

# SENATE BILL NO. 1053

October 30, 2024, Introduced by Senators ANTHONY, MCCANN, DAMOOSE, SHINK, CAVANAGH, POLEHANKI, CHANG and GEISS and referred to the Committee on Appropriations.

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

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; to investigate and study the tolling of roads, streets, highways, or bridges; 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 program to businesses for revenue**  
 4 **lost due to an unexpected street closure or a construction project**  
 5 **that extends significantly beyond its scheduled end date. The**

1 amount of a grant must be equal to the recipient's decline in  
2 revenue up to a maximum amount of \$15,000.00 per year.

3 (2) An application for a grant must be made on a form approved  
4 by the department and must contain the information required by the  
5 department. An application for a grant may be made at any time as  
6 determined by the department.

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

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

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

24 (5) For each year in which the department receives an  
25 application for a grant, the department shall report by December 1  
26 to the standing committees of the senate and house of  
27 representatives with primary jurisdiction over transportation  
28 issues and the senate and house of representatives appropriations  
29 committees on the utilization of money from the program. The report

1 must include, at a minimum, all of the following information for  
2 the immediately preceding fiscal year:

3 (a) The number of applications received.

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

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

9 (6) The road construction business loss reimbursement fund is  
10 created in the state treasury.

11 (7) The state treasurer shall deposit money and other assets  
12 received from any source in the fund. The state treasurer shall  
13 direct the investment of money in the fund and credit interest and  
14 earnings from the investments to the fund.

15 (8) The department is the administrator of the fund for audits  
16 of the fund.

17 (9) The department shall expend money from the fund on  
18 appropriation only to fund and operate the program.

19 (10) As used in this section:

20 (a) "Fund" means the road construction business loss  
21 reimbursement fund created in subsection (6).

22 (b) "Grant" means a grant under the program.

23 (c) "Program" means the road construction business loss  
24 reimbursement program created in subsection (1).