9 or water freight projects shall be deposited in the fund created by sec-
- 10 tion 17 of the state transportation preservation act of 1976, 1976
- **11** PA 295, MCL 474.67.
- 12 Sec. 703. Entities that operate railroads and receive appropria-
- 13 tions under part 1 shall expend those appropriations for goods and serv-
- 14 ices of manufacturers, suppliers, and service companies located in this
- 15 state, whenever practicable, if the goods and services are comparably
- 16 priced and reasonably available.
- 17 Sec. 705. After receiving notification from a railroad company pur-
- 18 suant to section 8 of the state transportation preservation act of 1976,
- 19 1976 PA 295, MCL 474.58, the department shall immediately notify the
- 20 house of representatives and senate appropriations subcommittees on
- 21 transportation that the railroad company has filed with the appropriate
- 22 governmental agencies for abandonment of a line.
- 23 Sec. 707. From the funds appropriated in part 1, \$2,000,000.00 is
- 24 allocated for a rail infrastructure loan program. The program shall pro-
- 25 vide noninterest bearing loans for rail infrastructure improvements. The
- 26 department shall evaluate loan applications according to the relative
- 27 merit of the project in conjunction with program goals. The

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1 transportation commission shall approve the loans. The loans shall fund

- 2 not less than 90% of the rail portion of project costs, and the loan
- 3 repayment period shall not exceed 10 years. Local governments, rail-
- 4 roads, and current or potential users of freight railroad services are
- 5 eligible applicants. At the end of the fiscal year, unexpended funds
- 6 shall remain in the rail infrastructure loan program and shall be avail-
- 7 able to be allocated for the purposes of the program in the succeeding
- 8 fiscal year. Money that is received by this state as repayment for rail
- 9 infrastructure loans made pursuant to this program shall remain within
- 10 the rail infrastructure loan program and shall be allocated for the pur-
- 11 poses of the program. The state's total contribution to the rail infra-
- 12 structure loan program shall not exceed \$15,000,000.00.
- 13 Sec. 712. The Detroit/Wayne County port authority shall issue a
- 14 complete operations assessment and a financial disclosure statement. The
- 15 operations assessment shall include operational goals for the next 5
- 16 years and recommendations to improve land acquisition and development
- 17 efficiency. It is not the intent of the legislature that the authority
- 18 be granted the power of condemnation of private property. The report
- 19 shall be completed and submitted to the house of representatives and
- 20 senate appropriations subcommittees on transportation and the house and
- 21 senate fiscal agencies by December 15, 2000.
 - [Sec. 713. It is the intent of the legislature that the state of Michigan will be ready to fund its portion of the locks project at Sault Ste. Marie as soon as the federal government authorizes the commencement of the project.]
- 22 Sec. 714. For the fiscal year ending September 30, 2001, each eli-
- 23 gible authority and each eligible governmental agency which provides
- 24 public transportation services in urbanized areas with a Michigan popula-
- 25 tion of less than or equal to 100,000 and nonurbanized areas under
- 26 section 5311 of title 49 of the United States Code, 49 U.S.C. 5311, shall
- 27 receive a grant of up to 60% of its eligible operating expenses. Each

1 eligible authority and each eligible government agency which provides

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- 2 public transportation services in urbanized areas with a Michigan popula-
- 3 tion of greater than 100,000 under section 5311 of title 49 of the United
- 4 States Code, 49 U.S.C. 5311, shall receive a grant of up to 50% of its
- 5 eligible operating expenses.
- 6 Sec. 717. As a condition of receiving funds from the local bus
- 7 operating appropriation, DDOT and SMART shall jointly submit to the house
- 8 of representatives and senate appropriations subcommittees on transporta-
- 9 tion and to the house and senate fiscal agencies copies of reports pre-
- 10 pared by KPMG Peat Marwick regarding merger or coordination of services
- 11 between the 2 systems. On or before November 1, 2000, the directors of
- 12 DDOT and SMART shall jointly report to the house of representatives and
- 13 senate appropriations subcommittees on transportation the findings of the
- 14 KPMG Peat Marwick report.
- 15 Sec. 720. The appropriation in part 1 for regional service coordi-
- 16 nation shall not be distributed until the department submits a report to
- 17 the house of representatives and senate appropriations subcommittees on
- 18 transportation and the house and senate fiscal agencies. The department
- 19 shall submit the report by October 15, 2000. The report shall describe
- 20 how the appropriations for this program have been spent in the last 2
- 21 years and assess the program's effectiveness during this period.
- 22 Sec. 722. If funds appropriated in section 116 are used to provide
- 23 state-owned or state-leased buses to private intercity bus carriers, the
- 24 department shall charge not less than \$1,000.00 per bus per year for
- 25 their use.
- 26 Sec. 723. (1) The following bus routes are designated as an
- 27 essential corridor in Michigan:

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1	UPPER PENINSULA-SUPERIOR TRA	NSPORTATION
2	Between St. Ignace and	
3	Escanaba	US-2
4	Between Escanaba and	
5	Duluth	US-2 through Ironwood to the
6		state line
7	Between Calumet and	
8	Escanaba	US-41
9	Between Escanaba and	
10	Milwaukee	US-41 through Menominee to the
11		state line
12	Between St. Ignace and	
13	Sault Ste. Marie	I-75
14		
15	GREYHOUND	
16	Between Detroit and	
17	Chicago	I-94 from Detroit to the state
18		line
19	Between Detroit and	
20	Muskegon	I-96
21	Between Grand Rapids,	
22	Holland, and Benton	
23	Harbor	I-196 to I-94
24	Between Muskegon and	
25	Grand Rapids	US-31, I-96
26	Between Detroit and Bay	
27	City	I-75

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1	Between Bay City and	
2	Mount Pleasant	US-10, M-20
3	Between Jackson and	
4	Traverse City	US-127, US-27, I-75, Grayling,
5		Gaylord, M-72 to Traverse City
6	Between Jackson and	
7	Indianapolis	I-69, I-94 to the state line
8		through Albion, Marshall, and
9		Coldwater
10	Between Houghton Lake	
11	and Cadillac	M-55 and $M-66$
12	Between Detroit and	
13	Toledo	I-75 to the state line
14	Between the Indiana	
15	state line and	
16	Traverse City	US-31 and I-196
17	Between Detroit and Port	t
18	Huron	I-375 and I-94
19	Between Toledo and Bay	
20	City	US-23, I-75, and I-675, I-75
21		
22	INDIAN TRAILS	
23	Between Bay City and	
24	Chicago	I-75, Flint, I-69, I-94, Battle
25		Creek, I-94 to the state line
26	Between Flint and	
27	Lansing	I-69, M-21, Owosso, M-52, I-69

House Bill No. 5284 1 Between Bay City and 2 St. Ignace I-75, US-23 Between Grand Rapids and 3 4 St. Ignace US-131, Cadillac, M-115, Mesick, 5 M-37 to Traverse City, US-31, Acme, M-72, Kalkaska, US-131, 6 7 Boyne Falls, M-75, Walloon 8 Lake, US-131, Petoskey, US-31, 9 I-75, St. Ignace Between Kalamazoo and 10 Grand Rapids 11 US-131 12 (2) Any changes to the essential corridor list in subsection (1) 13 shall be approved by the house and senate appropriations subcommittees on 14 transportation. 15 (3) No entity shall receive operating assistance for a scheduled 16 regular route service which is competing with another private or public 17 carrier over the same route. 18 Sec. 724. Whenever possible, the department shall work with the 19 local transit agencies to avoid establishing new routes that duplicate 20 existing routes served by intercity carriers when providing services 21 under regional transportation service programs. It is preferable that 22 private intercity carriers be provided an opportunity to bid by local 23 public transit agencies on services funded through the regional transpor-24 tation service program.

Sec. 727. The department shall work with public transportation pro-

26 viders to determine the availability of additional federal funds and to

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1 develop a strategy to obtain these funds. The discussion shall include,

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- 2 but not be limited to, bonding.
- 3 Sec. 729. (1) On or before January 29, 2001, the department,
- 4 together with the house and senate fiscal agencies and the department of
- 5 management and budget, shall estimate the unreserved and unencumbered
- 6 closing balance of the comprehensive transportation fund (CTF) for the
- 7 fiscal year ending September 30, 2000. The estimate shall consider
- 8 lapsed appropriations from the CTF and revised estimates of state
- 9 restricted transportation revenue.
- 10 (2) On or before February 5, 2001, the department shall request a
- 11 legislative transfer in accordance with section 393 of the management and
- 12 budget act, 1984 PA 431, MCL 18.1393, to appropriate any estimated unre-
- 13 served and unencumbered CTF fund balance in excess of \$1,000,000.00. The
- 14 appropriations included in the transfer request shall be in accordance
- 15 with the statutory requirements of 1951 PA 51, MCL 247.651 to 247.675.
- 16 At the same time the department makes its transfer request, the depart-
- 17 ment shall submit copies of the transfer request to the house of repre-
- 18 sentatives and senate appropriations subcommittees on transportation and
- 19 the house and senate fiscal agencies.

[Sec. 730. (1) From the funds appropriated in part 1, the department shall negotiate with Amtrak or another carrier to improve rail service on the Pere Marquette and the International lines, and shall appropriate up to \$4,700,000.00 from the comprehensive transportation fund, other than bus operating subsidies to continue 7-day rail service on these lines. The department shall ensure that Amtrak or another carrier will continue 7-day rail passenger service between Port Huron and Chicago, with stops in Lapeer. Flint, Durand, and East Lansing.

will continue 7-day rail passenger service between Port Huron and Chicago, with stops in Lapeer, Flint, Durand, and East Lansing.

(2) The department shall work with Amtrak or other carriers, local communities, and the federal government to increase marketing efforts to promote awareness of rail passenger service, to increase ridership, to reduce operating subsidies in conjunction with federal law, to maximize the revenue of the rail passenger lines in Michigan, and to improve ontime performance. The department shall submit a report to both the house and senate appropriations committees and the house and senate fiscal agencies by January 1, 2001, that provides a 5-year history on services, ridership, and subsidies.

agencies by January 1, 2001, that provides a 5-year history on services, ridership, and subsidies.

(3) Future state support for the Pere Marquette and International lines is dependent on the department's ability to provide a plan and a contract for services that increase ridership and revenue, reduce operating costs, and improves on-time performance. The department shall submit a report to both the house and senate appropriations committees and the house and senate fiscal agencies by January 1, 2001, detailing efforts to reduce the Pere Marquette and International lines' dependence on state operating subsidies and projected operating expenses for the next 3 years.]

20 <u>AERONAUTICS FUND</u>

- 21 Sec. 801. At the close of the fiscal year ending September 30,
- 22 2001, any unobligated and unexpended balance in the state aeronautics

- 23 fund created in the aeronautics code of the state of Michigan, 1945
- $\bf 24$ PA 327, MCL 259.1 to 259.208, shall lapse to the state aeronautics fund 05716'00 (H-1)

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- ${f 1}$ and be appropriated by the legislature in the immediately succeeding
- 2 fiscal year.

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