

# Legislative Analysis



## AMEND PUBLIC ACT 51 OF 1951, DEFINITIONS OF PRESERVATION/ MAINTENANCE

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House Bill 4602 as introduced  
Sponsor: Rep. Phillip LaJoy  
Committee: Transportation

Complete to 4-26-05

### A SUMMARY OF HOUSE BILL 4602 AS REPORTED FROM COMMITTEE

The bill would amend Section 10c of Public Act 51 of 1951 (MCL 247.660c) to exclude "installing traffic signs and signal devices" as one of the activities within the definition of "routine maintenance."

#### ***BACKGROUND INFORMATION:***

Public Act 498 of 2002 (HB 5383) amended Public Act 51 of 1951 to provide definitions for the terms "preservation" and "maintenance." The act also made a distinction between "routine maintenance" or "preventive maintenance." The definitions in current law are shown on the flow charts later.

PA 498 of 2002 included "installing traffic signs and signal devices" as an activity within the definition of "routine maintenance." HB 4602 would exclude "installing traffic signs and signal devices" as one of the activities within the definition of "routine maintenance."

#### ***FISCAL IMPLICATIONS:***

Although the bill would exclude "installing traffic signs and signal devices" as one of the activities within the definition of "routine maintenance," the bill does not indicate what other definition these activities would fall under. If they were considered to fall within "preservation," as either as part of "safety projects" or as a part of "modernizing intersections," there likely would be no fiscal impact. However, if this activity were considered to be a part of "construction," which is to some extent the default for activities not classified as either preservation or maintenance, there could be a fiscal impact on local road agencies and local units of government.

Section 12 (15) of Act 51, requires that expenditures from Michigan Transportation Fund (MTF) for local road construction be matched from other sources. This effectively limits the amount of MTF funds that a county road commission may use on a local road project to 50% of project cost. The remaining 50% must be provided from other sources such as developers, special assessment districts, county general fund contributions, or township contributions. Section 13 (5) of Act 51 provides a similar limitation on the amount of MTF funds that cities and villages can expend on local street projects. If the installation of traffic signs and signals were considered to be construction, rather than preservation or maintenance, the MTF funding that county road commissions and cities and villages

could expend on such projects on the county local road system or municipal local street system respectively would be limited to 50% of project cost.

The situation described above may rarely come into play. There are relatively few traffic signals on the county local road system or the municipal local street system. In addition, many traffic signal and signing projects are funded through federal safety grants.

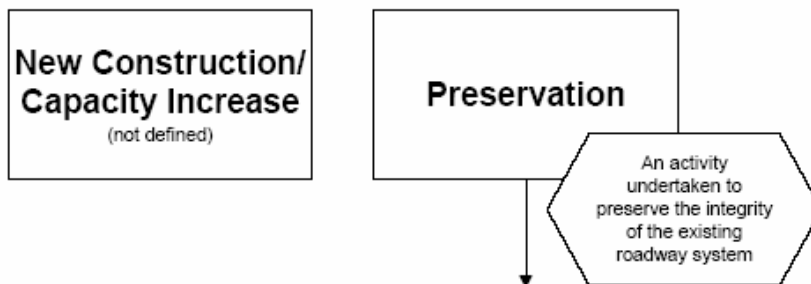
(See attached flow charts on subsequent pages.)

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■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.

PA 498 of 2002 (HB 5383)  
Chart 1



**Preservation**

**Includes but not limited to:**

- Maintenance (see Chart 2)
- Capital preventative treatments (means any preventive maintenance project on state trunkline highways that qualifies under the department's capital preventive maintenance program).
- Safety projects
- Reconstruction
- Resurfacing
- Restoration
- Rehabilitation
- Widening of less than 1 lane width
- Adding auxillary weaving, climbing, or speed change lanes
- Modernizing intersections
- Adding auxillary turning lanes of 1/2 mile or less

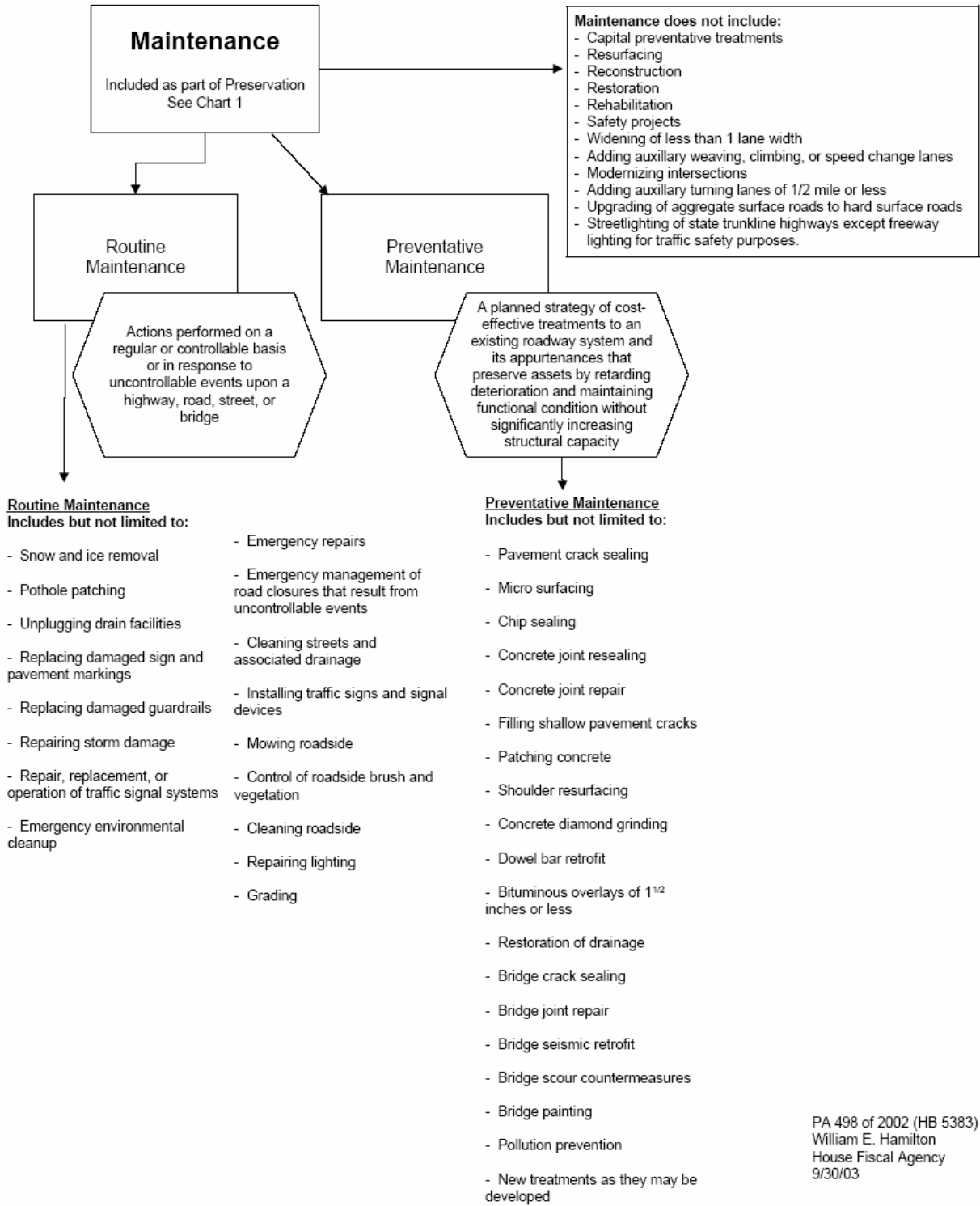
**Preservation does not include:**

- New construction of highways roads, streets, or bridges
- A project that increases highway capacity to accommodate [non-local] traffic
- Widening of a lane width or more
- Adding turning lanes more than 1/2 mile in length

Charts 1 and 2 show the definitions added to Section 10c of Act 51 (MCL 247.660c) by HB 5383 (PA 498 of 2002)

PA 498 of 2002 (HB 5383)  
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**PA 498 of 2002 (HB 5383)  
Chart 2**



PA 498 of 2002 (HB 5383)  
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