

# HOUSE BILL NO. 5307

December 19, 2019, Introduced by Reps. Anthony, Love, Hope, Guerra, Liberati, Bolden, Manoogian, Camilleri, Cynthia Johnson and Whitsett and referred to the Committee on Commerce and Tourism.

A bill to amend 1951 PA 51, entitled

"An act to provide for the classification of all public roads, streets, and highways in this state, and for the revision of that classification and for additions to and deletions from each classification; to set up and establish the Michigan transportation fund; to provide for the deposits in the Michigan transportation fund of specific taxes on motor vehicles and motor vehicle fuels; to provide for the allocation of funds from the Michigan transportation fund and the use and administration of the fund for transportation purposes; to promote safe and efficient travel for motor vehicle drivers, bicyclists, pedestrians, and other legal users of roads, streets, and highways; to set up and establish the truck safety fund; to provide for the allocation of funds from the



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truck safety fund and administration of the fund for truck safety purposes; to set up and establish the Michigan truck safety commission; to establish certain standards for road contracts for certain businesses; to provide for the continuing review of transportation needs within the state; to authorize the state transportation commission, counties, cities, and villages to borrow money, issue bonds, and make pledges of funds for transportation purposes; to authorize counties to advance funds for the payment of deficiencies necessary for the payment of bonds issued under this act; to provide for the limitations, payment, retirement, and security of the bonds and pledges; to provide for appropriations and tax levies by counties and townships for county roads; to authorize contributions by townships for county roads; to provide for the establishment and administration of the state trunk line fund, local bridge fund, comprehensive transportation fund, and certain other funds; to provide for the deposits in the state trunk line fund, critical bridge fund, comprehensive transportation fund, and certain other funds of money raised by specific taxes and fees; to provide for definitions of public transportation functions and criteria; to define the purposes for which Michigan transportation funds may be allocated; to provide for Michigan transportation fund grants; to provide for review and approval of transportation programs; to provide for submission of annual legislative requests and reports; to provide for the establishment and functions of certain advisory entities; to provide for conditions for grants; to provide for the issuance of bonds and notes for transportation purposes; to provide for the powers and duties of certain state and local agencies and officials; to provide for the making of loans for transportation purposes by the state transportation department and for the receipt and repayment by local units and agencies of those loans from certain specified sources; and to repeal acts and parts of acts,"

(MCL 247.651 to 247.675) by adding section 10q.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           **Sec. 10q. (1) The department shall create and operate a road**  
 2 **construction business loss reimbursement program. The department**  
 3 **shall provide grants under the road construction business loss**  
 4 **reimbursement program to businesses for revenue lost due to an**  
 5 **unexpected street closure or a construction project that extends**



1 significantly beyond its scheduled end date. The amount of a grant  
2 will be equal to the recipient's decline in revenue up to a maximum  
3 amount of \$15,000.00 per year.

4 (2) An application for a grant from the road construction  
5 business loss reimbursement program shall be made on a form  
6 approved by the department and shall contain the information  
7 required by the department. An application for a grant under this  
8 section may be made at any time as determined by the department.

9 (3) To qualify for a grant under this section, a business must  
10 demonstrate a significant decline in revenue caused by a road  
11 construction project. The decline in revenue must be determined by  
12 using an average of profits during the immediately preceding 3 tax  
13 years.

14 (4) The department shall establish a review process for  
15 considering grant applications under this section. No later than  
16 120 days after receiving a grant application under this section,  
17 the department shall notify the applicant in writing whether the  
18 application is approved or rejected. The department shall  
19 prioritize the awarding of each grant on a case-by-case basis using  
20 all of the following criteria:

- 21 (a) Rate of decline in revenue.  
22 (b) Duration of construction.  
23 (c) Proximity to construction.  
24 (d) Severity of traffic disruption during construction.  
25 (e) Lack of access for pedestrian traffic during construction.  
26 (f) Any other criteria the department determines to be  
27 relevant.

28 (5) For each year in which the department receives grant  
29 applications, the department shall report by December 1 to the



1 standing committees of the senate and house of representatives with  
2 primary jurisdiction over issues pertaining to transportation and  
3 the senate and house of representatives appropriations committees  
4 on the utilization of funds from the road construction business  
5 loss reimbursement program. The report shall include, at a minimum,  
6 all of the following:

7 (a) The number of applications received.

8 (b) The name of each business applying for a grant, and  
9 whether each application was approved or denied.

10 (c) For each application approved, a status report on the  
11 construction project that caused the lost revenue claimed by the  
12 grant recipient.

13 (6) The road construction business loss reimbursement fund is  
14 created within the state treasury.

15 (7) The state treasurer may receive money or other assets from  
16 any source for deposit into the road construction business loss  
17 reimbursement fund. The state treasurer shall direct the investment  
18 of the fund. The state treasurer shall credit to the fund interest  
19 and earnings from fund investments.

20 (8) Money in the road construction business loss reimbursement  
21 fund at the close of the fiscal year shall remain in the road  
22 construction business loss reimbursement fund and shall not lapse  
23 into the general fund.

24 (9) The state transportation department shall be the  
25 administrator of the road construction business loss reimbursement  
26 fund for auditing purposes.

27 (10) The state transportation department shall expend money  
28 from the road construction business loss reimbursement fund, upon  
29 appropriation, only to fund and operate the road construction



1 business loss reimbursement program created in subsection (1).

