

Act No. 271
Public Acts of 2000
Approved by the Governor*
July 6, 2000
Filed with the Secretary of State
July 7, 2000
EFFECTIVE DATE: July 7, 2000

*Item Vetoes

Sec. 402. (5)

The words: "Twenty percent of all federal aid bridge funds shall be allocated to the critical bridge fund for the purpose of repairing or replacing bridges in the local off-system categories and local on-system categories." (Page 11)

Sec. 508.

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**STATE OF MICHIGAN
90TH LEGISLATURE
REGULAR SESSION OF 2000**

**Introduced by Reps. Scranton, Byl, Kukuk, Jellema, Pappageorge, Jelinek, Mortimer, Geiger, Mead,
Pumford, Caul, LaSata, Cameron Brown, Godchaux, Stamas and Jansen**

ENROLLED HOUSE BILL No. 5284

AN ACT 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:

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the state transportation department and certain state purposes designated in this act for the fiscal year ending September 30, 2001, from the funds indicated in this part. The following is a summary of the appropriations in this part:

STATE TRANSPORTATION DEPARTMENT

APPROPRIATION SUMMARY:

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	3,176.3	
GROSS APPROPRIATION		\$ 2,990,967,600
Interdepartmental grant revenues:		
IDT, intradepartmental charges		10,459,500
Total interdepartmental grants and intradepartmental transfers		10,459,500
ADJUSTED GROSS APPROPRIATION		\$ 2,980,508,100
Federal revenues:		
DOT, federal transit act		52,200,000
DOT-FHWA, highway research, planning, and construction		868,912,000
DOT-FRA, local rail service assistance		500,000
DOT-FRA, rail passenger/HSGT		3,000,000
Total federal revenues		924,612,000
Special revenue funds:		
Local funds		5,700,000
Total local revenues		5,700,000
Total private revenues		0

		For Fiscal Year Ending Sept. 30, 2001
Michigan transportation fund	\$	1,031,307,800
Blue Water Bridge fund		12,532,700
Economic development fund		57,315,000
State trunkline fund		707,774,200
State aeronautics fund		9,043,400
Comprehensive transportation fund		229,223,000
Intercity bus equipment fund		1,000,000
Rail preservation fund		2,000,000
Total other state restricted revenues		2,050,196,100
State general fund/general purpose	\$	0

Sec. 102. DEBT SERVICE

State trunkline	\$	35,900,800
Trunkline bonds, series 1989A-EDF (\$100,000,000)		6,606,900
Critical bridge		3,000,000
Blue Water Bridge		2,308,500
Comprehensive transportation		21,697,900
GROSS APPROPRIATION	\$	69,514,100
Appropriated from:		
Special revenue funds:		
Blue Water Bridge fund		2,308,500
Comprehensive transportation fund		21,697,900
Economic development fund		6,606,900
Michigan transportation fund		3,000,000
State trunkline fund		35,900,800
State general fund/general purpose	\$	0

Sec. 103. INTERDEPARTMENT AND STATUTORY CONTRACTS

Michigan transportation fund (MTF)		
MTF grant to department of environmental quality	\$	855,500
MTF grant to department of state		54,904,200
MTF grant to legislative auditor general		132,400
State trunkline fund (STF)		
STF grant to attorney general		2,590,400
STF grant to department of civil service		1,280,000
STF grant to department of management and budget		889,500
STF grant to department of state police		9,935,700
STF grant to department of treasury		32,200
STF grant to legislative auditor general		362,100
State aeronautics fund (SAF)		
SAF grant to department of attorney general		119,800
SAF grant to department of civil service		50,000
SAF grant to department of management and budget		26,600
SAF grant to department of treasury		63,900
SAF grant to legislative auditor general		31,100
Comprehensive transportation fund (CTF)		
CTF grant to department of civil service		90,000
CTF grant to department of management and budget		50,200
CTF grant to department of treasury		4,900
CTF grant to legislative auditor general		47,600
GROSS APPROPRIATION	\$	71,466,100
Appropriated from:		
Special revenue funds:		
Comprehensive transportation fund		192,700
Michigan transportation fund		55,892,100
State aeronautics fund		291,400
State trunkline fund		15,089,900
State general fund/general purpose	\$	0

Sec. 104. EXECUTIVE DIRECTION

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	33.3	
Unclassified salaries		\$ 511,600
State transportation commission (per diem payments)		7,200
Commission audit—33.3 FTE positions		2,888,600
GROSS APPROPRIATION		\$ 3,407,400
Appropriated from:		
Special revenue funds:		
State trunkline fund		3,407,400
State general fund/general purpose		\$ 0

Sec. 105. ADMINISTRATIVE SERVICES

Full-time equated classified positions	146.7	
Administration and data center—108.7 FTE positions		\$ 27,462,600
Property management		6,690,600
Human resources—33.0 FTE positions		2,563,500
Economic development administration—5.0 FTE positions		500,700
Worker's compensation		2,696,000
GROSS APPROPRIATION		\$ 39,913,400
Appropriated from:		
Special revenue funds:		
Economic development fund		537,800
State aeronautics fund		678,300
Comprehensive transportation fund		1,167,600
Michigan transportation fund		70,400
State trunkline fund		37,459,300
State general fund/general purpose		\$ 0

Sec. 106. BUREAU OF FINANCE AND ADMINISTRATION

Full-time equated classified positions	254.5	
Administration—254.5 FTE positions		\$ 20,486,700
GROSS APPROPRIATION		\$ 20,486,700
Appropriated from:		
Special revenue funds:		
Michigan transportation fund		1,086,400
State trunkline fund		19,400,300
State general fund/general purpose		\$ 0

Sec. 107. BUREAU OF TRANSPORTATION PLANNING

Full-time equated classified positions	185.1	
Administration—185.1 FTE positions		\$ 27,519,800
Grants to regional planning councils		488,800
GROSS APPROPRIATION		\$ 28,008,600
Appropriated from:		
Federal revenues:		
DOT-FHWA, highway research, planning, and construction		16,200,000
Special revenue funds:		
State aeronautics fund		300,500
Comprehensive transportation fund		1,890,300
Michigan transportation fund		5,755,200
State trunkline fund		3,862,600
State general fund/general purpose		\$ 0

Sec. 108. BUREAU OF HIGHWAYS

Full-time equated classified positions	1,655.2	
Engineering operations—820.1 FTE positions		\$ 32,980,200
Maintenance operations—78.0 FTE positions		6,918,300

		For Fiscal Year Ending Sept. 30, 2001
Program services—757.1 FTE positions	\$	37,294,200
GROSS APPROPRIATION	\$	77,192,700
Appropriated from:		
Interdepartmental grant revenues:		
IDT, intradepartmental charges		207,500
Federal revenues:		
DOT-FHWA, highway research, planning, and construction		5,000,000
Special revenue funds:		
Michigan transportation fund		3,950,000
State trunkline fund		68,035,200
State general fund/general purpose	\$	0
Sec. 109. HIGHWAY MAINTENANCE		
Full-time equated classified positions		704.0
State trunkline operations—704.0 FTE positions	\$	105,508,300
Contract operations		129,720,700
GROSS APPROPRIATION	\$	235,229,000
Appropriated from:		
Interdepartmental grant revenues:		
IDT, intradepartmental charges		10,252,000
Special revenue funds:		
State trunkline fund		224,977,000
State general fund/general purpose	\$	0
Sec. 110. ROAD AND BRIDGE PROGRAMS		
State trunkline federal aid and road and bridge construction	\$	930,637,700
Local federal aid and road and bridge construction		220,966,000
Grants to local programs		33,000,000
Rail grade crossing		3,000,000
Critical bridge program		5,750,000
County road commissions		589,890,500
Cities and villages		328,890,300
GROSS APPROPRIATION	\$	2,112,134,500
Appropriated from:		
Federal revenues:		
DOT-FHWA, highway research, planning, and construction		847,712,000
Special revenue funds:		
Local funds		5,000,000
Michigan transportation fund		959,780,800
State trunkline fund		299,641,700
State general fund/general purpose	\$	0
Sec. 111. BLUE WATER BRIDGE		
Full-time equated classified positions		34.0
Blue Water Bridge fund operations—34.0 FTE positions	\$	10,224,200
GROSS APPROPRIATION	\$	10,224,200
Appropriated from:		
Special revenue funds:		
Blue Water Bridge fund		10,224,200
State general fund/general purpose	\$	0
Sec. 112. TRANSPORTATION ECONOMIC DEVELOPMENT FUND		
Forest roads	\$	5,040,000
Rural county urban system		2,500,000
Target industries/economic redevelopment		23,065,100
Urban county congestion		9,782,600
Rural county primary		9,782,600
GROSS APPROPRIATION	\$	50,170,300

Appropriated from:		
Special revenue funds:		
Economic development fund.....	\$	50,170,300
State general fund/general purpose	\$	0

Sec. 113. BUREAU OF AERONAUTICS

Full-time equated classified positions.....	57.0	
Administration—57.0 FTE positions	\$	6,773,200
Air service program.....		1,000,000
GROSS APPROPRIATION.....	\$	7,773,200

Appropriated from:		
Special revenue funds:		
State aeronautics fund		7,773,200
State general fund/general purpose	\$	0

Sec. 114. BUREAU OF URBAN AND PUBLIC TRANSPORTATION

Full-time equated classified positions.....	106.5	
Administration—106.5 FTE positions	\$	8,673,200
GROSS APPROPRIATION.....	\$	8,673,200

Appropriated from:		
Special revenue funds:		
Comprehensive transportation fund		6,900,300
Michigan transportation fund.....		1,772,900
State general fund/general purpose	\$	0

Sec. 115. BUS TRANSIT DIVISION: STATUTORY OPERATING

Local bus operating.....	\$	150,652,700
Nonurban operating/capital		8,900,000
GROSS APPROPRIATION.....	\$	159,552,700

Appropriated from:		
Federal revenues:		
DOT, federal transit act		8,700,000
Special revenue funds:		
Local funds.....		200,000
Comprehensive transportation fund		150,652,700
State general fund/general purpose	\$	0

Sec. 116. INTERCITY PASSENGER AND FREIGHT

Freight property management.....	\$	1,893,300
Detroit/Wayne County port authority.....		408,500
Intercity bus equipment.....		3,324,500
Rail passenger service		9,000,000
Freight preservation and development		6,828,000
Rail infrastructure loan program.....		2,000,000
Intercity bus service development		2,225,500
Marine passenger services.....		800,000
Terminal development		1,000,000
GROSS APPROPRIATION.....	\$	27,479,800

Appropriated from:		
Federal revenues:		
DOT, federal transit act		1,200,000
DOT-FRA, local rail service assistance.....		500,000
DOT-FRA, rail passenger/HSGT		3,000,000
Special revenue funds:		
Local funds.....		50,000
Rail preservation fund		2,000,000
Intercity bus equipment fund.....		1,000,000
Comprehensive transportation fund		19,729,800
State general fund/general purpose	\$	0

For Fiscal Year
Ending Sept. 30,
2001

Sec. 117. PUBLIC TRANSPORTATION DEVELOPMENT

Specialized services	\$	3,749,500
Municipal credit program		2,000,000
Bus capital.....		56,442,300
Ride sharing		330,700
Van pooling		195,000
Bus property management		100,000
Service development and new technology		1,675,000
Planning grants.....		120,000
Audit settlements		150,000
Region service coordination.....		1,000,000
Work first initiative		3,979,200
GROSS APPROPRIATION.....	\$	69,741,700
Appropriated from:		
Federal revenues:		
DOT, federal transit act		42,300,000
Special revenue funds:		
Local funds.....		450,000
Comprehensive transportation fund		26,991,700
State general fund/general purpose	\$	0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2000-2001 is \$2,050,196,100.00 and state spending from state resources to be paid to local units of government for fiscal year 2000-2001 is \$1,158,228,500.00. The itemized statement below identifies appropriations from which spending to units of local government will occur:

DEPARTMENT OF TRANSPORTATION

Local grant program	\$	33,000,000
Economic development fund.....		27,105,200
Grants to cities and villages		328,890,300
Grants to county road commissions.....		589,890,500
Critical bridge program.....		5,750,000
Grants to regional planning councils		488,800
Local bus operating.....		150,652,700
Bus capital.....		15,042,300
Marine passenger service.....		800,000
Detroit/Wayne County port authority.....		408,500
Local ride sharing operating grants.....		330,700
Planning grants.....		120,000
Municipal credit program		2,000,000
Specialized services		3,749,500
Total payments to local units of government	\$	1,158,228,500

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

Sec. 203. As used in this act:

- (a) "CTF" means comprehensive transportation fund.
- (b) "Department" means the department of transportation.
- (c) "DOT" means the United States department of transportation.

- (d) "DOT-FHWA" means DOT, federal highway administration.
- (e) "DOT-FRA" means DOT, federal railroad administration.
- (f) "DOT-FRA, rail passenger/HSGT" means DOT, federal railroad administration, high-speed ground transportation.
- (g) "EDF" means economic development fund.
- (h) "FTE" means full-time equated.
- (i) "IDT" means intradepartmental transfer.
- (j) "MDTR" means Michigan department of treasury.
- (k) "MTF" means Michigan transportation fund.
- (l) "RIF" means recreation improvement fund.
- (m) "RTCC" means regional transit coordinating council.
- (n) "SAF" means state aeronautics fund.
- (o) "STF" means state trunkline fund.

Sec. 204. The department of civil service shall bill departments and agencies at the end of the first fiscal quarter for the 1% charge authorized by section 5 of article XI of the state constitution of 1963. Payments shall be made for the total amount of the billing by the end of the second fiscal quarter.

Sec. 205. (1) Beginning October 1, a hiring freeze is imposed on the state classified civil service. State departments and agencies are prohibited from hiring any new full-time state 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.

Sec. 206. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$100,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

Sec. 207. At least 60 days before beginning any effort to privatize, the department shall submit a complete project plan to the appropriate senate and house of representatives appropriations subcommittees and the senate and house fiscal agencies. The plan 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 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 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 the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available.

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 contracts 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.

DEPARTMENTAL SECTIONS

Sec. 301. (1) The department may establish a fee schedule and collect fees sufficient to cover the costs to issue the permits that the department is authorized by law to issue upon request, and for which fees are not otherwise stipulated by law.

(2) A bridge authority shall hold 3 public hearings on a change in any toll charged by the authority at least 30 days before the toll change will become effective. Two of the hearings shall be held within 5 miles of the bridge over which the bridge authority has jurisdiction. One hearing shall be held in Lansing.

Sec. 302. The department shall prepare an official transportation map that shall be distributed without charge. Each legislator shall receive a quantity of maps as determined by the legislative council. However, each senator shall receive 3 times the number of maps of each representative.

Sec. 303. On request, the department shall provide to a legislator, in writing, a report on the amount of money to be received by each city and village and the county road commission of each county, that is included in whole or in part within the legislator's legislative district.

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

Sec. 305. The department may permit space on public passenger transportation properties to be occupied by public or private tenants on a competitive market rate basis. The department may require that revenue from the tenants be placed in an account to be used to pay the costs to maintain and improve the property.

Sec. 306. (1) From the funds appropriated in part 1, the auditor general shall conduct an audit of charges to transportation funds by state departments. The auditor general shall prepare a detailed report, with recommendations and conclusions, including a list of services charged to transportation funds, the appropriateness of those charges, and the cost allocation methodologies used in determining the level of funding, and provide the report, upon request, to any member of the senate and house of representatives and to the senate and house fiscal agencies by March 1, 2001.

(2) From the funds appropriated in part 1, the auditor general shall conduct a 1-time performance audit of the services provided to local road agencies by the department and supported by Michigan transportation funds. The auditor general shall provide the report to the senate and house of representatives appropriations subcommittees on transportation and the senate and house fiscal agencies by April 30, 2001.

Sec. 307. Before February 1 of each year, the department will provide to the legislature and to the house and senate fiscal agencies its rolling 5-year plan listing by county or by county road commission all highway construction projects for the fiscal year and all expected projects for the ensuing fiscal years.

Sec. 309. The department and local road agencies that receive appropriations under this act shall pursue compliance with contract specifications for construction and maintenance of state highways and local roads and streets. Work shall not be accepted and paid for until it complies with contract requirements. Contractors with unsatisfactory performance ratings shall be restricted from future bidding through the prequalification process established by the department or a local road agency. The department, county road commissions, and cities and villages shall report to the house of representatives and senate appropriations subcommittees on transportation on their respective activities under this section.

Sec. 311. The department shall continue its efforts to reduce administrative costs and provide the maximum funding possible for construction projects.

Sec. 313. To facilitate an informed and cooperative relationship between the transportation commission and the legislature, the department shall provide in a timely manner copies of the agenda and approved minutes of monthly transportation commission meetings to the members of the house and senate appropriations subcommittees on transportation, the house and senate fiscal agencies, and the state budget director.

Sec. 315. The department shall not use funds appropriated under part 1 on behalf of a local governmental unit to pay the amount required for that local governmental unit to participate in the federal advance construct program.

Sec. 316. At the close of the fiscal year ending September 30, 2001, any unencumbered and unexpended balance in the state trunkline fund shall remain in the state trunkline fund and shall carry forward and be appropriated for federal aid road and bridge programs for projects contained in the annual state transportation program.

Sec. 317. (1) From funds appropriated in part 1, the department may increase a state infrastructure bank program and grant or loan funds in accordance with regulations of the state infrastructure bank program of the United States department of transportation. The state infrastructure bank is to be administered by the department for the purpose of providing a revolving, self-sustaining resource for financing transportation infrastructure projects.

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

Sec. 319. The department shall provide a report prepared by the department's internal auditor on the activities of the internal auditor for the prior fiscal year. This report shall include a listing of each audit or investigation performed by the internal auditor pursuant to sections 486(4) and 487 of the management and budget act, 1984 PA 431, MCL 18.1486 and 18.1487. The report shall identify the proportion of time spent on each of the statutory responsibilities listed in sections 485(4), 486(4), and 487 of the management and budget act, 1984 PA 431, MCL 18.1485, 18.1486, and 18.1487, and the time spent on all other activities performed in the internal audit function. The report shall be due biennially beginning on May 1, 2001 and shall be submitted to the governor, auditor general, the senate and house of representatives appropriations committees, the senate and house fiscal agencies, and the director.

Sec. 321. The legislature recommends that the department adopt standard English units of weight and measure on all road and bridge construction, maintenance, and improvement projects.

Sec. 323. The department shall work with the federal government regarding the development of a 4-lane limited access highway connecting south-central Michigan with Ohio.

Sec. 325. Funds appropriated in section 104 for state transportation commission per diem payments shall provide daily per diem payments of \$100.00 to each of the 6 appointed members of the state transportation commission for all scheduled public state transportation commission meetings, with annual distributions of not more than \$1,200.00 to each appointed member.

Sec. 329. The department shall continue its program to increase the use of women and minority owned businesses in state and local road construction projects. This program shall comprise, at a minimum, outreach and education efforts to inform women and minority owned firms of department competitive bidding processes and requirements, and an assessment of the availability of surety for women and minority owned businesses. The department shall report by March 31, 2001 to the house of representatives and senate appropriations subcommittees on transportation and the house and senate fiscal agencies of its progress in complying with this section.

Sec. 331. The department shall post signs at each rest area to identify the agency or contractor responsible for maintenance of the rest area. The signs shall include a department telephone number and shall indicate that unsafe or unclean conditions at the rest area may be reported to that telephone number.

Sec. 333. The department shall work in collaboration with the family independence agency regarding summer youth programs. The programs shall seek to employ at-risk youth in street and highway beautification projects.

Sec. 334. With regard to interdepartmental contracts between the department and the attorney general, the department shall determine how much time the attorney general spends on services financed with transportation funds. The determination shall include a breakdown of the following:

(a) The time spent by the attorney general on activities which are general in nature and which are of benefit to all transportation programs or which cannot be readily identified with specific transportation programs.

(b) The time spent by the attorney general on activities which are of specific benefit to state trunkline programs, local road agency programs, public transportation programs, and aeronautics programs, respectively.

Sec. 336. From the funds appropriated in part 1, the department shall provide matching funds to begin to remediate previously identified unsafe pedestrian crossings on state highways.

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.

Sec. 338. The department, in collaboration with DDOT, SMART, and Greyhound, shall facilitate the planning of a multimodal transportation center for southeast Michigan.

Sec. 339. Not later than January 1, 2001, the department shall fill all vacant bridge inspector positions. Not later than February 15, 2001, the department shall report to the senate and house of representatives appropriations subcommittees on transportation the number of full-time and part-time positions assigned to bridge inspection activities, the number of vacancies, and any plans to fill the vacancies.

Sec. 340. Not later than 30 days after being notified by the United States department of transportation, federal highway administration, of the amount of federal bridge funding available for the fiscal year 2000-01 critical bridge program, the department shall notify those local communities scheduled to receive federal bridge funding under the critical bridge program.

Sec. 342. From the funds appropriated in part 1, \$500,000.00 shall be provided to the department of state police for enhanced construction zone traffic law enforcement. The funding shall be used to reimburse department of state police troopers for overtime costs associated with construction zone traffic enforcement. The funding shall be provided based on an approved memorandum of understanding between the department and the department of state police.

Sec. 343. Funds from the countercyclical budget and economic stabilization fund and from streamlining diesel fuel tax collection deposited in the state trunkline fund and intended for the build Michigan III program at the close of the fiscal year shall remain in the state trunkline fund and shall carry forward and be available for appropriation for debt service payments and construction costs associated with the build Michigan III program.

Sec. 345. It is the intent of the legislature to review, prior to bonding, all build Michigan III funding allocations identified by the department to be supported by bond proceeds. No later than October 31, 2000, the department shall report to the senate and house of representatives appropriations subcommittees on transportation and the senate and house fiscal agencies the following information regarding those build Michigan III funding allocations identified by the department:

- (a) Project description.
- (b) Estimated total project costs.
- (c) The amount of total estimated project costs funded from build Michigan III bond proceeds.
- (d) The amount of local match, if any.

FEDERAL

Sec. 401. When the department receives authorization from the federal government to commit transportation funds pursuant to federal appropriations, it shall present to the senate and house of representatives appropriations transportation subcommittees and the senate and house fiscal agencies, the federal amounts and categories authorized and the department's recommendation for distribution of these funds. If a recommendation or recommendations are not disapproved within 30 business days by either the senate or house of representatives appropriations transportation subcommittees, then the recommendation or recommendations shall be considered as approved. If either the senate or house of representatives appropriations transportation subcommittee disapproves the proposed distribution, then the senate and house of representatives appropriations transportation subcommittees and the department shall hold a joint meeting on the issue to arrive at a final distribution. If no agreement is reached between the parties, the department's distribution shall stand.

Sec. 402. (1) Twenty-three to twenty-seven percent of the DOT-FHWA highway research, planning, and construction federal funds appropriated in section 110 shall be allocated to programs administered by local jurisdictions after deduction of the following:

(a) Funds that are specifically allocated at the federal level to the state or local jurisdictions.

(b) Funds allocated by the department to the state and to local jurisdictions through a competitive process.

(2) Federal aid excluded from the calculation of funding allocated to programs administered by local jurisdictions in subsection (1) includes, but is not limited to, congestion mitigation and air quality funds, federal bridge funds, transportation enhancement funds, funds distributed at the discretion of the United States secretary of transportation, and congressionally designated funds.

(3) The funds shall be distributed to eligible local agencies for transportation purposes in a manner consistent with state and federal law.

(4) It is the intent of the legislature that federal aid to highways allocated to local jurisdictions in subsection (1) be distributed in a manner that produces a 25% average allocation of applicable funds to programs for local jurisdictions in each fiscal year through the fiscal year ending September 30, 2005. The average allocation of applicable federal aid to highway funds to programs for local jurisdictions shall be the average of the amount distributed to local jurisdictions under subsection (1) and similarly calculated distributions in each succeeding fiscal year.

(5) Twenty percent of all federal aid bridge funds shall be allocated to the critical bridge fund for the purpose of repairing or replacing bridges in the local off-system categories and local on-system categories.

(6) The allocation percentage described in subsection (1) shall be adjusted to reflect any voluntary agreements made by the department with local jurisdictions regarding the transfer of federal aid eligible roadways or the state buyout of local federal aid.

(7) The department shall not borrow against the critical bridge fund for the first 9 months of the fiscal year.

Sec. 404. The appropriation in part 1 for grants to regional planning councils shall not be distributed until the regional planning councils submit to the department a work plan for the ensuing fiscal year and a description of transportation planning activities performed in the prior fiscal year. It is the intent of the legislature that in subsequent fiscal years the distribution of grants to regional planning councils be based on needs as supported by a submitted work plan.

MICHIGAN TRANSPORTATION FUND

Sec. 501. The money received under the motor carrier act, 1933 PA 254, MCL 475.1 to 479.43, and not appropriated to the department of consumer and industry services or the department of state police, is deposited in the Michigan transportation fund.

Sec. 502. The department of treasury shall perform audits and make investigations of the disposition of all state funds received by county road commissions or county boards of commissioners, as applicable, and cities and villages for transportation purposes to determine compliance with the terms and conditions of 1951 PA 51, MCL 247.651 to 247.675. County road commissions or county boards of commissioners, as applicable, and cities and villages shall make available to the department of treasury the pertinent records for the audit.

Sec. 503. The department shall reimburse a city or township that has received prior approval to eliminate or cut roadside weeds due to negligence on the part of a county or private contractor in performing its contractual obligations and shall deduct that amount from the funds appropriated to the county or paid to the contractor involved.

Sec. 504. (1) The funds appropriated in part 1 for the economic development and critical bridge programs shall not lapse at the end of the fiscal year but shall carry forward each fiscal year for the purposes for which appropriated in accordance with 1987 PA 231, MCL 247.901 to 247.913, and section 11b of 1951 PA 51, MCL 247.661b.

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

(3) The department of transportation economic development fund and critical bridge fund may receive and expend federal, local, or private funds or restricted source funds such as interest earnings for projects that are consistent with the programmatic mission of the respective funds in addition to funds appropriated in part 1.

(4) None of the funds statutorily dedicated to the transportation economic development fund and critical bridge fund shall be diverted to other projects without the notification and approval of the house of representatives and senate appropriations subcommittees on transportation.

Sec. 505. (1) Funds from the Michigan transportation fund (MTF) shall be distributed to the comprehensive transportation fund (CTF), the economic development fund (EDF), the recreational improvement fund (RIF), and the state trunkline fund (STF), in accordance with this act and part 711 (recreation improvement fund) of the natural resources and environmental protection act, 1994 PA 451, MCL 324.71101 to 324.71108, and may only be used as specified in this act, 1951 PA 51, MCL 247.651 to 247.675, and part 711 (recreation improvement fund) of the natural resources and environmental protection act, 1994 PA 451, MCL 324.71101 to 324.71108.

(2) The amounts appropriated and transferred to various state agencies from part 1 shall be expended from the transportation funds pursuant to annual contracts between the department and state agencies providing tax and fee collection and other services applicable to transportation funds. The contracts shall be executed prior to the transfer of these funds. The contracts shall provide, but are not limited to, the following data applicable to each state agency:

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

(b) Description of services financed with transportation funds.

(3) If the spending authorization accounts also are to be used for financing other than transportation fund services, the contracts shall include detailed cost allocation methods that are appropriate to the type of services being provided and the activities financed and supporting rationale for the portion of costs allocated to transportation funds.

(4) At the close of each fiscal year and before April 1, each state agency shall submit a written report to the state budget director stating by spending authorization account the amount of estimated funds contracted with the department, the amount of funds expended, and the amount of funds returned to the transportation funds. A copy of the report shall be submitted to the auditor general and the report shall be subject to audit by the auditor general.

(5) The department and the state agencies with which the department contracts in the manner provided in subsection (2) shall work together to explore methods of minimizing lapses or shortfalls in grants from transportation funds.

Sec. 506. (1) Of the amount appropriated in part 1 from the Michigan transportation fund to the department of state, \$186,600.00 represents the additional cost of issuing specialized license plates for veterans and national guard members, as included in 1989 PAs 16, 17, 18, and 19, MCL 257.803i, 257.803j, 257.803k, and 257.803l, and \$187,600.00 represents the additional cost of issuing generic license plates for nonprofit fraternal or public service organizations, as included in section 803m of the Michigan vehicle code, 1949 PA 300, MCL 257.803m.

(2) In addition, commemorative and specialty license plate fee revenue collected by the department of state and deposited into the Michigan transportation fund is authorized for expenditure by the department of state up to the amount of revenue collected, but not to exceed \$2,853,300.00 for commemorative plates and \$4,215,000.00 for specialty plates. These amounts are appropriated to the department of state in part 1 to administer the commemorative and specialty license plate programs pursuant to section 225 of the Michigan vehicle code, 1949 PA 300, MCL 257.225.

(3) The department of state shall prepare an annual report on the number of, and the additional costs associated with, these license plate programs to the department, the state budget director, the house and senate fiscal agencies, and the chairpersons of the house of representatives and senate appropriations subcommittees on transportation.

(4) Any unspent funds based on these annual reports shall lapse to the Michigan transportation fund and be distributed in accordance with 1951 PA 51, MCL 247.651 to 247.675.

Sec. 507. It is the intent of the legislature that as the appropriation of Michigan transportation fund funds for administration for certain state agencies is phased out, as provided for in section 10(1) of 1951 PA 51, MCL 247.660, those funds shall be distributed pursuant to section 10 of 1951 PA 51, MCL 247.660, and shall not be distributed to any state agency that remains eligible to receive Michigan transportation fund funds for administration.

Sec. 508. (1) From the appropriation to county road commissions in section 110, up to \$400,000.00 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 local units of government.

(2) The funds for this purpose 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.

Sec. 509. From the local federal aid and road and bridge construction appropriation in section 110, \$3,000,000.00 is appropriated to a county that has identified in excess of 60 bridge structures in the county that are closed or have weight restrictions limiting or prohibiting emergency vehicles from crossing and that has committed in excess of \$29,000,000.00 of local funding for the repair or replacement of at least 3/4 of the structures.

STATE TRUNKLINE FUND

Sec. 601. The legislature encourages the department to work with the road construction industry to develop performance and road construction warranties for construction contracts. The development of warranties shall include warranties on materials, workmanship, performance criteria, and design/build projects. The department will report by September 30, 2001, to the house of representatives and senate appropriations subcommittees on transportation and to the house and senate fiscal agencies on the status of efforts to develop performance and road construction warranties.

Sec. 603. From the amounts appropriated in part 1 for forest roads from the transportation economic development fund in the fiscal year ending September 30, 2001, \$40,000.00 shall be used for the purpose of establishing 2 additional truck inspection stations. The department shall work directly with the timberman's association to educate truck drivers on the use of the stations, as well as evaluate the stations' effectiveness. The department shall report on the effectiveness of this program.

Sec. 605. If the department uses manufactured pipe for road construction drainage, the department shall require that pipe used under certain load bearing conditions beneath the roadway meet the standards established by the American society for testing and materials (ASTM) or American association of state highway and transportation officials (AASHTO). The department may also use the mandrel test for manufactured pipe 60 days after installation and provide a summary of the results of these inspections to the house of representatives and senate appropriations subcommittees on transportation and house and senate fiscal agencies.

Sec. 607. The department shall continue to identify high-accident intersections in conjunction with AAA or other automobile insurance carriers for safety project selection.

Sec. 609. It is the intent of the legislature that the department shall use traffic congestion as 1 of the criteria in determining the priorities for designating which roads shall be remediated in its 5-year road plan, which must be submitted on or before February 1, 2001. Criteria for evaluating traffic congestion shall include, but not be limited to, coordination with local, county, and regional planning, improvement in traffic operations, improvement in physical roadway conditions, accident reduction, and coordination with area public transportation planning.

Sec. 613. (1) From the appropriation for contract operations in section 109, up to \$500,000.00 is appropriated to the department for the removal of dead deer from state trunkline highways. It is the intent of the legislature that the removal of dead deer be performed by private contractors or employees of state government.

(2) 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.

Sec. 615. From the funds appropriated in section 110 for road and bridge construction, the department shall continue with the extension and completion of the US-131 project and all future planning.

Sec. 616. From the funds appropriated in section 110 for road and bridge construction, the department shall begin the construction process, which may include traffic studies, preliminary engineering, right-of-way acquisition, and construction, of a full interchange between exits 212 and 215 on I-75 in Ogemaw County at M-30.

Sec. 617. From the amount appropriated in section 110 for road and bridge programs, the department shall include a pedestrian overpass project on business route I-94 between East avenue and Page avenue in the city of Jackson.

COMPREHENSIVE TRANSPORTATION FUND

Sec. 701. Money that is returned to the state as repayment for a loan for intercity bus equipment is not money to be deposited in the comprehensive transportation fund under section 10b of 1951 PA 51, MCL 247.660b, but is money that is deposited in an intercity bus equipment fund for appropriation for the purchase and repair of intercity bus equipment. Proceeds received by the state from the sale of intercity bus equipment are deposited in an intercity bus equipment fund for appropriation for the purchase and repair of intercity bus equipment. Security deposits from the lease of state-

owned intercity bus equipment not returned to the lessee of the equipment under terms of the lease agreement are deposited in an intercity bus equipment fund for appropriation for the repair of intercity bus equipment.

Sec. 702. Money that is received by the state as repayment for loans made for rail or water freight capital projects, and as a result of the sale of property or equipment used or projected to be used for rail or water freight projects shall be deposited in the fund created by section 17 of the state transportation preservation act of 1976, 1976 PA 295, MCL 474.67.

Sec. 703. Entities that operate railroads and receive appropriations under part 1 shall expend those appropriations for goods and services of manufacturers, suppliers, and service companies located in this state, whenever practicable, if the goods and services are comparably priced and reasonably available.

Sec. 705. After receiving notification from a railroad company pursuant to section 8 of the state transportation preservation act of 1976, 1976 PA 295, MCL 474.58, the department shall immediately notify the house of representatives and senate appropriations subcommittees on transportation that the railroad company has filed with the appropriate governmental agencies for abandonment of a line.

Sec. 706. The department shall submit a report to both the house and senate appropriations subcommittees on transportation and the house and senate fiscal agencies by March 1 of each year outlining its efforts to develop a high-speed rail program as well as efforts to obtain funding for this purpose. The report shall include recommendations on self-sustaining revenue sources to increase awareness and include efforts to increase ridership.

Sec. 707. From the funds appropriated in part 1, \$2,000,000.00 is allocated for a rail infrastructure loan program. The program shall provide noninterest bearing loans for rail infrastructure improvements. The department shall evaluate loan applications according to the relative merit of the project in conjunction with program goals. The transportation commission shall approve the loans. The loans shall fund not less than 90% of the rail portion of project costs, and the loan repayment period shall not exceed 10 years. Local governments, railroads, and current or potential users of freight railroad services are eligible applicants. At the end of the fiscal year, unexpended funds shall remain in the rail infrastructure loan program and shall be available to be allocated for the purposes of the program in the succeeding fiscal year. Money that is received by this state as repayment for rail infrastructure loans made pursuant to this program shall remain within the rail infrastructure loan program and shall be allocated for the purposes of the program. The state's total contribution to the rail infrastructure loan program shall not exceed \$15,000,000.00.

Sec. 712. The Detroit/Wayne County port authority shall issue a complete operations assessment and a financial disclosure statement. The operations assessment shall include operational goals for the next 5 years and recommendations to improve land acquisition and development efficiency. The report shall be completed and submitted to the house of representatives and senate appropriations subcommittees on transportation and the house and 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.

Sec. 714. For the fiscal year ending September 30, 2001, each eligible authority and each eligible governmental agency which provides public transportation services in urbanized areas with a Michigan population of less than or equal to 100,000 and nonurbanized areas under section 5311 of title 49 of the United States Code, 49 U.S.C. 5311, shall receive a grant of up to 60% of its eligible operating expenses. Each eligible authority and each eligible government agency which provides public transportation services in urbanized areas with a Michigan population of greater than 100,000 under section 5311 of title 49 of the United States Code, 49 U.S.C. 5311, shall receive a grant of up to 50% of its eligible operating expenses.

Sec. 717. As a condition of receiving funds from the local bus operating appropriation, DDOT and SMART shall jointly submit to the house of representatives and senate appropriations subcommittees on transportation and to the house and senate fiscal agencies copies of reports prepared by KPMG Peat Marwick regarding merger or coordination of services between the 2 systems. On or before November 1, 2000, the directors of DDOT and SMART shall jointly report to the house of representatives and senate appropriations subcommittees on transportation the findings of the KPMG Peat Marwick report.

Sec. 720. The appropriation in part 1 for regional service coordination shall not be distributed until the department submits a report to the house of representatives and senate appropriations subcommittees on transportation and the house and senate fiscal agencies. The department shall submit the report by October 15, 2000. The report shall describe

how the appropriations for this program have been spent in the last 2 years and assess the program's effectiveness during this period.

Sec. 722. If funds appropriated in section 116 are used to provide state-owned or state-leased buses to private intercity bus carriers, the department shall charge not less than \$1,000.00 per bus per year for their use.

Sec. 723. (1) The following bus routes are designated as an essential corridor in Michigan:

UPPER PENINSULA-GREYHOUND

Between St. Ignace and Escanaba	US-2
Between Escanaba and Duluth	US-2 through Ironwood to the state line
Between Calumet and Escanaba	US-41
Between Escanaba and Milwaukee	US-41 through Menominee to the state line
Between St. Ignace and Sault Ste. Marie	I-75

GREYHOUND

Between Detroit and Chicago	I-94 from Detroit to the state line
Between Detroit and Muskegon	I-96
Between Grand Rapids, Holland, and Benton Harbor	I-196 to I-94
Between Muskegon and Grand Rapids	US-31, I-96
Between Detroit and Bay City	I-75
Between Bay City and Mount Pleasant	US-10, M-20
Between Jackson and Traverse City	US-127, US-27, I-75, Grayling, Gaylord, M-72 to Traverse City
Between Jackson and Indianapolis	I-69, I-94 to the state line through Albion, Marshall, and Coldwater
Between Houghton Lake and Cadillac	M-55 and M-66
Between Detroit and Toledo	I-75 to the state line
Between the Indiana state line and Traverse City	US-31 and I-196
Between Detroit and Port Huron	I-375 and I-94
Between Toledo and Bay City	US-23, I-75, and I-675, I-75

INDIAN TRAILS

Between Bay City and Chicago	I-75, Flint, I-69, I-94, Battle Creek, I-94 to the state line
Between Flint and Lansing	I-69, M-21, Owosso, M-52, I-69
Between Bay City and St. Ignace	I-75, US-23
Between Grand Rapids and St. Ignace	US-131, Cadillac, M-115, Mesick, M-37 to Traverse City, US-31, Acme, M-72, Kalkaska, US-131, Boyne Falls, M-75, Walloon Lake, US-131, Petoskey, US-31, I-75, St. Ignace
Between Kalamazoo and Grand Rapids	US-131

(2) Any changes to the essential corridor list in subsection (1) shall be approved by the house and senate appropriations subcommittees on transportation.

(3) No entity shall receive operating assistance for a scheduled regular route service which is competing with another private or public carrier over the same route.

Sec. 724. Whenever possible, the department shall work with the local transit agencies to avoid establishing new routes that duplicate existing routes served by intercity carriers when providing services under regional transportation service programs. It is preferable that private intercity carriers be provided an opportunity to bid by local public transit agencies on services funded through the regional transportation service program.

Sec. 727. The department shall work with public transportation providers to determine the availability of additional federal funds and to develop a strategy to obtain these funds. The discussion shall include, but not be limited to, bonding.

Sec. 729. (1) On or before January 29, 2001, the department, together with the house and senate fiscal agencies and the department of management and budget, shall estimate the unreserved and unencumbered closing balance of the comprehensive transportation fund (CTF) for the fiscal year ending September 30, 2000. The estimate shall consider lapsed appropriations from the CTF and revised estimates of state restricted transportation revenue.

(2) On or before February 5, 2001, the department shall request a legislative transfer in accordance with section 393 of the management and budget act, 1984 PA 431, MCL 18.1393, to appropriate any estimated unreserved and

unencumbered CTF fund balance in excess of \$1,000,000.00. The appropriations included in the transfer request shall be in accordance with the statutory requirements of 1951 PA 51, MCL 247.651 to 247.675. At the same time the department makes its transfer request, the department shall submit copies of the transfer request to the house of representatives and senate appropriations subcommittees on transportation and the house and senate fiscal agencies.

Sec. 730. (1) From the funds appropriated in part 1 from the comprehensive transportation fund for rail passenger service, the department shall negotiate with a rail carrier to provide rail service between Grand Rapids and Chicago and between Port Huron and Chicago on a 7-day basis.

(2) The department shall work with the rail carrier, 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 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, that provides a 5-year history on services, ridership, and subsidies.

(3) Future state support for the service between Grand Rapids and Chicago and Port Huron and Chicago 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 improve on-time performance. The department shall include a section in the report required in subsection (2) detailing efforts to reduce the dependence on state operating subsidies and projected operating expenses for the next 3 years for the Grand Rapids to Chicago service and the Port Huron to Chicago service.

(4) If the chosen rail carrier is Amtrak, the department shall require Amtrak to conduct a cost allocation study, approved by the department, to identify direct and indirect operating costs prior to receiving any state funding. Any state subsidy shall only provide for the direct operating costs in Michigan.

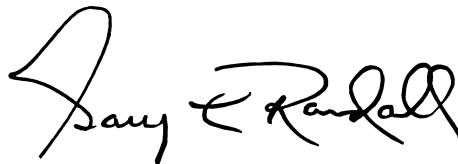
(5) The rail carrier shall, as a condition to receiving a state operating subsidy, establish a system to monitor, collect, and resolve customer complaints and shall make the information available to the department.

AERONAUTICS FUND

Sec. 801. At the close of the fiscal year ending September 30, 2001, any unobligated and unexpended balance in the state aeronautics fund created in the aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.1 to 259.208, shall lapse to the state aeronautics fund and be appropriated by the legislature in the immediately succeeding fiscal year.

Sec. 803. The department and the departments of state police, natural resources, and military affairs shall continue to develop plans for the maintenance, scheduling, and use of all state-owned, noncombat aircraft. It is the intent of the legislature that these plans maximize the cost-efficient use of the state transportation air fleet. The departments shall prepare a joint report, coordinated by the department, on the development and implementation of these plans.

This act is ordered to take immediate effect.



Clerk of the House of Representatives.



Secretary of the Senate.

Approved _____

Governor.