

## SUBSTITUTE FOR

A bill to make appropriations for the state transportation department for the fiscal year ending September 30, 2014; and to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

## PART 1

## LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the state transportation department for the fiscal year ending September 30, 2014, from the following funds:

## STATE TRANSPORTATION DEPARTMENT

## APPROPRIATION SUMMARY

Full-time equated unclassified positions..... 6.0

Full-time equated classified positions..... 2,912.3

1	GROSS APPROPRIATION.....	\$ 3,598,616,700
2	Total interdepartmental grants and intradepartmental	
3	transfers .....	3,625,100
4	ADJUSTED GROSS APPROPRIATION.....	\$ 3,594,991,600
5	Federal revenues:	
6	DOT, federal transit administration.....	44,710,000
7	DOT-FHWA, highway research, planning, and construction	1,072,497,500
8	DOT, federal railroad administration.....	3,100,000
9	DOT, federal aviation administration.....	78,578,000
10	Total federal revenues.....	1,198,885,500
11	Special revenue funds:	
12	Local revenues.....	50,177,100
13	Private revenues.....	100,000
14	Total local and private revenues.....	50,277,100
15	Blue Water Bridge fund.....	46,212,700
16	Comprehensive transportation fund.....	281,674,500
17	Economic development fund.....	42,477,500
18	IRS debt service rebate.....	6,868,800
19	Intercity bus equipment fund.....	140,000
20	Local bridge fund.....	23,787,900
21	Michigan transportation fund.....	989,713,600
22	Roads and risks reserve fund.....	115,000,000
23	Rail freight fund.....	2,000,000
24	State aeronautics fund.....	14,955,300
25	State trunkline fund.....	701,698,700
26	Total other state restricted revenues.....	2,224,529,000
27	State general fund/general purpose.....	\$ 121,300,000

1	State general fund/general purpose schedule:		
2	Ongoing state general fund/general		
3	purpose .....	0	
4	One-time state general fund/general		
5	purpose .....	121,300,000	
6	<b>Sec. 102. DEBT SERVICE</b>		
7	State trunkline.....	\$	199,738,200
8	Economic development.....		10,003,400
9	Local bridge fund.....		2,406,300
10	Blue Water Bridge fund.....		6,962,500
11	Airport safety and protection plan.....		3,892,200
12	Comprehensive transportation.....		<u>19,318,500</u>
13	GROSS APPROPRIATION.....	\$	242,321,100
14	Appropriated from:		
15	Federal revenues:		
16	DOT-FHWA, highway research, planning, and construction		45,912,200
17	Special revenue funds:		
18	Blue Water Bridge fund.....		6,962,500
19	Comprehensive transportation fund.....		19,318,500
20	Economic development fund.....		10,003,400
21	Local bridge fund.....		2,406,300
22	IRS debt service rebate.....		6,868,800
23	State aeronautics fund.....		3,892,200
24	State trunkline fund.....		146,957,200
25	State general fund/general purpose.....	\$	0
26	<b>Sec. 103. COLLECTION, ENFORCEMENT, AND OTHER AGENCY</b>		
27	<b>SUPPORT SERVICES</b>		

1	MTF grant to department of environmental quality .....	\$	1,285,700
2	MTF grant to department of state for collection of		
3	revenue and fees .....		20,000,000
4	MTF grant to department of treasury .....		2,500,000
5	MTF grant to legislative auditor general .....		296,000
6	STF grant to department of attorney general .....		2,387,000
7	STF grant to civil service commission .....		5,697,000
8	STF grant to department of technology, management, and		
9	budget .....		1,324,200
10	STF grant to department of state police .....		11,258,700
11	STF grant to department of treasury .....		129,700
12	STF grant to legislative auditor general .....		687,600
13	SAF grant to department of attorney general .....		174,400
14	SAF grant to civil service commission .....		150,000
15	SAF grant to department of technology, management, and		
16	budget .....		40,000
17	SAF grant to department of treasury .....		71,600
18	SAF grant to legislative auditor general .....		28,300
19	CTF grant to department of attorney general .....		200,900
20	CTF grant to civil service commission .....		200,000
21	CTF grant to department of technology, management, and		
22	budget .....		46,000
23	CTF grant to department of treasury .....		12,200
24	CTF grant to legislative auditor general .....		<u>36,400</u>
25	GROSS APPROPRIATION .....	\$	46,525,700
26	Appropriated from:		
27	Special revenue funds:		

1	Comprehensive transportation fund.....	495,500
2	Michigan transportation fund.....	24,081,700
3	State aeronautics fund.....	464,300
4	State trunkline fund.....	21,484,200
5	State general fund/general purpose.....	\$ 0
6	<b>Sec. 104. EXECUTIVE DIRECTION</b>	
7	Full-time equated unclassified positions.....	6.0
8	Full-time equated classified positions.....	29.3
9	Unclassified salaries.....	\$ 707,000
10	Asset management council.....	1,626,400
11	Commission audit--29.3 FTE positions.....	<u>3,298,200</u>
12	GROSS APPROPRIATION.....	\$ 5,631,600
13	Appropriated from:	
14	Special revenue funds:	
15	Michigan transportation fund.....	1,626,400
16	State trunkline fund.....	4,005,200
17	State general fund/general purpose.....	\$ 0
18	<b>Sec. 105. BUSINESS SUPPORT</b>	
19	Full-time equated classified positions.....	76.5
20	Business support services--67.5 FTE positions.....	\$ 9,427,700
21	Economic development and enhancement programs--9.0 FTE	
22	positions .....	1,426,200
23	Property management.....	8,068,700
24	Worker's compensation.....	<u>2,013,000</u>
25	GROSS APPROPRIATION.....	\$ 20,935,600
26	Appropriated from:	
27	Special revenue funds:	

1	Comprehensive transportation fund.....	1,369,700
2	Economic development fund.....	378,700
3	Michigan transportation fund.....	760,500
4	State aeronautics fund.....	625,400
5	State trunkline fund.....	17,801,300
6	State general fund/general purpose.....	\$ 0
7	<b>Sec. 106. INFORMATION TECHNOLOGY</b>	
8	Information technology services and projects .....	\$ <u>31,119,700</u>
9	GROSS APPROPRIATION.....	\$ 31,119,700
10	Appropriated from:	
11	Federal revenues:	
12	DOT-FHWA, highway research, planning, and construction	520,500
13	Special revenue funds:	
14	Blue Water Bridge fund.....	53,100
15	Comprehensive transportation fund.....	215,600
16	Economic development fund.....	37,200
17	Michigan transportation fund.....	284,700
18	State aeronautics fund.....	168,300
19	State trunkline fund.....	29,840,300
20	State general fund/general purpose.....	\$ 0
21	<b>Sec. 107. FINANCE, CONTRACTS, AND SUPPORT SERVICES</b>	
22	Full-time equated classified positions.....	186.0
23	Finance, contracts, and support services--186.0 FTE	
24	positions .....	\$ <u>20,896,100</u>
25	GROSS APPROPRIATION.....	\$ 20,896,100
26	Appropriated from:	
27	Interdepartmental grant revenues:	

1	IDG for accounting service center user charges .....		3,625,100
2	Special revenue funds:		
3	Michigan transportation fund.....		1,677,000
4	State trunkline fund.....		15,594,000
5	State general fund/general purpose .....	\$	0
6	<b>Sec. 108. TRANSPORTATION PLANNING</b>		
7	Full-time equated classified positions.....	141.0	
8	Transportation planning--141.0 FTE positions .....	\$	37,794,600
9	Grants to regional planning councils.....		<u>488,800</u>
10	GROSS APPROPRIATION.....	\$	38,283,400
11	Appropriated from:		
12	Federal revenues:		
13	DOT-FHWA, highway research, planning, and construction		20,000,000
14	Special revenue funds:		
15	Comprehensive transportation fund.....		610,500
16	Michigan transportation fund.....		6,941,300
17	State aeronautics fund.....		15,000
18	State trunkline fund.....		10,716,600
19	State general fund/general purpose .....	\$	0
20	<b>Sec. 109. DESIGN AND ENGINEERING SERVICES</b>		
21	Full-time equated classified positions.....	1,500.8	
22	Engineering services--701.1 FTE positions .....	\$	69,781,400
23	Program services--737.7 FTE positions .....		59,563,000
24	Intelligent transportation systems operations--12.0		
25	FTE positions .....		10,712,900
26	Welcome center operations--50.0 FTE positions .....		<u>4,403,900</u>
27	GROSS APPROPRIATION.....	\$	144,461,200

1	Appropriated from:	
2	Federal revenues:	
3	DOT-FHWA, highway research, planning, and construction	23,529,800
4	Special revenue funds:	
5	Michigan transportation fund.....	8,216,800
6	State trunkline fund.....	112,714,600
7	State general fund/general purpose.....	\$ 0
8	<b>Sec. 110. HIGHWAY MAINTENANCE</b>	
9	Full-time equated classified positions.....	808.7
10	State trunkline operations--808.7 FTE positions.....	\$ <u>275,689,500</u>
11	GROSS APPROPRIATION.....	\$ 275,689,500
12	Appropriated from:	
13	Special revenue funds:	
14	State trunkline fund.....	275,689,500
15	State general fund/general purpose.....	\$ 0
16	<b>Sec. 111. ROAD AND BRIDGE PROGRAMS</b>	
17	State trunkline federal aid and road and bridge	
18	construction .....	\$ 868,193,500
19	Local federal aid and road and bridge construction...	240,443,000
20	Grants to local programs.....	33,000,000
21	Rail grade crossing.....	3,000,000
22	Local bridge program.....	21,381,600
23	County road commissions.....	583,032,000
24	Cities and villages.....	<u>325,066,400</u>
25	GROSS APPROPRIATION.....	\$ 2,074,116,500
26	Appropriated from:	
27	Federal revenues:	



1	DOT-FHWA, highway research, planning, and construction	982,535,000
2	Special revenue funds:	
3	Local funds.....	30,000,000
4	Blue Water Bridge fund.....	32,907,300
5	Local bridge fund.....	21,381,600
6	Michigan transportation fund.....	944,098,400
7	State trunkline fund.....	63,194,200
8	State general fund/general purpose.....	\$ 0
9	<b>Sec. 112. BLUE WATER BRIDGE</b>	
10	Full-time equated classified positions..... 41.0	
11	Blue Water Bridge operations--41.0 FTE positions .....	\$ <u>6,289,800</u>
12	GROSS APPROPRIATION.....	\$ 6,289,800
13	Appropriated from:	
14	Special revenue funds:	
15	Blue Water Bridge fund.....	6,289,800
16	State general fund/general purpose.....	\$ 0
17	<b>Sec. 113. TRANSPORTATION ECONOMIC DEVELOPMENT</b>	
18	Forest roads.....	\$ 5,000,000
19	Rural county urban system.....	2,500,000
20	Target industries/economic redevelopment .....	8,029,000
21	Urban county congestion.....	8,264,600
22	Rural county primary.....	<u>8,264,600</u>
23	GROSS APPROPRIATION.....	\$ 32,058,200
24	Appropriated from:	
25	Special revenue funds:	
26	Economic development fund.....	32,058,200
27	State general fund/general purpose.....	\$ 0

1	<b>Sec. 114. AERONAUTICS SERVICES</b>		
2	Full-time equated classified positions.....	54.0	
3	Aviation services--54.0 FTE positions.....	\$	7,354,700
4	Air service program.....		<u>301,200</u>
5	GROSS APPROPRIATION.....	\$	7,655,900
6	Appropriated from:		
7	Special revenue funds:		
8	State aeronautics fund.....		7,655,900
9	State general fund/general purpose.....	\$	0
10	<b>Sec. 115. PUBLIC TRANSPORTATION SERVICES</b>		
11	Full-time equated classified positions.....	36.0	
12	Passenger transportation services--36.0 FTE positions	\$	<u>5,662,800</u>
13	GROSS APPROPRIATION.....	\$	5,662,800
14	Appropriated from:		
15	Federal revenues:		
16	DOT, federal transit administration.....		972,100
17	Special revenue funds:		
18	Comprehensive transportation fund.....		4,651,800
19	Michigan transportation fund.....		38,900
20	State general fund/general purpose.....	\$	0
21	<b>Sec. 116. BUS TRANSIT DIVISION: STATUTORY OPERATING</b>		
22	Local bus operating.....	\$	166,624,000
23	Discretionary state operating.....		5,400,000
24	Nonurban operating/capital.....		<u>25,187,900</u>
25	GROSS APPROPRIATION.....	\$	197,211,900
26	Appropriated from:		
27	Federal revenues:		

1	DOT, federal transit administration.....	23,187,900
2	Special revenue funds:	
3	Comprehensive transportation fund.....	172,024,000
4	Local funds.....	2,000,000
5	State general fund/general purpose.....	\$ 0
6	<b>Sec. 117. INTERCITY PASSENGER AND FREIGHT</b>	
7	Full-time equated classified positions.....	39.0
8	Office of rail--39.0 FTE positions.....	\$ 6,293,700
9	Freight property management.....	1,000,000
10	Detroit/Wayne County port authority.....	468,200
11	Intercity services.....	5,940,000
12	Rail operations and infrastructure.....	26,092,000
13	Rail passenger service/Wolverine.....	19,333,000
14	Marine passenger service.....	400,000
15	Terminal development.....	<u>461,000</u>
16	GROSS APPROPRIATION.....	\$ 59,987,900
17	Appropriated from:	
18	Federal revenues:	
19	DOT, federal transit administration.....	4,500,000
20	DOT, federal railroad administration.....	3,100,000
21	Special revenue funds:	
22	Local funds.....	150,000
23	Private funds.....	100,000
24	Comprehensive transportation fund.....	47,309,900
25	Intercity bus equipment fund.....	140,000
26	Rail freight fund.....	2,000,000
27	Michigan transportation fund.....	1,987,900

1	State trunkline fund.....	700,100
2	State general fund/general purpose.....	\$ 0
3	<b>Sec. 118. PUBLIC TRANSPORTATION DEVELOPMENT</b>	
4	Specialized services.....	\$ 18,028,800
5	Transit capital.....	32,145,300
6	Van pooling.....	807,000
7	Service initiatives.....	1,682,900
8	Transportation to work.....	<u>4,700,000</u>
9	GROSS APPROPRIATION.....	\$ 57,364,000
10	Appropriated from:	
11	Federal revenues:	
12	DOT, federal transit administration.....	16,050,000
13	Special revenue funds:	
14	Local funds.....	5,635,000
15	Comprehensive transportation fund.....	35,679,000
16	State general fund/general purpose.....	\$ 0
17	<b>Sec. 119. CAPITAL OUTLAY</b>	
18	<b>(1) BUILDINGS AND FACILITIES</b>	
19	Special maintenance, remodeling, and additions.....	\$ <u>3,001,500</u>
20	GROSS APPROPRIATION.....	\$ 3,001,500
21	Appropriated from:	
22	State trunkline fund.....	3,001,500
23	State general fund/general purpose.....	\$ 0
24	<b>(2) AIRPORT IMPROVEMENT PROGRAMS</b>	
25	Airport safety, protection and improvement program...	\$ <u>93,104,300</u>
26	GROSS APPROPRIATION.....	\$ 93,104,300
27	Appropriated from:	

1	Federal revenues:	
2	DOT, federal aviation administration.....	78,578,000
3	Special revenue funds:	
4	Local funds.....	12,392,100
5	State aeronautics fund.....	2,134,200
6	State general fund/general purpose.....	\$ 0
7	<b>Sec. 120. ONE-TIME BASIS ONLY</b>	
8	Priority roads investment program.....	\$ 115,000,000
9	Federal aid match for state trunkline road and bridge	
10	construction .....	\$ <u>121,300,000</u>
11	GROSS APPROPRIATION.....	\$ 236,300,000
12	Appropriated from:	
13	Roads and risks reserve fund.....	115,000,000
14	State general fund/general purpose.....	\$ 121,300,000

15 PART 2

16 PROVISIONS CONCERNING APPROPRIATIONS

17 FOR FISCAL YEAR 2013-2014

18 **GENERAL SECTIONS**

19 Sec. 201. Pursuant to section 30 of article IX of the state  
 20 constitution of 1963, total state spending from state resources  
 21 under part 1 for fiscal year 2013-2014 is \$2,345,829,000.00 and  
 22 state spending from state resources to be paid to local units of  
 23 government for fiscal year 2013-2014 is \$1,208,687,600.00. The  
 24 itemized statement below identifies appropriations from which  
 25 spending to local units of government will occur:

1 DEPARTMENT OF TRANSPORTATION

2	Grants to regional planning councils.....	\$	488,800
3	Grants to local programs.....		33,000,000
4	Rail grade crossing.....		3,000,000
5	Local bridge program.....		21,381,600
6	Grants to county road commissions.....		583,032,000
7	Grants to cities and villages.....		325,066,400
8	Economic development fund.....		32,058,200
9	Air service program.....		301,200
10	Local bus operating.....		166,624,000
11	Discretionary state operating.....		5,400,000
12	Detroit/Wayne County port authority.....		468,200
13	Marine passenger service.....		400,000
14	Terminal development.....		461,000
15	Specialized services.....		3,943,800
16	Municipal credit program.....		0
17	Transit capital.....		25,895,300
18	Service initiatives.....		332,900
19	Transportation to work.....		4,700,000
20	Airport safety, protection, and improvement		
21	program.....		<u>2,134,200</u>
22	Total payments to local units of government.....	\$	1,208,687,600

23 Sec. 202. The appropriations authorized under this act are

24 subject to the management and budget act, 1984 PA 431, MCL 18.1101

25 to 18.1594.

26 Sec. 203. As used in this act:

27 (a) "AMTRAK" means the national railroad passenger

1 corporation.

2 (b) "CTF" means comprehensive transportation fund.

3 (c) "Department" means the state transportation department.

4 (d) "DOT" means the United States department of  
5 transportation.

6 (e) "DOT-FHWA" means DOT, federal highway administration.

7 (f) "FTE" means full-time equated.

8 (g) "IRS" means the internal revenue service.

9 (h) "MTF" means Michigan transportation fund.

10 (i) "SAF" means state aeronautics fund.

11 (j) "STF" means state trunkline fund.

12 Sec. 206. (1) In addition to the funds appropriated in part 1,  
13 there is appropriated an amount not to exceed \$200,000,000.00 for  
14 federal contingency funds. These funds are not available for  
15 expenditure until they have been transferred to another line item  
16 in part 1 pursuant to section 393(2) of the management and budget  
17 act, 1984 PA 431, MCL 18.1393.

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

24 (3) In addition to the funds appropriated in part 1, there is  
25 appropriated an amount not to exceed \$1,000,000.00 for local  
26 contingency funds. These funds are not available for expenditure  
27 until they have been transferred to another line item in part 1

1 pursuant to section 393(2) of the management and budget act, 1984  
2 PA 431, MCL 18.1393.

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

9 Sec. 207. The department shall cooperate with the department  
10 of technology, management, and budget to maintain a searchable  
11 website accessible by the public at no cost that includes, but is  
12 not limited to, all of the following:

13 (a) Fiscal year-to-date expenditures by category.

14 (b) Fiscal year-to-date expenditures by appropriation unit.

15 (c) Fiscal year-to-date payments to a selected vendor,  
16 including the vendor name, payment date, payment amount, and  
17 payment description.

18 (d) The number of active department employees by job  
19 classification.

20 (e) Job specifications and wage rates.

21 Sec. 208. The departments and agencies receiving  
22 appropriations in part 1 shall use the Internet to fulfill the  
23 reporting requirements of this act. This requirement may include  
24 transmission of reports via electronic mail to the recipients  
25 identified for each reporting requirement, or it may include  
26 placement of reports on an Internet or Intranet site.

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



1 the purchase of foreign goods or services, or both, if  
2 competitively priced and of comparable quality American goods or  
3 services, or both, are available. Preference shall be given to  
4 goods or services, or both, manufactured or provided by Michigan  
5 businesses, if they are competitively priced and of comparable  
6 quality. In addition, preference shall be given to goods or  
7 services, or both, that are manufactured or provided by Michigan  
8 businesses owned and operated by veterans, if they are  
9 competitively priced and of comparable quality.

10 Sec. 210. The director shall take all reasonable steps to  
11 ensure businesses in deprived and depressed communities compete for  
12 and perform contracts to provide services or supplies, or both.  
13 Each director shall strongly encourage firms with which the  
14 department contracts to subcontract with certified businesses in  
15 depressed and deprived communities for services, supplies, or both.

16 Sec. 212. The department and agencies receiving appropriations  
17 in part 1 shall receive and retain copies of all reports funded  
18 from appropriations in part 1. Federal and state guidelines for  
19 short-term and long-term retention of records shall be followed.  
20 The department may electronically retain copies of reports unless  
21 otherwise required by federal and state guidelines.

22 Sec. 215. A department shall not take disciplinary action  
23 against an employee for communicating with a member of the  
24 legislature or his or her staff.

25 Sec. 228. Not later than November 30, the state budget office  
26 shall prepare and transmit a report that provides for estimates of  
27 the total general fund/general purpose appropriation lapses at the

1 close of the prior fiscal year. This report shall summarize the  
2 projected year-end general fund/general purpose appropriation  
3 lapses by major departmental program or program areas. The report  
4 shall be transmitted to the office of the state budget, the  
5 chairpersons of the senate and house of representatives standing  
6 committees on appropriations, and the senate and house fiscal  
7 agencies.

8       Sec. 229. Within 14 days after the release of the executive  
9 budget recommendation, the department shall cooperate with the  
10 state budget office to provide the state budget director, the  
11 senate and house appropriations chairs, the senate and house  
12 appropriations subcommittees on transportation, respectively, and  
13 the senate and house fiscal agencies with an annual report on  
14 estimated state restricted fund balances, state restricted fund  
15 projected revenues, and state restricted fund expenditures for the  
16 fiscal years ending September 30, 2013 and September 30, 2014.

17       Sec. 233. Not later than April 1, the department shall prepare  
18 and transmit a report that provides detail regarding the  
19 department's expenditures for administration and planning  
20 associated with local units of government. The report shall list  
21 the portion of all the expenditures from part 1 that are allocated  
22 for administration and planning that are associated with the  
23 disbursement of all local funds. The report shall be transmitted to  
24 the office of the state budget, the senate and house appropriations  
25 chairs, the senate and house appropriations subcommittees on  
26 transportation, respectively, and the senate and house fiscal  
27 agencies.

1       Sec. 235. The department shall maintain, on a publicly  
2 accessible website, a department scorecard that identifies, tracks,  
3 and regularly updates key metrics that are used to monitor and  
4 improve the agency's performance.

5       Sec. 260. The departments and agencies receiving  
6 appropriations in part 1 shall prepare a report on out-of-state  
7 travel expenses not later than January 1 of each year. The travel  
8 report shall be a listing of all travel by classified and  
9 unclassified employees outside this state in the immediately  
10 preceding fiscal year that was funded in whole or in part with  
11 funds appropriated in the department's budget. The report shall be  
12 submitted to the senate and house appropriations committees, the  
13 house and senate fiscal agencies, and the state budget director.  
14 The report shall include the following information:

15       (a) The dates of each travel occurrence.

16       (b) The transportation and related costs of each travel  
17 occurrence, including the proportion funded with state general  
18 fund/general purpose revenues, the proportion funded with state  
19 restricted revenues, the proportion funded with federal revenues,  
20 and the proportion funded with other revenues.

21       Sec. 262. Funds appropriated in part 1 shall not be used by a  
22 principal executive department, state agency, or authority to hire  
23 a person to provide legal services that are the responsibility of  
24 the attorney general. This prohibition does not apply to legal  
25 services for bonding activities and for those activities that the  
26 attorney general authorizes.

27       Sec. 263. (1) The department shall report no later than April

1 1, 2014 on each specific policy change made to implement a public  
2 act affecting the department that took effect during the prior  
3 calendar year to the house and senate appropriations subcommittees  
4 on the budget for the department, the joint committee on  
5 administrative rules, and the senate and house fiscal agencies.

6 (2) Funds appropriated in part 1 shall not be used by the  
7 department to adopt a rule that will apply to a small business and  
8 that will have a disproportionate economic impact on small  
9 businesses because of the size of those businesses if the  
10 department fails to reduce the disproportionate economic impact of  
11 the rule on small businesses as provided under section 40 of the  
12 administrative procedures act of 1969, 1969 PA 306, MCL 24.240.

13 (3) As used in this section:

14 (a) "Rule" means that term as defined under section 7 of the  
15 administrative procedures act of 1969, 1969 PA 306, MCL 24.207.

16 (b) "Small business" means that term as defined under section  
17 7a of the administrative procedures act of 1969, 1969 PA 306, MCL  
18 24.207a.

19 Sec. 270. In order to reduce costs and maintain quality, it is  
20 the intent of the legislature that, excluding the fleet of motor  
21 vehicles for the department of state police, the department will  
22 prioritize the utilization of remanufactured parts as the primary  
23 means of maintenance and repair for the state of Michigan's fleet  
24 of motor vehicles.

## 25 **DEPARTMENTAL SECTIONS**

26 Sec. 301. (1) The department may establish a fee schedule and

1 collect fees sufficient to cover the costs to issue the permits  
2 that the department is authorized by law to issue upon request,  
3 unless otherwise stipulated by law. All permit fees are  
4 nonrefundable application fees and shall be credited to the  
5 appropriate fund to recover the direct and indirect costs of  
6 receiving, reviewing, and processing the requests.

7 (2) A bridge authority shall hold 3 public hearings on an  
8 increase in any toll charged by the authority at least 30 days  
9 before the toll change will become effective. Two of the hearings  
10 shall be held within 5 miles of the bridge over which the bridge  
11 authority has jurisdiction. One hearing shall be held in Lansing.  
12 Public hearings held under this section shall be conducted in  
13 accordance with the open meetings act, 1976 PA 267, MCL 15.261 to  
14 15.275, and shall be conducted so as to provide a reasonable  
15 opportunity for public comment, including both spoken and written  
16 comments.

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

22 Sec. 304. If, as a requirement of bidding on a highway  
23 project, the department requires a contractor to submit financial  
24 or proprietary documentation as to how the bid was calculated, that  
25 bid documentation shall be kept confidential and shall not be  
26 disclosed other than to a department representative without the  
27 contractor's written consent. The department may disclose the bid

1 documentation if necessary to address or defend a claim by a  
2 contractor.

3       Sec. 305. (1) The department may permit space on public  
4 passenger transportation properties to be occupied by public or  
5 private tenants on a competitive market rate basis. The department  
6 shall require that revenue from the tenants be placed in an account  
7 to be used to pay the costs to maintain and improve the property.

8       (2) The department shall charge public transit agencies and  
9 intercity bus carriers equal rates per square foot for leasing  
10 space in state-owned intermodal facilities.

11       Sec. 306. (1) The amounts appropriated in part 1 to support  
12 tax and fee collection, law enforcement, and other program services  
13 provided to the department and to transportation funds by other  
14 state departments shall be expended from transportation funds  
15 pursuant to annual contracts between the department and those other  
16 state departments. The contracts shall be executed prior to the  
17 expenditure or obligation of those funds. The contracts shall  
18 provide, but are not limited to, the following data applicable to  
19 each state department:

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

21       (b) Description of services provided to the department and/or  
22 transportation funds and financed with transportation funds.

23       (c) Detailed cost allocation methods appropriate to the type  
24 of services being provided and the activities financed with  
25 transportation funds.

26       (2) Not later than 2 months after publication of the state of  
27 Michigan comprehensive annual financial report, each state

1 department receiving funding pursuant to an interdepartment  
2 contract with the department shall submit a written report to the  
3 department, the state budget director, and the house and senate  
4 fiscal agencies stating by spending authorization account the  
5 amount of estimated funds contracted with the department, the  
6 amount of funds expended, the amount of funds returned to the  
7 transportation funds, and any unreimbursed transportation-related  
8 costs incurred but not billed to transportation funds. A copy of  
9 the report shall be submitted to the auditor general, and the  
10 report shall be subject to audit by the auditor general as provided  
11 in subsection (3).

12 (3) Biennially, in each even-numbered fiscal year, the auditor  
13 general shall conduct an audit of charges to transportation funds  
14 by state departments for the 2 preceding fiscal years. The audit  
15 shall include both charges governed by interdepartmental contracts  
16 as well as miscellaneous charges from other state departments not  
17 governed by contracts. The auditor general shall prepare a detailed  
18 report, with recommendations and conclusions, including a summary  
19 of charges and related services to transportation funds by  
20 department, the appropriateness of those charges, the cost  
21 allocation methodologies used in determining the level of funding,  
22 and any unreimbursed transportation-related costs, if any. The  
23 report shall be provided to the senate and house of representatives  
24 committees on appropriations, the senate and house fiscal agencies,  
25 and the state budget director 9 months after publication of the  
26 state of Michigan comprehensive annual financial report.

27 Sec. 307. Before March 1 of each year, the department will

1 provide to the legislature, the state budget office, and the house  
2 and senate fiscal agencies its rolling 5-year plan listing by  
3 county or by county road commission all highway construction  
4 projects for the fiscal year and all expected projects for the  
5 ensuing fiscal years.

6       Sec. 308. (1) As prescribed in subsection (2), the department  
7 shall submit reports to the state budget director, the house and  
8 senate appropriations subcommittees on transportation, and the  
9 house and senate fiscal agencies on department activities related  
10 to the prequalification of construction contractors under 1933 PA  
11 170, MCL 123.501 to 123.508, and related administrative rules. The  
12 report shall be submitted on or before December 1, 2013.

13       (2) The report shall include all of the following:

14       (a) A description of the department's processes and procedures  
15 for evaluating construction contractor performance on capital  
16 construction projects administered by the department including  
17 state trunkline projects, rail infrastructure projects, local  
18 agency federal-aid highway projects, and airport improvement  
19 projects.

20       (b) Criteria that would cause the department to rate  
21 contractor performance as unsatisfactory.

22       (c) The impact, if any, on a contractor's prequalification if  
23 given an unsatisfactory performance rating by the department.

24       (d) A description of all department actions related to  
25 unsatisfactory contractor performance ratings and restrictions on  
26 contractor prequalification during the fiscal year ending September  
27 30, 2013.



1       Sec. 310. The department shall provide in a timely manner  
2 copies of the agenda and approved minutes of monthly transportation  
3 commission meetings to the members of the house and senate  
4 appropriations subcommittees on transportation, the house and  
5 senate fiscal agencies, and the state budget director.

6       Sec. 311. From the funds appropriated in part 1, the  
7 department shall work with the Michigan economic development  
8 corporation and local stakeholders to update a 1992 study of a  
9 proposed Father Marquette national memorial and Mackinac Straits  
10 area museum. The study update shall include a discussion of funding  
11 alternatives.

12       Sec. 313. (1) From funds appropriated in part 1, the  
13 department may increase a state infrastructure bank program and  
14 grant or loan funds in accordance with regulations of the state  
15 infrastructure bank program of the United States department of  
16 transportation. The state infrastructure bank is to be administered  
17 by the department for the purpose of providing a revolving, self-  
18 sustaining resource for financing transportation infrastructure  
19 projects.

20       (2) In addition to funds provided in subsection (1), money  
21 received by the state as federal grants, repayment of state  
22 infrastructure bank loans, or other reimbursement or revenue  
23 received by the state as a result of projects funded by the program  
24 and interest earned on that money shall be deposited in the  
25 revolving state infrastructure bank fund and shall be available for  
26 transportation infrastructure projects. At the close of the fiscal  
27 year, any unencumbered funds remaining in the state infrastructure

1 bank fund shall remain in the fund and be carried forward into the  
2 succeeding fiscal year.

3 (3) The department shall submit a report to the state budget  
4 director, the house and senate appropriations subcommittees on  
5 transportation, and the house and senate fiscal agencies on the  
6 status of the state infrastructure bank. The report shall be  
7 submitted on or before December 1, 2013. The report shall include  
8 all of the following:

9 (a) The balance in the state infrastructure bank at September  
10 30, 2013, including a breakdown of the balance by cash and cash  
11 equivalents, outstanding loans, and balance available for loan to  
12 local agencies.

13 (b) A breakdown of the state infrastructure loan balance by  
14 amounts designated as originating from federal sources and the  
15 amounts originating from nonfederal sources.

16 (c) A list of outstanding loans by agency, original loan  
17 amount, project description, loan term, and amount outstanding.

18 Sec. 319. The department shall post signs at each rest area to  
19 identify the agency or contractor responsible for maintenance of  
20 the rest area. The signs shall include a department telephone  
21 number and shall indicate that unsafe or unclean conditions at the  
22 rest area may be reported to that telephone number.

23 Sec. 353. The department shall review its contractor payment  
24 process and ensure that all prime contractors are paid promptly.  
25 The department shall ensure that prime contractors are in  
26 compliance with special provision 109.10 regarding the prompt  
27 payment of subcontractors.

1       Sec. 357. When presented with complete local federal aid  
2 project submittals, the department shall complete all necessary  
3 reviews and inspections required to let local federal aid projects  
4 within 120 days of receipt. The department shall implement a system  
5 for monitoring the local federal aid project review process.

6       Sec. 375. The department is prohibited from reimbursing  
7 contractors or consultants for costs associated with groundbreaking  
8 ceremonies, receptions, open houses, or press conferences related  
9 to transportation projects funded, in whole or in part, by revenue  
10 appropriated in part 1.

11       Sec. 381. The department shall require as a condition of each  
12 contract or subcontract for construction, maintenance, or  
13 engineering services that the prequalified contractor or  
14 prequalified subcontractor agree to use the E-Verify system to  
15 verify that all persons hired during the contract term by the  
16 contractor or subcontractor are legally present and authorized to  
17 work in the United States. The department may verify this  
18 information directly or may require contractors and subcontractors  
19 to verify the information and submit a certification to the  
20 department. The department shall report to the house and senate  
21 appropriations committees and the house and senate fiscal agencies  
22 by March 1, 2014 describing the processes it has developed and  
23 implemented under provisions of this section. As used in this  
24 section, "E-Verify" means an Internet-based system operated by the  
25 department of homeland security, U.S. citizenship and immigration  
26 services in partnership with the social security administration.

27       Sec. 382. In administering a contract with a county road

1 commission, city, or village that allocates costs of construction  
2 or reconstruction of highways, roads, and streets as provided in  
3 section 18d of 1951 PA 51, MCL 247.668d, the department shall  
4 submit the final cost-sharing bill to the county road commission,  
5 city, or village not later than 2 years after the date of the final  
6 contract payment to the construction contractor.

7       Sec. 383. (1) The department shall prepare an annual report on  
8 all travel by executive branch employees, and others including  
9 local public officials, university employees, and other public  
10 employees on department-owned aircraft. The report shall include,  
11 by department, the name of the traveler, the travel origination  
12 location, the travel destination location, type of aircraft, and  
13 the total estimated costs associated with the air travel.

14       (2) The report shall be submitted to the senate and house  
15 appropriations subcommittees on transportation and the house and  
16 senate fiscal agencies no later than July 1.

17       (3) From the funds appropriated in part 1, the department is  
18 prohibited from transporting legislators or legislative staff on  
19 state-owned aircraft without prior approval from the senate  
20 majority leader or the speaker of the house of representatives and  
21 only when the aircraft is already scheduled by state employees on  
22 related official state business.

23       (4) The department shall maintain a system for recovering the  
24 cost of operating department-owned aircraft through charges to  
25 aircraft users.

26       Sec. 384. (1) Except as otherwise provided in subsection (2),  
27 the department shall not obligate the state to expend any state

1 transportation revenue for construction planning or construction of  
2 the Detroit River International Crossing or a renamed successor. In  
3 addition, except as provided in subsection (2), the department  
4 shall not commit the state to any new contract related to the  
5 construction planning or construction of the Detroit River  
6 International Crossing or a renamed successor that would obligate  
7 the state to expend any state transportation revenue. An  
8 expenditure for staff resources used in connection with project  
9 activities, which expenditure is subject to full and prompt  
10 reimbursement from Canada, shall not be considered an expenditure  
11 of state transportation revenue.

12 (2) If the legislature enacts specific enabling legislation  
13 for the construction of the Detroit River International Crossing or  
14 a renamed successor, subsection (1) does not apply once the  
15 enabling legislation goes into effect.

16 Sec. 385. (1) The department shall submit reports to the state  
17 budget director, the speaker of the house, the house minority  
18 leader, the senate majority leader, the senate minority leader, the  
19 house and senate appropriations subcommittees on transportation,  
20 and the house and senate fiscal agencies on department activities  
21 related to all nonconstruction or construction planning activities  
22 related to the Detroit River International Crossing or a renamed  
23 successor. The initial report shall be submitted on or before  
24 December 1, 2013 and shall cover the fiscal year ending September  
25 30, 2013.

26 (2) The initial report shall include, at a minimum, all of the  
27 following:

1 (a) Department costs incurred in the fiscal year ending  
2 September 30, 2013, including employee salaries, wages, benefits,  
3 travel, and contractual services, and what activities those costs  
4 were related to.

5 (b) Costs of other executive branch agencies incurred in the  
6 fiscal year ending September 30, 2013, including employee salaries,  
7 wages, benefits, travel, and contractual services, and what  
8 activities those costs were related to.

9 (c) A breakdown of the source of funds used for the activities  
10 described in subdivisions (a) and (b).

11 (d) A breakdown of reimbursements made by Canada under section  
12 384(1) to the state for expenditures for staff resources used in  
13 connection with project activities.

14 (e) A narrative description of the status of the Detroit River  
15 International Crossing or a renamed successor, including efforts  
16 undertaken to implement provisions of the crossing agreement  
17 executed June 15, 2012 by representatives of the Canadian  
18 government and this state.

19 (3) After submission of the initial report, a subsequent  
20 report shall be submitted on March 1, 2014, June 1, 2014, and  
21 September 1, 2014 and shall include the same information described  
22 in subsection (2) for the applicable previous fiscal quarter.

23 **FEDERAL**

24 Sec. 401. Within 30 days of receiving the applicable fiscal  
25 year authorization from the federal government to commit  
26 transportation funds, the department shall notify local agency

1 representatives, the senate and house of representatives  
2 appropriations transportation subcommittees, the senate and house  
3 fiscal agencies, and the state budget director regarding the amount  
4 of federal aid for categorical allocations to state and local  
5 agency programs not specifically allocated in either federal or  
6 state law.

7       Sec. 402. A portion of the federal DOT-FHWA highway research,  
8 planning, and construction funds made available to this state shall  
9 be allocated to transportation programs administered by local  
10 jurisdictions in accordance with section 10o of 1951 PA 51, MCL  
11 247.660o. A local road agency, with respect to a project approved  
12 for federal aid funding in a state transportation improvement  
13 program, may enter into a voluntary buyout agreement with the  
14 department or with another local road agency to exchange the  
15 federal aid with state restricted transportation funds as agreed to  
16 by the respective parties. The state restricted transportation  
17 funds received in exchange for federal aid funds shall be used for  
18 the same purpose as the federal aid funds were originally intended.

19 **MICHIGAN TRANSPORTATION FUND**

20       Sec. 501. The money received under the motor carrier act, 1933  
21 PA 254, MCL 475.1 to 479.43, and not appropriated to the department  
22 of licensing and regulatory affairs or the department of state  
23 police is deposited in the Michigan transportation fund.

24       Sec. 503. (1) The funds appropriated in part 1 for the  
25 economic development and local bridge programs shall not lapse at  
26 the end of the fiscal year but shall carry forward each fiscal year

1 for the purposes for which appropriated in accordance with 1987 PA  
2 231, MCL 247.901 to 247.913, and section 10(5) of 1951 PA 51, MCL  
3 247.660.

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

8 (3) In addition to the funds appropriated in part 1, the  
9 department of transportation economic development fund and local  
10 bridge fund may receive federal, local, or private funds or  
11 restricted source funds such as interest earnings. These funds are  
12 appropriated for projects that are consistent with the purposes of  
13 the respective funds.

14 (4) None of the funds statutorily dedicated to the  
15 transportation economic development fund and local bridge fund  
16 shall be diverted to other projects.

17 Sec. 504. Funds from the Michigan transportation fund shall be  
18 distributed to the comprehensive transportation fund, the economic  
19 development fund, the recreation improvement fund, and the state  
20 trunkline fund, in accordance with this act and part 711 of the  
21 natural resources and environmental protection act, 1994 PA 451,  
22 MCL 324.71101 to 324.71108, and may only be used as specified in  
23 this act, 1951 PA 51, MCL 247.651 to 247.675, and part 711 of the  
24 natural resources and environmental protection act, 1994 PA 451,  
25 MCL 324.71101 to 324.71108.

26 **STATE TRUNKLINE FUND**



1       Sec. 601. The department shall work with the road construction  
2 industry and engineering consulting community to develop  
3 performance and road construction warranties for construction  
4 contracts. The development of warranties shall include warranties  
5 on materials, workmanship, performance criteria, and design/build  
6 projects. The department will report by September 30 of each  
7 calendar year to the house of representatives and senate  
8 appropriations subcommittees on transportation, the state budget  
9 director, and the house and senate fiscal agencies on the status of  
10 efforts to develop performance and road construction warranties.

11       Sec. 603. The department shall use traffic congestion as 1 of  
12 the criteria in determining the priorities for designating which  
13 roads shall be remediated in its 5-year road plan, which must be  
14 submitted on or before March 1 of each year. Criteria for  
15 evaluating traffic congestion shall include, but not be limited to,  
16 coordination with local, county, and regional planning, improvement  
17 in traffic operations, improvement in physical roadway conditions,  
18 accident reduction, and coordination with area public  
19 transportation planning.

20       Sec. 604. At the close of the fiscal year, any unencumbered  
21 and unexpended balance in the state trunkline fund shall remain in  
22 the state trunkline fund and shall carry forward and is  
23 appropriated for federal aid road and bridge programs for projects  
24 contained in the annual state transportation program.

25       Sec. 610. The department shall have as a priority the removal  
26 of dead deer and other large animal remains from the traveled  
27 portion and shoulder of state highways. The department, and

1 counties that perform state highway maintenance under contract,  
2 shall remove animal remains, wherever practicable and when funds  
3 are available, away from the traveled portion and shoulder of state  
4 highways.

5       Sec. 612. The department shall establish guidelines governing  
6 incentives and disincentives provided under contracts for state  
7 trunkline projects. The guidelines shall include specific financial  
8 information concerning incentives and disincentives. On or before  
9 January 1 of each year, the department shall prepare a report for  
10 the immediately preceding fiscal year regarding contract incentives  
11 and disincentives. This report shall include a list, by project, of  
12 the contractors that received contract incentives and/or  
13 disincentives, the amount of the incentives and/or disincentives,  
14 and the number of days that each project was completed either ahead  
15 or past the contracted completion date. This report shall be  
16 provided to the senate and house appropriations subcommittees on  
17 transportation, the senate and house standing committees on  
18 transportation, and the senate and house fiscal agencies.

19       Sec. 660. (1) The legislature encourages the department to  
20 examine the use of alternative road surface materials, including  
21 recycled materials, and to develop criteria and specifications for  
22 their use in both department-managed and contracted projects.

23       (2) The department shall evaluate the use of a bituminous mix  
24 which incorporates crumb rubber from scrap tires.

#### 25 **COMPREHENSIVE TRANSPORTATION FUND**

26       Sec. 701. The department shall establish an intercity bus

1 equipment and facility fund as a subsidiary fund within the  
2 comprehensive transportation fund created under section 10b of 1951  
3 PA 51, MCL 247.660b. Proceeds received by this state from the sale  
4 of state-owned intercity bus equipment shall be credited to the  
5 intercity bus equipment facility fund for the purchase and repair  
6 of intercity bus equipment, as appropriated. Security deposits not  
7 returned to a lessee of state-owned intercity bus equipment under  
8 terms of the lease agreement shall be credited to the intercity bus  
9 equipment fund for the repair of intercity bus equipment, as  
10 appropriated. Money received by the department from lease payments  
11 for state-owned intercity bus equipment, and facility maintenance  
12 charges under terms of leases of state-owned intercity facilities,  
13 shall be credited to the intercity bus equipment facility fund for  
14 the purchase and repair of intercity bus equipment or for the  
15 maintenance and rehabilitation of state-owned intercity facilities,  
16 as appropriated. At the close of the fiscal year, any funds  
17 remaining in the intercity bus equipment facility fund shall remain  
18 in the fund and be carried forward into the succeeding fiscal year.

19       Sec. 702. Money that is received by this state as repayment  
20 for loans made for rail or water freight capital projects, and as a  
21 result of the sale of property or equipment used or projected to be  
22 used for rail or water freight projects shall be deposited in the  
23 fund created by section 17 of the state transportation preservation  
24 act of 1976, 1976 PA 295, MCL 474.67. At the close of the fiscal  
25 year, any funds remaining in the rail freight fund shall remain in  
26 the fund and be carried forward into the succeeding fiscal year.

27       Sec. 703. After receiving notification from a railroad company

1 pursuant to section 8 of the state transportation preservation act  
2 of 1976, 1976 PA 295, MCL 474.58, the department shall immediately  
3 notify the house of representatives and senate appropriations  
4 subcommittees on transportation and the state budget office that  
5 the railroad company has filed with the appropriate governmental  
6 agencies for abandonment of a line.

7       Sec. 706. The Detroit/Wayne County port authority shall issue  
8 a complete operations assessment and a financial disclosure  
9 statement. The operations assessment shall include operational  
10 goals for the next 5 years and recommendations to improve land  
11 acquisition and development efficiency. The report shall be  
12 completed and submitted to the house of representatives and senate  
13 appropriations subcommittees on transportation, the state budget  
14 director, and the house and senate fiscal agencies by February 15  
15 of each fiscal year for the prior fiscal year.

16       Sec. 711. (1) As prescribed in subsection (2), the department  
17 shall submit reports to the state budget director, the house and  
18 senate appropriations subcommittees on transportation, and the  
19 house and senate fiscal agencies on rail passenger service provided  
20 by AMTRAK under a contractual agreement with the department. The  
21 report shall be submitted on or before May 1, 2014.

22       (2) The report shall include all of the following:

23       (a) Passenger counts for the preceding fiscal year for each of  
24 the 3 AMTRAK routes in Michigan.

25       (b) Revenue and operating expenses by AMTRAK route.

26       (c) Total state operating payments to AMTRAK in the preceding  
27 fiscal year by AMTRAK route.

1 (d) A discussion of major factors affecting route costs and  
2 revenue and net state costs in the preceding fiscal year, and  
3 factors affecting route costs and revenue and net state costs  
4 anticipated in the current and future fiscal years.

5 Sec. 735. For the fiscal year ending September 30, 2014, the  
6 appropriation to a street railway pursuant to section 10e(22) of  
7 1951 PA 51, MCL 247.660e, is \$0.

8 Sec. 736. From the funds appropriated in part 1 for rail  
9 operations and infrastructure, \$1,500,000.00 shall be allocated for  
10 a pilot project to test traffic control devices at rail grade  
11 crossings on railroad tracks that are federally designated as a  
12 high-speed rail corridor under 49 USC 26106. Any pilot project  
13 entered into under this section shall be done using a competitive  
14 bidding process.

15 Sec. 740. The department shall report by March 1 of each year  
16 to the house of representatives and senate appropriations  
17 subcommittees on transportation, the house and senate fiscal  
18 agencies, and the state budget director the encumbered and  
19 unencumbered balances of the comprehensive transportation fund.

#### 20 AERONAUTICS FUND

21 Sec. 801. Except as otherwise provided in section 903 for  
22 capital outlay, at the close of the fiscal year, any unobligated  
23 and unexpended balance in the state aeronautics fund created in the  
24 aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.1  
25 to 259.208, shall lapse to the state aeronautics fund and be  
26 appropriated by the legislature in the immediately succeeding

1 fiscal year.

2 **CAPITAL OUTLAY**

3       Sec. 901. (1) From federal-state-local project appropriations  
4 contained in part 1 for the purpose of assisting political entities  
5 and subdivisions of this state in the construction and improvement  
6 of publicly used airports and landing fields within this state, the  
7 state transportation department may permit the award of contracts  
8 on behalf of units of local government for the authorized locations  
9 not to exceed the indicated amounts, of which the state allocated  
10 portion shall not exceed the amount appropriated in part 1.

11       (2) Political entities and subdivisions shall provide not less  
12 than 5% of the cost of any project under this section, unless a  
13 total nonfederal share greater than 10% is otherwise specified in  
14 federal law. State money shall not be allocated until local money  
15 is allocated. State money for any 1 project shall not exceed 1/3 of  
16 the total appropriation in part 1 from state funds for airport  
17 improvement programs.

18       (3) The Michigan aeronautics commission may take those steps  
19 necessary to match federal money available for airport construction  
20 and improvement within this state and to meet the matching  
21 requirements of the federal government. Whether acting alone or  
22 jointly with another political subdivision or public agency or with  
23 this state, a political subdivision or public agency of this state  
24 shall not submit to any agency of the federal government a project  
25 application for airport planning or development unless it is  
26 authorized in this act and the project application is approved by

1 the governing body of each political subdivision or public agency  
2 making the application and by the Michigan aeronautics commission.

3 Sec. 902. Before the end of each fiscal year, the state  
4 transportation department shall report to the house and senate  
5 appropriations subcommittees on transportation and the house and  
6 senate fiscal agencies on the status of airport improvement  
7 projects funded in part 1 with the estimated dollars allocated for  
8 each project. If there has to be a delay in reporting, the state  
9 transportation department shall notify the house and senate  
10 appropriations subcommittees on transportation in writing of the  
11 date the report will be received.

12 Sec. 903. The appropriations in part 1 for capital outlay  
13 shall be carried forward at the end of the fiscal year consistent  
14 with the provisions of section 248 of the management and budget  
15 act, 1984 PA 431, MCL 18.1248.

#### 16 **ONE-TIME APPROPRIATIONS**

17 Sec. 1001. The appropriation in part 1 of \$121,300,000.00 from  
18 the state general fund is appropriated to the state trunkline  
19 federal aid and road and bridge construction program and is  
20 intended to ensure that the state is able to match all available  
21 federal-aid highway funds.

### 22 PART 2A

#### 23 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

24 FOR FISCAL YEAR 2014-2015

#### 25 **GENERAL SECTIONS**

1       Sec. 1201. It is the intent of the legislature to provide  
2       appropriations for the fiscal year ending on September 30, 2015 for  
3       the line items listed in part 1. The fiscal year 2014-2015  
4       appropriations are anticipated to be the same as those for fiscal  
5       year 2013-2014, except that the line items will be adjusted for  
6       changes in caseload and related costs, federal fund match rates,  
7       economic factors, and available revenue. These adjustments will be  
8       determined after the January 2014 consensus revenue estimating  
9       conference.

10       Sec. 1202. It is the intent of the legislature that the  
11       department identify the amounts for normal retirement costs and  
12       legacy retirement costs for the fiscal year ending on September 30,  
13       2015 for the line items listed in part 1.



## SUBSTITUTE FOR

A bill to make appropriations for the state transportation department for the fiscal year ending September 30, 2014; and to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

## PART 1

## LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the state transportation department for the fiscal year ending September 30, 2014, from the following funds:

## STATE TRANSPORTATION DEPARTMENT

## APPROPRIATION SUMMARY

Full-time equated unclassified positions..... 6.0

Full-time equated classified positions..... 2,912.3

1	GROSS APPROPRIATION.....	\$ 3,598,616,700
2	Total interdepartmental grants and intradepartmental	
3	transfers .....	3,625,100
4	ADJUSTED GROSS APPROPRIATION.....	\$ 3,594,991,600
5	Federal revenues:	
6	DOT, federal transit administration.....	44,710,000
7	DOT-FHWA, highway research, planning, and construction	1,072,497,500
8	DOT, federal railroad administration.....	3,100,000
9	DOT, federal aviation administration.....	78,578,000
10	Total federal revenues.....	1,198,885,500
11	Special revenue funds:	
12	Local revenues.....	50,177,100
13	Private revenues.....	100,000
14	Total local and private revenues.....	50,277,100
15	Blue Water Bridge fund.....	46,212,700
16	Comprehensive transportation fund.....	281,674,500
17	Economic development fund.....	42,477,500
18	IRS debt service rebate.....	6,868,800
19	Intercity bus equipment fund.....	140,000
20	Local bridge fund.....	23,787,900
21	Michigan transportation fund.....	989,713,600
22	Roads and risks reserve fund.....	115,000,000
23	Rail freight fund.....	2,000,000
24	State aeronautics fund.....	14,955,300
25	State trunkline fund.....	701,698,700
26	Total other state restricted revenues.....	2,224,529,000
27	State general fund/general purpose.....	\$ 121,300,000

1	State general fund/general purpose schedule:		
2	Ongoing state general fund/general		
3	purpose .....	0	
4	One-time state general fund/general		
5	purpose .....	121,300,000	
6	<b>Sec. 102. DEBT SERVICE</b>		
7	State trunkline.....	\$	199,738,200
8	Economic development.....		10,003,400
9	Local bridge fund.....		2,406,300
10	Blue Water Bridge fund.....		6,962,500
11	Airport safety and protection plan.....		3,892,200
12	Comprehensive transportation.....		<u>19,318,500</u>
13	GROSS APPROPRIATION.....	\$	242,321,100
14	Appropriated from:		
15	Federal revenues:		
16	DOT-FHWA, highway research, planning, and construction		45,912,200
17	Special revenue funds:		
18	Blue Water Bridge fund.....		6,962,500
19	Comprehensive transportation fund.....		19,318,500
20	Economic development fund.....		10,003,400
21	Local bridge fund.....		2,406,300
22	IRS debt service rebate.....		6,868,800
23	State aeronautics fund.....		3,892,200
24	State trunkline fund.....		146,957,200
25	State general fund/general purpose.....	\$	0
26	<b>Sec. 103. COLLECTION, ENFORCEMENT, AND OTHER AGENCY</b>		
27	<b>SUPPORT SERVICES</b>		

1	MTF grant to department of environmental quality .....	\$	1,285,700
2	MTF grant to department of state for collection of		
3	revenue and fees .....		20,000,000
4	MTF grant to department of treasury .....		2,500,000
5	MTF grant to legislative auditor general .....		296,000
6	STF grant to department of attorney general .....		2,387,000
7	STF grant to civil service commission .....		5,697,000
8	STF grant to department of technology, management, and		
9	budget .....		1,324,200
10	STF grant to department of state police .....		11,258,700
11	STF grant to department of treasury .....		129,700
12	STF grant to legislative auditor general .....		687,600
13	SAF grant to department of attorney general .....		174,400
14	SAF grant to civil service commission .....		150,000
15	SAF grant to department of technology, management, and		
16	budget .....		40,000
17	SAF grant to department of treasury .....		71,600
18	SAF grant to legislative auditor general .....		28,300
19	CTF grant to department of attorney general .....		200,900
20	CTF grant to civil service commission .....		200,000
21	CTF grant to department of technology, management, and		
22	budget .....		46,000
23	CTF grant to department of treasury .....		12,200
24	CTF grant to legislative auditor general .....		<u>36,400</u>
25	GROSS APPROPRIATION .....	\$	46,525,700
26	Appropriated from:		
27	Special revenue funds:		

1	Comprehensive transportation fund.....	495,500
2	Michigan transportation fund.....	24,081,700
3	State aeronautics fund.....	464,300
4	State trunkline fund.....	21,484,200
5	State general fund/general purpose.....	\$ 0
6	<b>Sec. 104. EXECUTIVE DIRECTION</b>	
7	Full-time equated unclassified positions.....	6.0
8	Full-time equated classified positions.....	29.3
9	Unclassified salaries.....	\$ 707,000
10	Asset management council.....	1,626,400
11	Commission audit--29.3 FTE positions.....	<u>3,298,200</u>
12	GROSS APPROPRIATION.....	\$ 5,631,600
13	Appropriated from:	
14	Special revenue funds:	
15	Michigan transportation fund.....	1,626,400
16	State trunkline fund.....	4,005,200
17	State general fund/general purpose.....	\$ 0
18	<b>Sec. 105. BUSINESS SUPPORT</b>	
19	Full-time equated classified positions.....	76.5
20	Business support services--67.5 FTE positions.....	\$ 9,427,700
21	Economic development and enhancement programs--9.0 FTE	
22	positions .....	1,426,200
23	Property management.....	8,068,700
24	Worker's compensation.....	<u>2,013,000</u>
25	GROSS APPROPRIATION.....	\$ 20,935,600
26	Appropriated from:	
27	Special revenue funds:	

1	Comprehensive transportation fund.....	1,369,700
2	Economic development fund.....	378,700
3	Michigan transportation fund.....	760,500
4	State aeronautics fund.....	625,400
5	State trunkline fund.....	17,801,300
6	State general fund/general purpose.....	\$ 0
7	<b>Sec. 106. INFORMATION TECHNOLOGY</b>	
8	Information technology services and projects .....	\$ <u>31,119,700</u>
9	GROSS APPROPRIATION.....	\$ 31,119,700
10	Appropriated from:	
11	Federal revenues:	
12	DOT-FHWA, highway research, planning, and construction	520,500
13	Special revenue funds:	
14	Blue Water Bridge fund.....	53,100
15	Comprehensive transportation fund.....	215,600
16	Economic development fund.....	37,200
17	Michigan transportation fund.....	284,700
18	State aeronautics fund.....	168,300
19	State trunkline fund.....	29,840,300
20	State general fund/general purpose.....	\$ 0
21	<b>Sec. 107. FINANCE, CONTRACTS, AND SUPPORT SERVICES</b>	
22	Full-time equated classified positions.....	186.0
23	Finance, contracts, and support services--186.0 FTE	
24	positions .....	\$ <u>20,896,100</u>
25	GROSS APPROPRIATION.....	\$ 20,896,100
26	Appropriated from:	
27	Interdepartmental grant revenues:	

1	IDG for accounting service center user charges .....		3,625,100
2	Special revenue funds:		
3	Michigan transportation fund.....		1,677,000
4	State trunkline fund.....		15,594,000
5	State general fund/general purpose .....	\$	0
6	<b>Sec. 108. TRANSPORTATION PLANNING</b>		
7	Full-time equated classified positions.....	141.0	
8	Transportation planning--141.0 FTE positions .....	\$	37,794,600
9	Grants to regional planning councils.....		<u>488,800</u>
10	GROSS APPROPRIATION.....	\$	38,283,400
11	Appropriated from:		
12	Federal revenues:		
13	DOT-FHWA, highway research, planning, and construction		20,000,000
14	Special revenue funds:		
15	Comprehensive transportation fund.....		610,500
16	Michigan transportation fund.....		6,941,300
17	State aeronautics fund.....		15,000
18	State trunkline fund.....		10,716,600
19	State general fund/general purpose .....	\$	0
20	<b>Sec. 109. DESIGN AND ENGINEERING SERVICES</b>		
21	Full-time equated classified positions.....	1,500.8	
22	Engineering services--701.1 FTE positions .....	\$	69,781,400
23	Program services--737.7 FTE positions .....		59,563,000
24	Intelligent transportation systems operations--12.0		
25	FTE positions .....		10,712,900
26	Welcome center operations--50.0 FTE positions .....		<u>4,403,900</u>
27	GROSS APPROPRIATION.....	\$	144,461,200

1	Appropriated from:	
2	Federal revenues:	
3	DOT-FHWA, highway research, planning, and construction	23,529,800
4	Special revenue funds:	
5	Michigan transportation fund.....	8,216,800
6	State trunkline fund.....	112,714,600
7	State general fund/general purpose.....	\$ 0
8	<b>Sec. 110. HIGHWAY MAINTENANCE</b>	
9	Full-time equated classified positions.....	808.7
10	State trunkline operations--808.7 FTE positions.....	\$ <u>275,689,500</u>
11	GROSS APPROPRIATION.....	\$ 275,689,500
12	Appropriated from:	
13	Special revenue funds:	
14	State trunkline fund.....	275,689,500
15	State general fund/general purpose.....	\$ 0
16	<b>Sec. 111. ROAD AND BRIDGE PROGRAMS</b>	
17	State trunkline federal aid and road and bridge	
18	construction .....	\$ 868,193,500
19	Local federal aid and road and bridge construction...	240,443,000
20	Grants to local programs.....	33,000,000
21	Rail grade crossing.....	3,000,000
22	Local bridge program.....	21,381,600
23	County road commissions.....	583,032,000
24	Cities and villages.....	<u>325,066,400</u>
25	GROSS APPROPRIATION.....	\$ 2,074,116,500
26	Appropriated from:	
27	Federal revenues:	



1	DOT-FHWA, highway research, planning, and construction	982,535,000
2	Special revenue funds:	
3	Local funds.....	30,000,000
4	Blue Water Bridge fund.....	32,907,300
5	Local bridge fund.....	21,381,600
6	Michigan transportation fund.....	944,098,400
7	State trunkline fund.....	63,194,200
8	State general fund/general purpose.....	\$ 0
9	<b>Sec. 112. BLUE WATER BRIDGE</b>	
10	Full-time equated classified positions..... 41.0	
11	Blue Water Bridge operations--41.0 FTE positions .....	\$ <u>6,289,800</u>
12	GROSS APPROPRIATION.....	\$ 6,289,800
13	Appropriated from:	
14	Special revenue funds:	
15	Blue Water Bridge fund.....	6,289,800
16	State general fund/general purpose.....	\$ 0
17	<b>Sec. 113. TRANSPORTATION ECONOMIC DEVELOPMENT</b>	
18	Forest roads.....	\$ 5,000,000
19	Rural county urban system.....	2,500,000
20	Target industries/economic redevelopment .....	8,029,000
21	Urban county congestion.....	8,264,600
22	Rural county primary.....	<u>8,264,600</u>
23	GROSS APPROPRIATION.....	\$ 32,058,200
24	Appropriated from:	
25	Special revenue funds:	
26	Economic development fund.....	32,058,200
27	State general fund/general purpose.....	\$ 0

1	<b>Sec. 114. AERONAUTICS SERVICES</b>		
2	Full-time equated classified positions.....	54.0	
3	Aviation services--54.0 FTE positions.....	\$	7,354,700
4	Air service program.....		<u>301,200</u>
5	GROSS APPROPRIATION.....	\$	7,655,900
6	Appropriated from:		
7	Special revenue funds:		
8	State aeronautics fund.....		7,655,900
9	State general fund/general purpose.....	\$	0
10	<b>Sec. 115. PUBLIC TRANSPORTATION SERVICES</b>		
11	Full-time equated classified positions.....	36.0	
12	Passenger transportation services--36.0 FTE positions	\$	<u>5,662,800</u>
13	GROSS APPROPRIATION.....	\$	5,662,800
14	Appropriated from:		
15	Federal revenues:		
16	DOT, federal transit administration.....		972,100
17	Special revenue funds:		
18	Comprehensive transportation fund.....		4,651,800
19	Michigan transportation fund.....		38,900
20	State general fund/general purpose.....	\$	0
21	<b>Sec. 116. BUS TRANSIT DIVISION: STATUTORY OPERATING</b>		
22	Local bus operating.....	\$	166,624,000
23	Discretionary state operating.....		5,400,000
24	Nonurban operating/capital.....		<u>25,187,900</u>
25	GROSS APPROPRIATION.....	\$	197,211,900
26	Appropriated from:		
27	Federal revenues:		

1	DOT, federal transit administration.....	23,187,900
2	Special revenue funds:	
3	Comprehensive transportation fund.....	172,024,000
4	Local funds.....	2,000,000
5	State general fund/general purpose.....	\$ 0
6	<b>Sec. 117. INTERCITY PASSENGER AND FREIGHT</b>	
7	Full-time equated classified positions.....	39.0
8	Office of rail--39.0 FTE positions.....	\$ 6,293,700
9	Freight property management.....	1,000,000
10	Detroit/Wayne County port authority.....	468,200
11	Intercity services.....	5,940,000
12	Rail operations and infrastructure.....	26,092,000
13	Rail passenger service/Wolverine.....	19,333,000
14	Marine passenger service.....	400,000
15	Terminal development.....	<u>461,000</u>
16	GROSS APPROPRIATION.....	\$ 59,987,900
17	Appropriated from:	
18	Federal revenues:	
19	DOT, federal transit administration.....	4,500,000
20	DOT, federal railroad administration.....	3,100,000
21	Special revenue funds:	
22	Local funds.....	150,000
23	Private funds.....	100,000
24	Comprehensive transportation fund.....	47,309,900
25	Intercity bus equipment fund.....	140,000
26	Rail freight fund.....	2,000,000
27	Michigan transportation fund.....	1,987,900

1	State trunkline fund.....	700,100
2	State general fund/general purpose.....	\$ 0
3	<b>Sec. 118. PUBLIC TRANSPORTATION DEVELOPMENT</b>	
4	Specialized services.....	\$ 18,028,800
5	Transit capital.....	32,145,300
6	Van pooling.....	807,000
7	Service initiatives.....	1,682,900
8	Transportation to work.....	<u>4,700,000</u>
9	GROSS APPROPRIATION.....	\$ 57,364,000
10	Appropriated from:	
11	Federal revenues:	
12	DOT, federal transit administration.....	16,050,000
13	Special revenue funds:	
14	Local funds.....	5,635,000
15	Comprehensive transportation fund.....	35,679,000
16	State general fund/general purpose.....	\$ 0
17	<b>Sec. 119. CAPITAL OUTLAY</b>	
18	<b>(1) BUILDINGS AND FACILITIES</b>	
19	Special maintenance, remodeling, and additions.....	\$ <u>3,001,500</u>
20	GROSS APPROPRIATION.....	\$ 3,001,500
21	Appropriated from:	
22	State trunkline fund.....	3,001,500
23	State general fund/general purpose.....	\$ 0
24	<b>(2) AIRPORT IMPROVEMENT PROGRAMS</b>	
25	Airport safety, protection and improvement program...	\$ <u>93,104,300</u>
26	GROSS APPROPRIATION.....	\$ 93,104,300
27	Appropriated from:	

1	Federal revenues:	
2	DOT, federal aviation administration.....	78,578,000
3	Special revenue funds:	
4	Local funds.....	12,392,100
5	State aeronautics fund.....	2,134,200
6	State general fund/general purpose.....	\$ 0
7	<b>Sec. 120. ONE-TIME BASIS ONLY</b>	
8	Priority roads investment program.....	\$ 115,000,000
9	Federal aid match for state trunkline road and bridge	
10	construction .....	\$ <u>121,300,000</u>
11	GROSS APPROPRIATION.....	\$ 236,300,000
12	Appropriated from:	
13	Roads and risks reserve fund.....	115,000,000
14	State general fund/general purpose.....	\$ 121,300,000

15 PART 2

16 PROVISIONS CONCERNING APPROPRIATIONS

17 FOR FISCAL YEAR 2013-2014

18 **GENERAL SECTIONS**

19 Sec. 201. Pursuant to section 30 of article IX of the state

20 constitution of 1963, total state spending from state resources

21 under part 1 for fiscal year 2013-2014 is \$2,345,829,000.00 and

22 state spending from state resources to be paid to local units of

23 government for fiscal year 2013-2014 is \$1,208,687,600.00. The

24 itemized statement below identifies appropriations from which

25 spending to local units of government will occur:

1 DEPARTMENT OF TRANSPORTATION

2	Grants to regional planning councils.....	\$	488,800
3	Grants to local programs.....		33,000,000
4	Rail grade crossing.....		3,000,000
5	Local bridge program.....		21,381,600
6	Grants to county road commissions.....		583,032,000
7	Grants to cities and villages.....		325,066,400
8	Economic development fund.....		32,058,200
9	Air service program.....		301,200
10	Local bus operating.....		166,624,000
11	Discretionary state operating.....		5,400,000
12	Detroit/Wayne County port authority.....		468,200
13	Marine passenger service.....		400,000
14	Terminal development.....		461,000
15	Specialized services.....		3,943,800
16	Municipal credit program.....		0
17	Transit capital.....		25,895,300
18	Service initiatives.....		332,900
19	Transportation to work.....		4,700,000
20	Airport safety, protection, and improvement		
21	program.....		<u>2,134,200</u>
22	Total payments to local units of government.....	\$	1,208,687,600

23 Sec. 202. The appropriations authorized under this act are

24 subject to the management and budget act, 1984 PA 431, MCL 18.1101

25 to 18.1594.

26 Sec. 203. As used in this act:

27 (a) "AMTRAK" means the national railroad passenger

1 corporation.

2 (b) "CTF" means comprehensive transportation fund.

3 (c) "Department" means the state transportation department.

4 (d) "DOT" means the United States department of  
5 transportation.

6 (e) "DOT-FHWA" means DOT, federal highway administration.

7 (f) "FTE" means full-time equated.

8 (g) "IRS" means the internal revenue service.

9 (h) "MTF" means Michigan transportation fund.

10 (i) "SAF" means state aeronautics fund.

11 (j) "STF" means state trunkline fund.

12 Sec. 206. (1) In addition to the funds appropriated in part 1,  
13 there is appropriated an amount not to exceed \$200,000,000.00 for  
14 federal contingency funds. These funds are not available for  
15 expenditure until they have been transferred to another line item  
16 in part 1 pursuant to section 393(2) of the management and budget  
17 act, 1984 PA 431, MCL 18.1393.

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

24 (3) In addition to the funds appropriated in part 1, there is  
25 appropriated an amount not to exceed \$1,000,000.00 for local  
26 contingency funds. These funds are not available for expenditure  
27 until they have been transferred to another line item in part 1

1 pursuant to section 393(2) of the management and budget act, 1984  
2 PA 431, MCL 18.1393.

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

9 Sec. 207. The department shall cooperate with the department  
10 of technology, management, and budget to maintain a searchable  
11 website accessible by the public at no cost that includes, but is  
12 not limited to, all of the following:

13 (a) Fiscal year-to-date expenditures by category.

14 (b) Fiscal year-to-date expenditures by appropriation unit.

15 (c) Fiscal year-to-date payments to a selected vendor,  
16 including the vendor name, payment date, payment amount, and  
17 payment description.

18 (d) The number of active department employees by job  
19 classification.

20 (e) Job specifications and wage rates.

21 Sec. 208. The departments and agencies receiving  
22 appropriations in part 1 shall use the Internet to fulfill the  
23 reporting requirements of this act. This requirement may include  
24 transmission of reports via electronic mail to the recipients  
25 identified for each reporting requirement, or it may include  
26 placement of reports on an Internet or Intranet site.

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



1 the purchase of foreign goods or services, or both, if  
2 competitively priced and of comparable quality American goods or  
3 services, or both, are available. Preference shall be given to  
4 goods or services, or both, manufactured or provided by Michigan  
5 businesses, if they are competitively priced and of comparable  
6 quality. In addition, preference shall be given to goods or  
7 services, or both, that are manufactured or provided by Michigan  
8 businesses owned and operated by veterans, if they are  
9 competitively priced and of comparable quality.

10 Sec. 210. The director shall take all reasonable steps to  
11 ensure businesses in deprived and depressed communities compete for  
12 and perform contracts to provide services or supplies, or both.  
13 Each director shall strongly encourage firms with which the  
14 department contracts to subcontract with certified businesses in  
15 depressed and deprived communities for services, supplies, or both.

16 Sec. 212. The department and agencies receiving appropriations  
17 in part 1 shall receive and retain copies of all reports funded  
18 from appropriations in part 1. Federal and state guidelines for  
19 short-term and long-term retention of records shall be followed.  
20 The department may electronically retain copies of reports unless  
21 otherwise required by federal and state guidelines.

22 Sec. 215. A department shall not take disciplinary action  
23 against an employee for communicating with a member of the  
24 legislature or his or her staff.

25 Sec. 228. Not later than November 30, the state budget office  
26 shall prepare and transmit a report that provides for estimates of  
27 the total general fund/general purpose appropriation lapses at the

1 close of the prior fiscal year. This report shall summarize the  
2 projected year-end general fund/general purpose appropriation  
3 lapses by major departmental program or program areas. The report  
4 shall be transmitted to the office of the state budget, the  
5 chairpersons of the senate and house of representatives standing  
6 committees on appropriations, and the senate and house fiscal  
7 agencies.

8       Sec. 229. Within 14 days after the release of the executive  
9 budget recommendation, the department shall cooperate with the  
10 state budget office to provide the state budget director, the  
11 senate and house appropriations chairs, the senate and house  
12 appropriations subcommittees on transportation, respectively, and  
13 the senate and house fiscal agencies with an annual report on  
14 estimated state restricted fund balances, state restricted fund  
15 projected revenues, and state restricted fund expenditures for the  
16 fiscal years ending September 30, 2013 and September 30, 2014.

17       Sec. 233. Not later than April 1, the department shall prepare  
18 and transmit a report that provides detail regarding the  
19 department's expenditures for administration and planning  
20 associated with local units of government. The report shall list  
21 the portion of all the expenditures from part 1 that are allocated  
22 for administration and planning that are associated with the  
23 disbursement of all local funds. The report shall be transmitted to  
24 the office of the state budget, the senate and house appropriations  
25 chairs, the senate and house appropriations subcommittees on  
26 transportation, respectively, and the senate and house fiscal  
27 agencies.

1       Sec. 235. The department shall maintain, on a publicly  
2 accessible website, a department scorecard that identifies, tracks,  
3 and regularly updates key metrics that are used to monitor and  
4 improve the agency's performance.

5       Sec. 260. The departments and agencies receiving  
6 appropriations in part 1 shall prepare a report on out-of-state  
7 travel expenses not later than January 1 of each year. The travel  
8 report shall be a listing of all travel by classified and  
9 unclassified employees outside this state in the immediately  
10 preceding fiscal year that was funded in whole or in part with  
11 funds appropriated in the department's budget. The report shall be  
12 submitted to the senate and house appropriations committees, the  
13 house and senate fiscal agencies, and the state budget director.  
14 The report shall include the following information:

15       (a) The dates of each travel occurrence.

16       (b) The transportation and related costs of each travel  
17 occurrence, including the proportion funded with state general  
18 fund/general purpose revenues, the proportion funded with state  
19 restricted revenues, the proportion funded with federal revenues,  
20 and the proportion funded with other revenues.

21       Sec. 262. Funds appropriated in part 1 shall not be used by a  
22 principal executive department, state agency, or authority to hire  
23 a person to provide legal services that are the responsibility of  
24 the attorney general. This prohibition does not apply to legal  
25 services for bonding activities and for those activities that the  
26 attorney general authorizes.

27       Sec. 263. (1) The department shall report no later than April

1 1, 2014 on each specific policy change made to implement a public  
2 act affecting the department that took effect during the prior  
3 calendar year to the house and senate appropriations subcommittees  
4 on the budget for the department, the joint committee on  
5 administrative rules, and the senate and house fiscal agencies.

6 (2) Funds appropriated in part 1 shall not be used by the  
7 department to adopt a rule that will apply to a small business and  
8 that will have a disproportionate economic impact on small  
9 businesses because of the size of those businesses if the  
10 department fails to reduce the disproportionate economic impact of  
11 the rule on small businesses as provided under section 40 of the  
12 administrative procedures act of 1969, 1969 PA 306, MCL 24.240.

13 (3) As used in this section:

14 (a) "Rule" means that term as defined under section 7 of the  
15 administrative procedures act of 1969, 1969 PA 306, MCL 24.207.

16 (b) "Small business" means that term as defined under section  
17 7a of the administrative procedures act of 1969, 1969 PA 306, MCL  
18 24.207a.

19 Sec. 270. In order to reduce costs and maintain quality, it is  
20 the intent of the legislature that, excluding the fleet of motor  
21 vehicles for the department of state police, the department will  
22 prioritize the utilization of remanufactured parts as the primary  
23 means of maintenance and repair for the state of Michigan's fleet  
24 of motor vehicles.

## 25 **DEPARTMENTAL SECTIONS**

26 Sec. 301. (1) The department may establish a fee schedule and

1 collect fees sufficient to cover the costs to issue the permits  
2 that the department is authorized by law to issue upon request,  
3 unless otherwise stipulated by law. All permit fees are  
4 nonrefundable application fees and shall be credited to the  
5 appropriate fund to recover the direct and indirect costs of  
6 receiving, reviewing, and processing the requests.

7 (2) A bridge authority shall hold 3 public hearings on an  
8 increase in any toll charged by the authority at least 30 days  
9 before the toll change will become effective. Two of the hearings  
10 shall be held within 5 miles of the bridge over which the bridge  
11 authority has jurisdiction. One hearing shall be held in Lansing.  
12 Public hearings held under this section shall be conducted in  
13 accordance with the open meetings act, 1976 PA 267, MCL 15.261 to  
14 15.275, and shall be conducted so as to provide a reasonable  
15 opportunity for public comment, including both spoken and written  
16 comments.

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

22 Sec. 304. If, as a requirement of bidding on a highway  
23 project, the department requires a contractor to submit financial  
24 or proprietary documentation as to how the bid was calculated, that  
25 bid documentation shall be kept confidential and shall not be  
26 disclosed other than to a department representative without the  
27 contractor's written consent. The department may disclose the bid

1 documentation if necessary to address or defend a claim by a  
2 contractor.

3 Sec. 305. (1) The department may permit space on public  
4 passenger transportation properties to be occupied by public or  
5 private tenants on a competitive market rate basis. The department  
6 shall require that revenue from the tenants be placed in an account  
7 to be used to pay the costs to maintain and improve the property.

8 (2) The department shall charge public transit agencies and  
9 intercity bus carriers equal rates per square foot for leasing  
10 space in state-owned intermodal facilities.

11 Sec. 306. (1) The amounts appropriated in part 1 to support  
12 tax and fee collection, law enforcement, and other program services  
13 provided to the department and to transportation funds by other  
14 state departments shall be expended from transportation funds  
15 pursuant to annual contracts between the department and those other  
16 state departments. The contracts shall be executed prior to the  
17 expenditure or obligation of those funds. The contracts shall  
18 provide, but are not limited to, the following data applicable to  
19 each state department:

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

21 (b) Description of services provided to the department and/or  
22 transportation funds and financed with transportation funds.

23 (c) Detailed cost allocation methods appropriate to the type  
24 of services being provided and the activities financed with  
25 transportation funds.

26 (2) Not later than 2 months after publication of the state of  
27 Michigan comprehensive annual financial report, each state

1 department receiving funding pursuant to an interdepartment  
2 contract with the department shall submit a written report to the  
3 department, the state budget director, and the house and senate  
4 fiscal agencies stating by spending authorization account the  
5 amount of estimated funds contracted with the department, the  
6 amount of funds expended, the amount of funds returned to the  
7 transportation funds, and any unreimbursed transportation-related  
8 costs incurred but not billed to transportation funds. A copy of  
9 the report shall be submitted to the auditor general, and the  
10 report shall be subject to audit by the auditor general as provided  
11 in subsection (3).

12 (3) Biennially, in each even-numbered fiscal year, the auditor  
13 general shall conduct an audit of charges to transportation funds  
14 by state departments for the 2 preceding fiscal years. The audit  
15 shall include both charges governed by interdepartmental contracts  
16 as well as miscellaneous charges from other state departments not  
17 governed by contracts. The auditor general shall prepare a detailed  
18 report, with recommendations and conclusions, including a summary  
19 of charges and related services to transportation funds by  
20 department, the appropriateness of those charges, the cost  
21 allocation methodologies used in determining the level of funding,  
22 and any unreimbursed transportation-related costs, if any. The  
23 report shall be provided to the senate and house of representatives  
24 committees on appropriations, the senate and house fiscal agencies,  
25 and the state budget director 9 months after publication of the  
26 state of Michigan comprehensive annual financial report.

27 Sec. 307. Before March 1 of each year, the department will

1 provide to the legislature, the state budget office, and the house  
2 and senate fiscal agencies its rolling 5-year plan listing by  
3 county or by county road commission all highway construction  
4 projects for the fiscal year and all expected projects for the  
5 ensuing fiscal years.

6       Sec. 308. (1) As prescribed in subsection (2), the department  
7 shall submit reports to the state budget director, the house and  
8 senate appropriations subcommittees on transportation, and the  
9 house and senate fiscal agencies on department activities related  
10 to the prequalification of construction contractors under 1933 PA  
11 170, MCL 123.501 to 123.508, and related administrative rules. The  
12 report shall be submitted on or before December 1, 2013.

13       (2) The report shall include all of the following:

14       (a) A description of the department's processes and procedures  
15 for evaluating construction contractor performance on capital  
16 construction projects administered by the department including  
17 state trunkline projects, rail infrastructure projects, local  
18 agency federal-aid highway projects, and airport improvement  
19 projects.

20       (b) Criteria that would cause the department to rate  
21 contractor performance as unsatisfactory.

22       (c) The impact, if any, on a contractor's prequalification if  
23 given an unsatisfactory performance rating by the department.

24       (d) A description of all department actions related to  
25 unsatisfactory contractor performance ratings and restrictions on  
26 contractor prequalification during the fiscal year ending September  
27 30, 2013.



1       Sec. 310. The department shall provide in a timely manner  
2 copies of the agenda and approved minutes of monthly transportation  
3 commission meetings to the members of the house and senate  
4 appropriations subcommittees on transportation, the house and  
5 senate fiscal agencies, and the state budget director.

6       Sec. 311. From the funds appropriated in part 1, the  
7 department shall work with the Michigan economic development  
8 corporation and local stakeholders to update a 1992 study of a  
9 proposed Father Marquette national memorial and Mackinac Straits  
10 area museum. The study update shall include a discussion of funding  
11 alternatives.

12       Sec. 313. (1) From funds appropriated in part 1, the  
13 department may increase a state infrastructure bank program and  
14 grant or loan funds in accordance with regulations of the state  
15 infrastructure bank program of the United States department of  
16 transportation. The state infrastructure bank is to be administered  
17 by the department for the purpose of providing a revolving, self-  
18 sustaining resource for financing transportation infrastructure  
19 projects.

20       (2) In addition to funds provided in subsection (1), money  
21 received by the state as federal grants, repayment of state  
22 infrastructure bank loans, or other reimbursement or revenue  
23 received by the state as a result of projects funded by the program  
24 and interest earned on that money shall be deposited in the  
25 revolving state infrastructure bank fund and shall be available for  
26 transportation infrastructure projects. At the close of the fiscal  
27 year, any unencumbered funds remaining in the state infrastructure

1 bank fund shall remain in the fund and be carried forward into the  
2 succeeding fiscal year.

3 (3) The department shall submit a report to the state budget  
4 director, the house and senate appropriations subcommittees on  
5 transportation, and the house and senate fiscal agencies on the  
6 status of the state infrastructure bank. The report shall be  
7 submitted on or before December 1, 2013. The report shall include  
8 all of the following:

9 (a) The balance in the state infrastructure bank at September  
10 30, 2013, including a breakdown of the balance by cash and cash  
11 equivalents, outstanding loans, and balance available for loan to  
12 local agencies.

13 (b) A breakdown of the state infrastructure loan balance by  
14 amounts designated as originating from federal sources and the  
15 amounts originating from nonfederal sources.

16 (c) A list of outstanding loans by agency, original loan  
17 amount, project description, loan term, and amount outstanding.

18 Sec. 319. The department shall post signs at each rest area to  
19 identify the agency or contractor responsible for maintenance of  
20 the rest area. The signs shall include a department telephone  
21 number and shall indicate that unsafe or unclean conditions at the  
22 rest area may be reported to that telephone number.

23 Sec. 353. The department shall review its contractor payment  
24 process and ensure that all prime contractors are paid promptly.  
25 The department shall ensure that prime contractors are in  
26 compliance with special provision 109.10 regarding the prompt  
27 payment of subcontractors.

1       Sec. 357. When presented with complete local federal aid  
2 project submittals, the department shall complete all necessary  
3 reviews and inspections required to let local federal aid projects  
4 within 120 days of receipt. The department shall implement a system  
5 for monitoring the local federal aid project review process.

6       Sec. 375. The department is prohibited from reimbursing  
7 contractors or consultants for costs associated with groundbreaking  
8 ceremonies, receptions, open houses, or press conferences related  
9 to transportation projects funded, in whole or in part, by revenue  
10 appropriated in part 1.

11       Sec. 381. The department shall require as a condition of each  
12 contract or subcontract for construction, maintenance, or  
13 engineering services that the prequalified contractor or  
14 prequalified subcontractor agree to use the E-Verify system to  
15 verify that all persons hired during the contract term by the  
16 contractor or subcontractor are legally present and authorized to  
17 work in the United States. The department may verify this  
18 information directly or may require contractors and subcontractors  
19 to verify the information and submit a certification to the  
20 department. The department shall report to the house and senate  
21 appropriations committees and the house and senate fiscal agencies  
22 by March 1, 2014 describing the processes it has developed and  
23 implemented under provisions of this section. As used in this  
24 section, "E-Verify" means an Internet-based system operated by the  
25 department of homeland security, U.S. citizenship and immigration  
26 services in partnership with the social security administration.

27       Sec. 382. In administering a contract with a county road

1 commission, city, or village that allocates costs of construction  
2 or reconstruction of highways, roads, and streets as provided in  
3 section 18d of 1951 PA 51, MCL 247.668d, the department shall  
4 submit the final cost-sharing bill to the county road commission,  
5 city, or village not later than 2 years after the date of the final  
6 contract payment to the construction contractor.

7       Sec. 383. (1) The department shall prepare an annual report on  
8 all travel by executive branch employees, and others including  
9 local public officials, university employees, and other public  
10 employees on department-owned aircraft. The report shall include,  
11 by department, the name of the traveler, the travel origination  
12 location, the travel destination location, type of aircraft, and  
13 the total estimated costs associated with the air travel.

14       (2) The report shall be submitted to the senate and house  
15 appropriations subcommittees on transportation and the house and  
16 senate fiscal agencies no later than July 1.

17       (3) From the funds appropriated in part 1, the department is  
18 prohibited from transporting legislators or legislative staff on  
19 state-owned aircraft without prior approval from the senate  
20 majority leader or the speaker of the house of representatives and  
21 only when the aircraft is already scheduled by state employees on  
22 related official state business.

23       (4) The department shall maintain a system for recovering the  
24 cost of operating department-owned aircraft through charges to  
25 aircraft users.

26       Sec. 384. (1) Except as otherwise provided in subsection (2),  
27 the department shall not obligate the state to expend any state

1 transportation revenue for construction planning or construction of  
2 the Detroit River International Crossing or a renamed successor. In  
3 addition, except as provided in subsection (2), the department  
4 shall not commit the state to any new contract related to the  
5 construction planning or construction of the Detroit River  
6 International Crossing or a renamed successor that would obligate  
7 the state to expend any state transportation revenue. An  
8 expenditure for staff resources used in connection with project  
9 activities, which expenditure is subject to full and prompt  
10 reimbursement from Canada, shall not be considered an expenditure  
11 of state transportation revenue.

12 (2) If the legislature enacts specific enabling legislation  
13 for the construction of the Detroit River International Crossing or  
14 a renamed successor, subsection (1) does not apply once the  
15 enabling legislation goes into effect.

16 Sec. 385. (1) The department shall submit reports to the state  
17 budget director, the speaker of the house, the house minority  
18 leader, the senate majority leader, the senate minority leader, the  
19 house and senate appropriations subcommittees on transportation,  
20 and the house and senate fiscal agencies on department activities  
21 related to all nonconstruction or construction planning activities  
22 related to the Detroit River International Crossing or a renamed  
23 successor. The initial report shall be submitted on or before  
24 December 1, 2013 and shall cover the fiscal year ending September  
25 30, 2013.

26 (2) The initial report shall include, at a minimum, all of the  
27 following:

1 (a) Department costs incurred in the fiscal year ending  
2 September 30, 2013, including employee salaries, wages, benefits,  
3 travel, and contractual services, and what activities those costs  
4 were related to.

5 (b) Costs of other executive branch agencies incurred in the  
6 fiscal year ending September 30, 2013, including employee salaries,  
7 wages, benefits, travel, and contractual services, and what  
8 activities those costs were related to.

9 (c) A breakdown of the source of funds used for the activities  
10 described in subdivisions (a) and (b).

11 (d) A breakdown of reimbursements made by Canada under section  
12 384(1) to the state for expenditures for staff resources used in  
13 connection with project activities.

14 (e) A narrative description of the status of the Detroit River  
15 International Crossing or a renamed successor, including efforts  
16 undertaken to implement provisions of the crossing agreement  
17 executed June 15, 2012 by representatives of the Canadian  
18 government and this state.

19 (3) After submission of the initial report, a subsequent  
20 report shall be submitted on March 1, 2014, June 1, 2014, and  
21 September 1, 2014 and shall include the same information described  
22 in subsection (2) for the applicable previous fiscal quarter.

23 **FEDERAL**

24 Sec. 401. Within 30 days of receiving the applicable fiscal  
25 year authorization from the federal government to commit  
26 transportation funds, the department shall notify local agency

1 representatives, the senate and house of representatives  
2 appropriations transportation subcommittees, the senate and house  
3 fiscal agencies, and the state budget director regarding the amount  
4 of federal aid for categorical allocations to state and local  
5 agency programs not specifically allocated in either federal or  
6 state law.

7       Sec. 402. A portion of the federal DOT-FHWA highway research,  
8 planning, and construction funds made available to this state shall  
9 be allocated to transportation programs administered by local  
10 jurisdictions in accordance with section 10o of 1951 PA 51, MCL  
11 247.660o. A local road agency, with respect to a project approved  
12 for federal aid funding in a state transportation improvement  
13 program, may enter into a voluntary buyout agreement with the  
14 department or with another local road agency to exchange the  
15 federal aid with state restricted transportation funds as agreed to  
16 by the respective parties. The state restricted transportation  
17 funds received in exchange for federal aid funds shall be used for  
18 the same purpose as the federal aid funds were originally intended.

19 **MICHIGAN TRANSPORTATION FUND**

20       Sec. 501. The money received under the motor carrier act, 1933  
21 PA 254, MCL 475.1 to 479.43, and not appropriated to the department  
22 of licensing and regulatory affairs or the department of state  
23 police is deposited in the Michigan transportation fund.

24       Sec. 503. (1) The funds appropriated in part 1 for the  
25 economic development and local bridge programs shall not lapse at  
26 the end of the fiscal year but shall carry forward each fiscal year

1 for the purposes for which appropriated in accordance with 1987 PA  
2 231, MCL 247.901 to 247.913, and section 10(5) of 1951 PA 51, MCL  
3 247.660.

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

8 (3) In addition to the funds appropriated in part 1, the  
9 department of transportation economic development fund and local  
10 bridge fund may receive federal, local, or private funds or  
11 restricted source funds such as interest earnings. These funds are  
12 appropriated for projects that are consistent with the purposes of  
13 the respective funds.

14 (4) None of the funds statutorily dedicated to the  
15 transportation economic development fund and local bridge fund  
16 shall be diverted to other projects.

17 Sec. 504. Funds from the Michigan transportation fund shall be  
18 distributed to the comprehensive transportation fund, the economic  
19 development fund, the recreation improvement fund, and the state  
20 trunkline fund, in accordance with this act and part 711 of the  
21 natural resources and environmental protection act, 1994 PA 451,  
22 MCL 324.71101 to 324.71108, and may only be used as specified in  
23 this act, 1951 PA 51, MCL 247.651 to 247.675, and part 711 of the  
24 natural resources and environmental protection act, 1994 PA 451,  
25 MCL 324.71101 to 324.71108.

26 **STATE TRUNKLINE FUND**



1           Sec. 601. The department shall work with the road construction  
2 industry and engineering consulting community to develop  
3 performance and road construction warranties for construction  
4 contracts. The development of warranties shall include warranties  
5 on materials, workmanship, performance criteria, and design/build  
6 projects. The department will report by September 30 of each  
7 calendar year to the house of representatives and senate  
8 appropriations subcommittees on transportation, the state budget  
9 director, and the house and senate fiscal agencies on the status of  
10 efforts to develop performance and road construction warranties.

11           Sec. 603. The department shall use traffic congestion as 1 of  
12 the criteria in determining the priorities for designating which  
13 roads shall be remediated in its 5-year road plan, which must be  
14 submitted on or before March 1 of each year. Criteria for  
15 evaluating traffic congestion shall include, but not be limited to,  
16 coordination with local, county, and regional planning, improvement  
17 in traffic operations, improvement in physical roadway conditions,  
18 accident reduction, and coordination with area public  
19 transportation planning.

20           Sec. 604. At the close of the fiscal year, any unencumbered  
21 and unexpended balance in the state trunkline fund shall remain in  
22 the state trunkline fund and shall carry forward and is  
23 appropriated for federal aid road and bridge programs for projects  
24 contained in the annual state transportation program.

25           Sec. 610. The department shall have as a priority the removal  
26 of dead deer and other large animal remains from the traveled  
27 portion and shoulder of state highways. The department, and

1 counties that perform state highway maintenance under contract,  
2 shall remove animal remains, wherever practicable and when funds  
3 are available, away from the traveled portion and shoulder of state  
4 highways.

5       Sec. 612. The department shall establish guidelines governing  
6 incentives and disincentives provided under contracts for state  
7 trunkline projects. The guidelines shall include specific financial  
8 information concerning incentives and disincentives. On or before  
9 January 1 of each year, the department shall prepare a report for  
10 the immediately preceding fiscal year regarding contract incentives  
11 and disincentives. This report shall include a list, by project, of  
12 the contractors that received contract incentives and/or  
13 disincentives, the amount of the incentives and/or disincentives,  
14 and the number of days that each project was completed either ahead  
15 or past the contracted completion date. This report shall be  
16 provided to the senate and house appropriations subcommittees on  
17 transportation, the senate and house standing committees on  
18 transportation, and the senate and house fiscal agencies.

19       Sec. 660. (1) The legislature encourages the department to  
20 examine the use of alternative road surface materials, including  
21 recycled materials, and to develop criteria and specifications for  
22 their use in both department-managed and contracted projects.

23       (2) The department shall evaluate the use of a bituminous mix  
24 which incorporates crumb rubber from scrap tires.

25 **COMPREHENSIVE TRANSPORTATION FUND**

26       Sec. 701. The department shall establish an intercity bus

1 equipment and facility fund as a subsidiary fund within the  
2 comprehensive transportation fund created under section 10b of 1951  
3 PA 51, MCL 247.660b. Proceeds received by this state from the sale  
4 of state-owned intercity bus equipment shall be credited to the  
5 intercity bus equipment facility fund for the purchase and repair  
6 of intercity bus equipment, as appropriated. Security deposits not  
7 returned to a lessee of state-owned intercity bus equipment under  
8 terms of the lease agreement shall be credited to the intercity bus  
9 equipment fund for the repair of intercity bus equipment, as  
10 appropriated. Money received by the department from lease payments  
11 for state-owned intercity bus equipment, and facility maintenance  
12 charges under terms of leases of state-owned intercity facilities,  
13 shall be credited to the intercity bus equipment facility fund for  
14 the purchase and repair of intercity bus equipment or for the  
15 maintenance and rehabilitation of state-owned intercity facilities,  
16 as appropriated. At the close of the fiscal year, any funds  
17 remaining in the intercity bus equipment facility fund shall remain  
18 in the fund and be carried forward into the succeeding fiscal year.

19       Sec. 702. Money that is received by this state as repayment  
20 for loans made for rail or water freight capital projects, and as a  
21 result of the sale of property or equipment used or projected to be  
22 used for rail or water freight projects shall be deposited in the  
23 fund created by section 17 of the state transportation preservation  
24 act of 1976, 1976 PA 295, MCL 474.67. At the close of the fiscal  
25 year, any funds remaining in the rail freight fund shall remain in  
26 the fund and be carried forward into the succeeding fiscal year.

27       Sec. 703. After receiving notification from a railroad company

1 pursuant to section 8 of the state transportation preservation act  
2 of 1976, 1976 PA 295, MCL 474.58, the department shall immediately  
3 notify the house of representatives and senate appropriations  
4 subcommittees on transportation and the state budget office that  
5 the railroad company has filed with the appropriate governmental  
6 agencies for abandonment of a line.

7       Sec. 706. The Detroit/Wayne County port authority shall issue  
8 a complete operations assessment and a financial disclosure  
9 statement. The operations assessment shall include operational  
10 goals for the next 5 years and recommendations to improve land  
11 acquisition and development efficiency. The report shall be  
12 completed and submitted to the house of representatives and senate  
13 appropriations subcommittees on transportation, the state budget  
14 director, and the house and senate fiscal agencies by February 15  
15 of each fiscal year for the prior fiscal year.

16       Sec. 711. (1) As prescribed in subsection (2), the department  
17 shall submit reports to the state budget director, the house and  
18 senate appropriations subcommittees on transportation, and the  
19 house and senate fiscal agencies on rail passenger service provided  
20 by AMTRAK under a contractual agreement with the department. The  
21 report shall be submitted on or before May 1, 2014.

22       (2) The report shall include all of the following:

23       (a) Passenger counts for the preceding fiscal year for each of  
24 the 3 AMTRAK routes in Michigan.

25       (b) Revenue and operating expenses by AMTRAK route.

26       (c) Total state operating payments to AMTRAK in the preceding  
27 fiscal year by AMTRAK route.

1 (d) A discussion of major factors affecting route costs and  
2 revenue and net state costs in the preceding fiscal year, and  
3 factors affecting route costs and revenue and net state costs  
4 anticipated in the current and future fiscal years.

5 Sec. 735. For the fiscal year ending September 30, 2014, the  
6 appropriation to a street railway pursuant to section 10e(22) of  
7 1951 PA 51, MCL 247.660e, is \$0.

8 Sec. 736. From the funds appropriated in part 1 for rail  
9 operations and infrastructure, \$1,500,000.00 shall be allocated for  
10 a pilot project to test traffic control devices at rail grade  
11 crossings on railroad tracks that are federally designated as a  
12 high-speed rail corridor under 49 USC 26106. Any pilot project  
13 entered into under this section shall be done using a competitive  
14 bidding process.

15 Sec. 740. The department shall report by March 1 of each year  
16 to the house of representatives and senate appropriations  
17 subcommittees on transportation, the house and senate fiscal  
18 agencies, and the state budget director the encumbered and  
19 unencumbered balances of the comprehensive transportation fund.

20 **AERONAUTICS FUND**

21 Sec. 801. Except as otherwise provided in section 903 for  
22 capital outlay, at the close of the fiscal year, any unobligated  
23 and unexpended balance in the state aeronautics fund created in the  
24 aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.1  
25 to 259.208, shall lapse to the state aeronautics fund and be  
26 appropriated by the legislature in the immediately succeeding

1 fiscal year.

2 **CAPITAL OUTLAY**

3       Sec. 901. (1) From federal-state-local project appropriations  
4 contained in part 1 for the purpose of assisting political entities  
5 and subdivisions of this state in the construction and improvement  
6 of publicly used airports and landing fields within this state, the  
7 state transportation department may permit the award of contracts  
8 on behalf of units of local government for the authorized locations  
9 not to exceed the indicated amounts, of which the state allocated  
10 portion shall not exceed the amount appropriated in part 1.

11       (2) Political entities and subdivisions shall provide not less  
12 than 5% of the cost of any project under this section, unless a  
13 total nonfederal share greater than 10% is otherwise specified in  
14 federal law. State money shall not be allocated until local money  
15 is allocated. State money for any 1 project shall not exceed 1/3 of  
16 the total appropriation in part 1 from state funds for airport  
17 improvement programs.

18       (3) The Michigan aeronautics commission may take those steps  
19 necessary to match federal money available for airport construction  
20 and improvement within this state and to meet the matching  
21 requirements of the federal government. Whether acting alone or  
22 jointly with another political subdivision or public agency or with  
23 this state, a political subdivision or public agency of this state  
24 shall not submit to any agency of the federal government a project  
25 application for airport planning or development unless it is  
26 authorized in this act and the project application is approved by

the governing body of each political subdivision or public agency making the application and by the Michigan aeronautics commission.

Sec. 902. Before the end of each fiscal year, the state transportation department shall report to the house and senate appropriations subcommittees on transportation and the house and senate fiscal agencies on the status of airport improvement projects funded in part 1 with the estimated dollars allocated for each project. If there has to be a delay in reporting, the state transportation department shall notify the house and senate appropriations subcommittees on transportation in writing of the date the report will be received.

Sec. 903. The appropriations in part 1 for capital outlay shall be carried forward at the end of the fiscal year consistent with the provisions of section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

#### **ONE-TIME APPROPRIATIONS**

Sec. 1001. The appropriation in part 1 of \$121,300,000.00 from the state general fund is appropriated to the state trunkline federal aid and road and bridge construction program and is intended to ensure that the state is able to match all available federal-aid highway funds.

### **PART 2A**

#### **PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS**

**FOR FISCAL YEAR 2014-2015**

#### **GENERAL SECTIONS**

1       Sec. 1201. It is the intent of the legislature to provide  
2       appropriations for the fiscal year ending on September 30, 2015 for  
3       the line items listed in part 1. The fiscal year 2014-2015  
4       appropriations are anticipated to be the same as those for fiscal  
5       year 2013-2014, except that the line items will be adjusted for  
6       changes in caseload and related costs, federal fund match rates,  
7       economic factors, and available revenue. These adjustments will be  
8       determined after the January 2014 consensus revenue estimating  
9       conference.

10       Sec. 1202. It is the intent of the legislature that the  
11       department identify the amounts for normal retirement costs and  
12       legacy retirement costs for the fiscal year ending on September 30,  
13       2015 for the line items listed in part 1.