



HOUSE BILL No. 5911

May 28, 1996, Introduced by Reps. Byl, Jellema, Baade, DeLange, Green, Gernaat, Hill, Curtis, Kelly, DeHart, LaForge, Geiger, London, Harder, Martinez, Brater, Dalman and Voorhees and referred to the Committee on Transportation.

A bill to amend section 10e of Act No. 51 of the Public Acts of 1951, entitled as amended

"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 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 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, critical 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 certain acts and parts of acts,"

as amended by Act No. 73 of the Public Acts of 1990, being section 247.660e of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 10e of Act No. 51 of the Public Acts of
2 1951, as amended by Act No. 73 of the Public Acts of 1990, being
3 section 247.660e of the Michigan Compiled Laws, is amended to
4 read as follows:

5 Sec. 10e. (1) The comprehensive transportation fund is
6 appropriated for each fiscal year in the following order of
7 priority.

8 (2) The first priority is to pay, but only from money
9 restricted as to use by section 9 of article IX of the state con-
10 stitution of 1963, the principal and interest on bonds or notes
11 issued under section 18b for comprehensive transportation pur-
12 poses as defined by law. A sufficient portion of the comprehen-
13 sive transportation fund is irrevocably appropriated to pay, when
14 due, the principal and interest on those bonds and notes.

1 (3) After making or setting aside payments required by
2 subsection (2), the second priority of the comprehensive
3 transportation fund is the payment of the department's cost in
4 administering the comprehensive transportation fund. The amount
5 to be expended pursuant to this subsection shall not exceed the
6 costs appropriated for the administration of the fund in the
7 fiscal year ending September 30, 1987, as adjusted annually on
8 October 1, by the change for the preceding 12 months in the
9 Detroit consumer price index for urban wage earners and shall be
10 appropriated annually by the legislature.

11 (4) After making or setting aside payments required by sub-
12 sections (2) and (3), the balance of the comprehensive transpor-
13 tation fund ~~beginning October 1, 1987,~~ shall be expended each
14 fiscal year as appropriated annually by the legislature pursuant
15 to the state transportation program approved by the commission as
16 follows:

17 (a) ~~65% for the fiscal year ending September 30, 1988, and~~
18 ~~70% for each fiscal year thereafter, shall be distributed as~~ THE
19 THIRD PRIORITY SHALL BE THE PAYMENT OF operating grants to eligi-
20 ble authorities and eligible governmental agencies according to
21 the following formulations and subject to the following
22 requirements:

23 (i) ~~For the fiscal year ending September 30, 1988, each~~
24 ~~eligible authority and eligible governmental agency which~~
25 ~~receives in those years grants under section 9 of the urban mass~~
26 ~~transportation act of 1964, 49 U.S.C. 1607a, shall receive from~~
27 ~~the funds distributed pursuant to this subparagraph a grant up to~~

~~1 50% of the difference between the eligible operating expenses of
2 the eligible governmental agency or eligible authority and the
3 amount of operating grants received by that agency or authority
4 pursuant to section 9 of the urban mass transportation act of
5 1964, 49 U.S.C. 1607a. For the fiscal year ending September 30,
6 1989 1996, and for each fiscal year thereafter, each eligible
7 authority and eligible governmental agency which provides public
8 transportation services in urbanized areas under the provisions
9 of section 9 of the urban mass transportation act of 1964, 49
10 U.S.C. 1607a, except as provided in subparagraph (vi), shall
11 receive a grant of up to 40% of their eligible operating
12 expenses as defined by the state transportation department.
13 Funds not obligated at the end of the fiscal year shall be used
14 for the local share and effective bonus assistance programs
15 described in subdivision (d)(i).~~

~~16 (ii) For the fiscal year ending September 30, 1988, each
17 eligible authority and eligible governmental agency which
18 receives in that year grants from the federal government under
19 section 18 of the urban mass transportation act of 1964, 49
20 U.S.C. 1614, shall receive from the funds distributed pursuant to
21 this subparagraph a grant up to 60% of the difference between the
22 eligible operating expenses of the eligible governmental agency
23 or eligible authority and the amount of operating grants received
24 by that agency or authority under section 18 of the urban mass
25 transportation act of 1964, 49 U.S.C. 1614. For the fiscal year
26 ending September 30, 1989 1996, and each fiscal year
27 thereafter, each eligible authority and eligible governmental~~

1 agency which provides public transportation services in
2 nonurbanized areas ~~under the provisions of section 18 of the~~
3 ~~urban mass transportation act of 1964, 49 U.S.C. 1614, except as~~
4 ~~provided in subparagraph (vi),~~ shall receive a grant of ~~up to~~
5 50% of their eligible operating expenses as defined by the state
6 transportation department. ~~Funds remaining at the end of the~~
7 ~~fiscal year shall be used for the local share and effective bonus~~
8 ~~assistance programs described in subdivision (d)(i).~~

9 (iii) Funds shall not be distributed to an eligible author-
10 ity or eligible governmental agency under this act unless the
11 eligible authority or eligible governmental agency provides or
12 agrees to provide preferential fares for public transportation
13 services to persons 65 years of age or over or handicappers
14 riding in off peak periods of service. As used in this section,
15 "handicapper" means a handicapped person as that term is defined
16 by the United States department of transportation in 49 C.F.R.
17 part 27. The preferential fares shall not be higher than 50% of
18 the regular 1-way single fare.

19 (iv) Eligible authorities and eligible governmental agencies
20 shall not engage in charter service using vehicles, facilities,
21 or equipment funded under this act except on an incidental basis
22 as defined by 49 C.F.R. part 604.

23 (v) Notwithstanding any other provision of this subsection,
24 for the fiscal ~~years~~ YEAR ending September 30, ~~1989, 1990, and~~
25 ~~1991~~ 1996, each eligible authority and eligible governmental
26 agency shall receive a distribution from the comprehensive
27 transportation fund not less than the distribution received for

1 eligible operating expenses for the fiscal year ending
2 September 30, ~~+1987~~ 1995. Beginning with the fiscal year ending
3 September 30, ~~+1992~~ 1997 and each fiscal year thereafter, each
4 eligible authority and eligible governmental agency shall receive
5 a distribution from the comprehensive transportation fund for
6 eligible operating expenses not less than the distribution
7 received for the fiscal year ending September 30, ~~+1989~~ 1996.
8 As it relates to this subsection the ratio between comprehensive
9 transportation funds and local funds in the base years shall be
10 maintained for all fiscal years by the eligible authority and
11 eligible governmental agency. Reductions in this ratio shall
12 require a proportionate reduction in the comprehensive transpor-
13 tation funds provided for any fiscal year.

14 ~~-(vi) Notwithstanding any other provision of this subsec-~~
15 ~~tion, operating grants to eligible authorities and eligible gov-~~
16 ~~ernmental agencies shall not increase from + fiscal year to the~~
17 ~~next fiscal year by an amount greater than the percentage change~~
18 ~~between the comprehensive transportation fund revenues appropri-~~
19 ~~ated for the purposes of this subdivision in the preceding fiscal~~
20 ~~year, except for the fiscal year ending September 30, +1989, in~~
21 ~~which case the fiscal year ending September 30, +1987 shall be~~
22 ~~used, and the estimated comprehensive transportation fund reve-~~
23 ~~nues to be appropriated for the purposes of this subdivision for~~
24 ~~the fiscal year for which grants are authorized under this~~
25 ~~subsection. Any funds remaining under this subdivision after~~
26 ~~this determination is made are hereby authorized to be used for~~

1 ~~the purposes of subdivision (d)(i). The department shall make~~
2 ~~this determination by March 1 of each year.~~

3 ~~(vi) (vii)~~ Each eligible authority and eligible governmen-
4 tal agency receiving comprehensive transportation funds shall
5 prepare and submit to the department a quarterly report of the
6 progress made in carrying out its local transportation program
7 within 40 days after the end of each fiscal year quarter. The
8 progress report shall be made on forms authorized by the United
9 States ~~Department~~ DEPARTMENT of transportation under the provi-
10 sions of ~~public law~~ PUBLIC LAW 100-17.

11 ~~(vii) (viii)~~ The department may periodically adjust or
12 redistribute comprehensive transportation funds previously dis-
13 tributed under this subdivision.

14 ~~(b) 35% for the fiscal year ending September 30, 1988,~~
15 ~~shall be distributed by the department for public transportation~~
16 ~~purposes. Funds distributed under this subdivision shall be~~
17 ~~expended pursuant to specific line item appropriation for, but~~
18 ~~are not limited to, the following public transportation~~
19 ~~purposes:~~

20 ~~(i) Not less than \$850,000.00 in each fiscal year for oper-~~
21 ~~ating assistance grants for specialized services. As used in~~
22 ~~this subparagraph, "specialized services" means public transpor-~~
23 ~~tation services primarily designed for persons who are handicap-~~
24 ~~pers or who are 65 years of age or older.~~

25 ~~(ii) Operating and capital grants to eligible authorities~~
26 ~~and eligible governmental agencies for new small bus service.~~

1 ~~(iii) Intercity passenger transportation purposes.~~

2 ~~(iv) Intercity freight transportation purposes.~~

3 ~~(v) Bus capital expenditure matching funds.~~

4 ~~(vi) Supplemental operating assistance to eligible authori-~~
5 ~~ties and eligible governmental agencies.~~

6 ~~(vii) Not more than \$1,000,000.00 in each fiscal year for~~
7 ~~the credit program created under section 104.~~

8 ~~(viii) Public transportation development.~~

9 (B) ~~(c) Not less than 10% for~~ FOR the fiscal year ending
10 September 30, ~~+989~~ 1996, and each fiscal year thereafter, NOT
11 LESS THAN 10% shall be distributed by the department for inter-
12 city passenger and intercity freight transportation purposes.

13 (C) ~~(d) 20% for~~ FOR the fiscal year ending September 30,
14 ~~+989~~ 1996, and each fiscal year thereafter; FUNDS REMAINING IN
15 THE FUND AFTER PAYMENT OF THE AMOUNTS REQUIRED BY
16 SUBDIVISIONS (A) AND (B) shall be distributed by the department
17 for public transportation purposes. Funds distributed under this
18 subdivision shall be expended pursuant to specific line item
19 appropriation for, but are not limited to, the following public
20 transportation purposes:

21 (i) ~~Beginning with~~ FOR the fiscal year ending
22 September 30, ~~+989~~ 1996 ONLY, the local share and effective
23 bonus assistance programs. The local share and effective bonus
24 assistance programs shall each be funded ~~with not less than~~
25 \$1,000,000.00 from funds distributed under this subdivision.
26 Eligible authorities and eligible governmental agencies shall
27 receive local share and effective bonus assistance funds

1 according to guidelines developed by the department. Any
2 undistributed funds from subdivision (a) may also be used for the
3 purpose of this program.

4 (ii) Beginning with the fiscal year ending September 30,
5 1989, the specialized services assistance program. The special-
6 ized services assistance program shall be funded with not less
7 than ~~\$2,000,000.00~~ \$3,100,000.00 from funds distributed under
8 this subdivision. Funds shall be distributed according to guide-
9 lines developed by the department based upon the following
10 considerations:

11 (A) Proposals for coordinated specialized services assist-
12 ance funding shall be developed jointly between existing eligible
13 authorities or eligible governmental agencies that provide public
14 transportation services and the area agencies on aging or any
15 other organization representing specialized services interests,
16 as defined in this subdivision. Plans shall be reviewed and
17 approved by the bureau of urban and public transportation of the
18 department. Upon approval, the department shall release the
19 funds to the eligible authority or eligible governmental agency
20 which shall then allocate the funds to the area agency on aging
21 or any other organization representing specialized services
22 interests, as defined in this subdivision for the purchase of
23 services as approved in the plan by the department.

24 (B) If an eligible authority or eligible governmental agency
25 does not exist to provide public transportation service in a
26 county, coordinated proposals for specialized services assistance
27 funding may be submitted by the area agency on aging or any other

1 organization representing specialized services interests, as
2 defined in this subdivision. The proposals shall be reviewed and
3 approved by the bureau of urban and public transportation of the
4 department. Upon approval, the department shall release the
5 funds to the area agency on aging or any other organization rep-
6 resenting specialized services interests, as defined in this sub-
7 division for the purchase of services as approved in the plan by
8 the department.

9 (C) For the purposes of this program, "specialized services"
10 means public transportation primarily designed for persons who
11 are handicappers or who are 65 years of age or older.

12 (iii) Local bus capital.

13 (iv) Local bus new services.

14 (v) Not more than \$1,000,000.00 in each fiscal year for the
15 credit program established under section 104.

16 (vi) Public transportation development.

17 (vii) Other public transportation programs approved by the
18 commission.

19 (e) The unappropriated and unencumbered balance of the com-
20 prehensive transportation fund lapses at the end of each fiscal
21 year and reverts to the comprehensive transportation fund for
22 appropriation in the following fiscal year.

23 (5) Eligible authorities and eligible governmental agencies
24 shall receive capital grants each fiscal year by the annual pro-
25 cess described in this section. Amounts received by an eligible
26 authority or eligible governmental agency pursuant to this
27 subsection shall be expended by that authority or agency solely

1 for capital projects which have been approved by the state
2 transportation commission. Any funds approved by distribution to
3 an eligible authority or eligible governmental agency pursuant to
4 this section which have not been encumbered by that agency or
5 authority for an approved capital project by the end of the fol-
6 lowing fiscal year in which the funds were approved shall not be
7 expended by the authority or agency and be available for distri-
8 bution from the comprehensive transportation fund for the pur-
9 poses described in this section.

10 (6) The department, in carrying out the policy of the state
11 transportation commission, shall annually prepare and distribute
12 by December 1, instructions to eligible governmental agencies,
13 eligible authorities, and intercity carriers to enable the prepa-
14 ration of a local transportation program. Eligible governmental
15 agencies, eligible authorities, and intercity carriers shall give
16 public notice of their intent to apply for money in the compre-
17 hensive transportation fund to the residents of the counties,
18 townships, villages, and cities affected by the local transporta-
19 tion program and shall make their application available for a
20 period of 30 days. All comments received by the eligible govern-
21 mental agency, eligible authority, or intercity carrier shall be
22 transmitted to the department.

23 (7) On or before March 1 of each year, each intercity carri-
24 er, eligible authority, and eligible governmental agency shall
25 submit to the department its local transportation program for the
26 next succeeding fiscal year. The format for each local
27 transportation program shall be as prescribed by the federal

1 transportation improvement program insofar as practical and shall
2 include project descriptions, funding sources, and justification
3 for each line item, and summary budgets based on distributions
4 anticipated under subsection (4). The program shall contain at a
5 minimum the contemplated routes, hours of service, estimated
6 transit vehicle miles, costs of public transportation services,
7 and projected capital improvements or projects as exclusively
8 determined by the eligible authority or eligible governmental
9 agency. The costs of service and capital improvements or
10 projects shall be in sufficient detail to permit the state trans-
11 portation department to evaluate and approve the annual public
12 transportation program. Determination of individual projects to
13 be included in the local transportation programs other than those
14 provided in this subsection shall be made by the governing body
15 of the eligible authority or eligible governmental agency.

16 (8) On or before March 1 of each year, the department shall
17 prepare and file for public inspection and review the department
18 transportation program. The department transportation program
19 shall be prepared on similar format to the local transportation
20 programs, and shall include a summary description of projects,
21 with funding sources and project justifications for each line
22 item for the fiscal year immediately succeeding the fiscal year
23 in which the program is submitted. In addition, the department
24 transportation program shall include summary, nondetailed budget
25 and project descriptions and justifications excluding projects
26 contained in a local transportation program.

1 (9) On or before April 1 of each year, the department shall
2 prepare and file with the commission the proposed state
3 transportation program for the next succeeding fiscal year. The
4 proposed state transportation program shall contain the local
5 transportation programs of each intercity carrier, eligible
6 authority and eligible governmental agency, the department trans-
7 portation program, and the programs for the expenditure of the
8 state trunk line fund as they may have been supplemented,
9 amended, or modified since their original filing. The state
10 transportation program shall include the estimated amount of
11 money in the funds described in this subsection by revenue
12 source, project justifications, project descriptions funding
13 sources, and budget summaries.

14 (10) On or before May 1 of each year, the state transporta-
15 tion commission shall act on the state transportation program for
16 the fiscal year commencing on the following October 1. In con-
17 sidering approval of the proposed projects of each intercity car-
18 rier, eligible authority, or eligible governmental agency, other
19 than projects which are to be funded pursuant to subsection (5),
20 the state transportation commission shall consider whether the
21 projects comply with state law, are within funds allocated in
22 this section, whether they may be funded within the approved bud-
23 gets, whether there are intercity carriers, eligible authorities,
24 and eligible governmental agencies responsible to implement the
25 projects, and the recommendations of the department on individual
26 projects. Upon making those determinations, the state

1 transportation commission shall approve the projects which best
2 meet the criteria of this subsection.

3 (11) By October 1, the department and each intercity carri-
4 er, eligible authority, or eligible governmental agency shall
5 enter into a contractual agreement or standardized grant memoran-
6 dum of agreement, which may cover 1 or more projects to be made
7 from this section in the applicable fiscal year to the intercity
8 carrier, eligible authority, or eligible governmental agency from
9 the comprehensive transportation fund.

10 (12) After a multiyear public transportation program is
11 approved by the state transportation commission, the state trans-
12 portation department may enter into a grant-in-aid instrument
13 with an eligible authority, intercity carrier, or eligible gov-
14 ernmental agency obligating the state to a minimum level of fund-
15 ing for approved projects to be available over the multiyear
16 period of the program. This obligation shall be binding upon the
17 state transportation department as long as the provisions and
18 conditions of the state transportation commission approved pro-
19 gram are carried out as agreed.

20 (13) Contracts and grant memorandum agreements may be
21 audited by the state transportation commission's office of com-
22 mission audits using rules promulgated by the United States gen-
23 eral accounting office and the terms and conditions of the
24 respective contracts and agreements. Third party agreements are
25 subject to the review and approval of the department.

26 (14) Funds distributed by the department may pay 100% of the
27 portion of the cost not eligible for reimbursement by the federal

1 government for eligible capital projects authorized by the state
2 transportation commission using comprehensive transportation
3 funds or the proceeds of notes and bonds issued under section
4 18b. Priority for funding obligation shall be given to capital
5 projects for which federal funds have been authorized.

6 (15) All approved local bus new services initiated by eligi-
7 ble authorities and eligible governmental agencies not in their
8 fourth year or beyond of funding on October 1, 1988, shall be
9 funded from subsection (4)(d)(iv). Local bus new services shall
10 be funded under subsection (4)(d)(iv) in the following percen-
11 tages of eligible operating expenses as determined by the
12 department:

13 (a) Startup 100%.

14 (b) First year 90%.

15 (c) Second year 80%.

16 (d) Third year 70%.

17 (e) Fourth year and each year thereafter, ~~up to 40% if such~~
18 ~~service is provided within an urbanized area, up to 50% if such~~
19 ~~service is provided within a nonurbanized area~~ AS DETERMINED BY
20 AND FROM FUNDS PROVIDED UNDER SUBSECTION (4)(A).

21 The balance of eligible operating expenses shall be met from
22 local revenue sources including farebox. The department shall
23 pay up to 100% of eligible capital expenses during the startup
24 and first 3 years of service, after the third year, the depart-
25 ment shall participate in eligible capital expenses in the same
26 percentage as for other eligible authorities and eligible
27 governmental agencies. For the purposes of this subsection,

1 eligible operating and capital expenses means those expenses
2 determined by the department as applicable to existing eligible
3 authorities and eligible governmental agencies. The department
4 shall prioritize annually all requests for comprehensive trans-
5 portation funds to institute new services under this subsection.
6 First priority shall be given to eligible authorities and eligi-
7 ble governmental agencies who have not completed their first 3
8 years of service by October 1, ~~1988~~ 1996. New services initi-
9 ated by eligible authorities and eligible governmental agencies
10 under this subsection shall meet all of the requirements of sec-
11 tion 10.

12 (16) The department shall pay up to 80% of the portion of
13 the cost not eligible for reimbursement by the federal government
14 for intercity passenger operating assistance projects authorized
15 by the commission for the first 2 years of new services. For the
16 third year, eligible costs shall be reimbursed at up to 60% of
17 the portion of the cost not eligible for reimbursement by the
18 federal government. After the third year, eligible costs shall
19 be reimbursed at up to 50% of the portion of the cost not eligi-
20 ble for reimbursement by the federal government. Eligible costs
21 of services provided as of September 30, 1981, shall be reim-
22 bursed at up to 50% of the portion of the cost not eligible for
23 reimbursement by the federal government. However, the amount of
24 funds from the comprehensive transportation fund when added to
25 federal funds and local funds shall not exceed the total operat-
26 ing assistance project cost.

1 (17) A vehicle purchased, leased, or rented after
2 November 15, 1976, by an eligible authority or eligible
3 governmental agency with funds made available under this act,
4 which funds were not already committed under a contract in exis-
5 tence on November 15, 1976, shall not be used to provide service
6 on a fixed schedule and fixed route for which a passenger fee is
7 charged unless the vehicle is accessible to a person using a
8 wheelchair from a roadway level or curb level, and has accommoda-
9 tions in which 1 or more wheelchairs can be secured.

10 (18) A vehicle shall not be purchased, leased, or rented by
11 an eligible authority or eligible governmental agency after
12 October 1, 1978, with funds made available under this act which
13 vehicle is used to provide demand actuated service unless the
14 eligible authority or eligible governmental agency has submitted
15 a plan to the state transportation department describing the
16 service to be provided by the demand actuated service to persons
17 65 years of age or older and handicappers within the applicable
18 service area and that plan has been approved by the department.
19 The department shall approve the plan as submitted or modified or
20 shall reject the plan within 60 days after the plan is
21 submitted. A plan which describes the service to be provided by
22 the demand actuated service shall not be approved by the depart-
23 ment unless that plan provides the following:

24 (a) That demand actuated service will be provided to persons
25 65 years of age or older and handicappers residing in the entire
26 service area subject to the plan.

1 (b) That as a minimum, demand actuated service will be
2 provided to persons 65 years of age or older and handicappers
3 during the same hours as service is provided to all other persons
4 in the service area subject to the plan.

5 (c) That the average time period required for demand actu-
6 ated service to persons 65 years of age or older and handicappers
7 from the initiation of a service request to arrival at the desti-
8 nation is equal to the average time period required for demand
9 actuated service provided to all other persons in the service
10 area subject to the plan.

11 (d) That the eligible authority or eligible governmental
12 agency submitting the plan has established a local advisory coun-
13 cil with not less than 50% of its membership representing persons
14 65 years of age or older and handicappers within the service area
15 subject to the plan and that the local advisory council has had
16 an opportunity to review and comment upon the plan before its
17 submission to the department. Each eligible authority or eligi-
18 ble governmental agency jointly with the area agency on aging
19 shall approve at least 1 or the equivalent of 12% of the member-
20 ship of the local advisory council. Each advisory council com-
21 ment shall be included in the plan when submitted to the
22 department.

23 (19) Notwithstanding subsection (18), a plan required by
24 subsection (18) which is not approved or rejected by the state
25 transportation department within 60 days after submission shall
26 be considered approved as submitted.

1 (20) Subsections (17), (18), and (19) shall not apply to
2 vehicles or facilities used to transport persons by rail, air, or
3 water or to vehicles of common carriers licensed by the state
4 transportation department.

5 (21) Beginning January 1, 1979, the department shall submit
6 an annual report to the legislature detailing the service pro-
7 vided in the prior year for persons 65 years of age or older and
8 handicappers by fixed route service and demand actuated service.
9 This report shall include a record of passenger usage and shall
10 be submitted by April 1 of each year.

11 ~~(22) The commission shall request a formal opinion from the~~
12 ~~attorney general regarding the question of whether reducing the~~
13 ~~age of persons entitled to specialized services from 65 to 60~~
14 ~~would constitute a state mandated cost on units of local govern-~~
15 ~~ment thus requiring the state to reimburse those units for the~~
16 ~~increased costs of services. If the attorney general concludes~~
17 ~~that reducing the age of persons entitled to specialized services~~
18 ~~from 65 to 60 would not constitute a state mandated cost, the~~
19 ~~legislature shall reduce the age from 65 to 60 within 2 years~~
20 ~~after the effective date of this subsection.~~