



# SENATE BILL No. 1011

May 8, 1996, Introduced by Senators HOFFMAN, SHUGARS and  
GEAKE and referred to the Committee on Appropriations.

A bill to amend sections 1, 1a, 1d, 1e, 3, 4, 5, 5a, 6, 7,  
8, 9, 10, 10b, 11, 11b, 12c, 13b, 17, 18c, and 18d 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,"

section 5a as added by Act No. 184 of the Public Acts of 1981, section 10 as amended by Act No. 294 of the Public Acts of 1993, section 10b as amended and section 12c as added by Act No. 438 of the Public Acts of 1982, sections 11 and 17 as amended by Act No. 294 of the Public Acts of 1993, and section 11b as amended by Act No. 223 of the Public Acts of 1992, being sections 247.651, 247.651a, 247.651d, 247.651e, 247.653, 247.654, 247.655, 247.655a, 247.656, 247.657, 247.658, 247.659, 247.660, 247.660b, 247.661, 247.661b, 247.662c, 247.663b, 247.667, 247.668c, and 247.668d of the Michigan Compiled Laws; and to repeal acts and parts of acts.

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

1 Section 1. Sections 1, 1a, 1d, 1e, 3, 4, 5, 5a, 6, 7, 8, 9,  
2 10, 10b, 11, 11b, 12c, 13b, 17, 18c, and 18d of Act No. 51 of the  
3 Public Acts of 1951, section 5a as added by Act No. 184 of the  
4 Public Acts of 1981, section 10 as amended by Act No. 294 of the  
5 Public Acts of 1993, section 10b as amended and section 12c as

1 added by Act No. 438 of the Public Acts of 1982, sections 11 and  
2 17 as amended by Act No. 294 of the Public Acts of 1993, and sec-  
3 tion 11b as amended by Act No. 223 of the Public Acts of 1992,  
4 being sections 247.651, 247.651a, 247.651d, 247.651e, 247.653,  
5 247.654, 247.655, 247.655a, 247.656, 247.657, 247.658, 247.659,  
6 247.660, 247.660b, 247.661, 247.661b, 247.662c, 247.663b,  
7 247.667, 247.668c, and 247.668d of the Michigan Compiled Laws,  
8 are amended to read as follows:

9       Sec. 1. The state trunk line highway system of this state  
10 shall consist of all roads, streets, and highways, either located  
11 within or outside the limits of incorporated cities and villages  
12 now or hereafter constituted state trunk line highways ~~pursuant~~  
13 ~~to the provisions of~~ UNDER the statutes of this state. The  
14 state ~~highway commissioner~~ TRANSPORTATION COMMISSION may, from  
15 time to time, make and establish such subordinate classifications  
16 or groupings of state trunk line highways as ~~he deems~~ necessary  
17 or desirable for proper administration of the state trunk line  
18 highway system. Additions to and deletions from the state trunk  
19 line highway system may be made from time to time in the manner  
20 prescribed by law. All roads, streets, and highways included in  
21 the state trunk line highway system, as constituted and defined  
22 in this section, shall hereafter be known officially, and may be  
23 referred to for all purposes, as state trunk line highways.

24       Sec. 1a. All state trunk line highways now or hereafter  
25 established as provided by law, shall be constructed, maintained,  
26 and improved in accordance with ~~the provisions of~~ this act  
27 under the direction, supervision, and control of the state

1 ~~highway commissioner~~ TRANSPORTATION COMMISSION. The  
2 ~~commissioner~~ DIRECTOR shall make surveys and proper plans and  
3 specifications and take charge of the construction and mainte-  
4 nance of the state trunk line highways. For the purpose of  
5 securing a more direct and favorable location, minor changes in  
6 the line of any road may be made when, in the judgment of the  
7 ~~state highway commissioner~~ COMMISSION, the changes ~~make~~ ARE  
8 for the safety of public travel.

9       Sec. 1d. The governing body of a city or village and the  
10 state ~~highway~~ TRANSPORTATION commission may enter into a con-  
11 tract to effectuate joint participation in the cost of opening,  
12 widening, and improving, including construction and reconstruc-  
13 tion, of a state trunk line highway, the terms of which contract,  
14 when approved by the state administrative board, shall establish  
15 the responsibilities of each party and provide for the method of  
16 payment for such joint obligations. The agreements may provide  
17 for deferring payment by the city or village until the completion  
18 of the project. Contracts and agreements between the state  
19 ~~highway~~ TRANSPORTATION commission and the legislative body of  
20 any city or village, approved by the state administrative board,  
21 are authorized and approved whether heretofore or hereafter  
22 made. ~~All agreements entered into prior to January 1, 1968,~~  
23 ~~between the state highway department and any city or village pur-~~  
24 ~~suant to this act may be renegotiated by the state highway com-~~  
25 ~~mission for the purpose of providing for participation in the~~  
26 ~~cost of construction between the highway commission and the city~~  
27 ~~or village on the basis of the participation provisions of~~

1 ~~section 1c. The renegotiation shall be authorized only for all~~  
2 ~~or any part or unit of the state trunk line highway projects~~  
3 ~~which have not been placed under contract for construction by the~~  
4 ~~highway commission on January 1, 1968.~~ Under any contract here-  
5 tofore or hereafter made which relates to a state trunk line  
6 highway project for which federal highway funds are allocated or  
7 paid, the portion of the cost to be paid by a city or village  
8 shall be in accordance with the percentage of participation  
9 required by law at the time the contract was entered into applied  
10 to the net cost of the project after deduction from the total  
11 cost of all federal highway funds allocated or paid for the  
12 project. In all contracts hereafter made, an amount equivalent  
13 to the federal highway funds for the acquisition of right of way  
14 as would have been available if application had been made  
15 ~~therefor~~ and approved by the federal government ~~—~~ shall also  
16 be deducted from the total cost in determining the net cost. Any  
17 city or village paying a portion of the cost of improving trunk  
18 lines or trunk line structures, including cost of right of way,  
19 within its corporate limits may raise money for that purpose,  
20 either by taxation or by the issuance of bonds or short-term  
21 loans, ~~therefor,~~ on the faith and credit of the city or  
22 village. The bonds or loans shall not be chargeable against the  
23 established bonded debt limit of the city or village, if a spe-  
24 cial assessment district is established in connection with the  
25 improvement. The execution of the contracts or agreements shall  
26 not restrict any right of the city or village to establish  
27 special assessment districts in connection with the

1 improvements. The construction, maintenance, and improvement of  
 2 the trunk line highways and the direction, supervision, and con-  
 3 trol of same by the state ~~highway~~ TRANSPORTATION commission as  
 4 provided in sections 1a, 1b, and 1c may be modified in the con-  
 5 tracts authorized by this act to such extent as may be agreed  
 6 upon.

7       Sec. 1e. ~~Whenever~~ IF the board of county road commission-  
 8 ers of any county ~~shall have~~ OR THE COUNTY BOARD OF COMMISSION-  
 9 ERS, AS APPLICABLE, HAS funds available, the board may enter into  
 10 a contract or agreement ~~with~~ with any incorporated city or village  
 11 within the county, assuming the obligations in whole or in part  
 12 of the city or village undertaken by contract or agreement with  
 13 the state ~~highway commissioner under the provisions hereof or~~  
 14 ~~approved hereby~~ TRANSPORTATION COMMISSION. The board may con-  
 15 tract or agree to carry on, in whole or in part, the improvement  
 16 or construction required ~~thereby~~ BY THE AGREEMENT, and may  
 17 institute and conduct condemnation proceedings AS necessary.  
 18 ~~therefor. No~~ A contract or agreement ENTERED INTO by ~~any~~ A  
 19 board of county road commissioners shall NOT be effective until  
 20 approved by resolution of the COUNTY board of ~~supervisors~~  
 21 COMMISSIONERS of the county and of the legislative body of the  
 22 incorporated city or village concerned. ~~The provisions of this~~  
 23 THIS section shall not be ~~deemed~~ CONSIDERED to abolish, limit,  
 24 or restrict the powers and duties of the state ~~highway~~  
 25 ~~commissioner~~ TRANSPORTATION COMMISSION or of incorporated cities  
 26 or villages as prescribed by this act.

1       Sec. 3. Roads may, from time to time, be included in or  
2 deleted from the county primary road system of any county by  
3 selection of the BOARD OF county road ~~commission~~ COMMISSIONERS  
4 OR THE COUNTY BOARD OF COMMISSIONERS, AS APPLICABLE, and approval  
5 of the state ~~highway commissioner~~ TRANSPORTATION COMMISSION in  
6 the same manner and by the same procedure as provided in section  
7 2 ~~hereof~~ for the adoption of any county primary road system in  
8 the first instance.

9       Sec. 4. All roads under the jurisdiction of the board of  
10 county road commissioners OR THE COUNTY BOARD OF COMMISSIONERS,  
11 AS APPLICABLE, in ~~each of the several counties~~ A COUNTY of the  
12 state not included in the county primary system as finally  
13 approved shall be certified to and reviewed and approved or  
14 deleted by the state ~~highway commissioner~~ TRANSPORTATION  
15 COMMISSION in the same manner as provided in section 2 ~~hereof~~  
16 for the county primary road system and when finally approved by  
17 the state ~~highway commissioner~~ TRANSPORTATION COMMISSION shall  
18 constitute and be the county local road system of that county,  
19 which may thereafter be added to or deleted from in the same  
20 manner as provided in section 3 ~~of this act~~ for the county pri-  
21 mary road system.

22       Sec. 5. All roads, streets, and highways included in the  
23 county primary road system of any county shall be officially  
24 known as county primary roads, and all roads, streets, and high-  
25 ways included in the county local road system of any county shall  
26 be officially known as county local roads. ~~For a period of 2~~  
27 ~~years after the effective date of this act, the primary road~~

~~1 system and the local road system in each county, and the mileage~~  
~~2 in each such system used for all purposes under the provisions of~~  
~~3 this act, shall be as determined by the state highway commission-~~  
~~4 er, and thereafter the~~ THE local road system and the primary  
5 road system in each county, and the mileage in each ~~such~~ system  
6 used for all purposes under ~~the provisions of~~ this act, shall  
7 be as established by certification to and approved by the state  
8 ~~highway commissioner pursuant to the provisions of~~  
9 TRANSPORTATION COMMISSION UNDER this act.

10       Sec. 5a. (1) The board of county road commissioners OR THE  
11 COUNTY BOARD OF COMMISSIONERS, AS APPLICABLE, of each county may  
12 establish a system of seasonal county roads, which may be part of  
13 either the county primary road system, the county local road  
14 system, or both systems. A board of county road commissioners OR  
15 THE COUNTY BOARD OF COMMISSIONERS, AS APPLICABLE, in establishing  
16 a system of seasonal county roads, may declare a road under the  
17 jurisdiction of the board to not be open to public travel during  
18 the months of November through April, which road shall then not  
19 be open to public travel.

20       (2) The seasonal county road system shall include any road  
21 under the jurisdiction of the board of county road commissioners  
22 OR THE COUNTY BOARD OF COMMISSIONERS, AS APPLICABLE, which ~~that~~  
23 THE APPLICABLE board determines shall not be open to public  
24 travel each year for a period of less than 12 months. The system  
25 of seasonal county roads shall be selected on the basis of sea-  
26 sonal use of the roads and in accordance with rules promulgated  
27 by the state transportation commission. A board of county road



1 commissioners OR THE COUNTY BOARD OF COMMISSIONERS, AS  
2 APPLICABLE, may include or exclude roads in the seasonal county  
3 road system upon adoption of a proper resolution but only after  
4 holding a public hearing. Notice of the public hearing shall be  
5 given to the clerk of the county and of each city, village, or  
6 township in which the roads are situated and published at least  
7 twice in a newspaper of general circulation in that county, the  
8 first notice to be not less than 30 days before the hearing and  
9 the second notice not less than 7 days before the hearing. The  
10 notice shall contain the date, time, and place of the hearing and  
11 shall describe in general terms the action proposed to be taken  
12 by the board, the roads to be affected, and the period of time  
13 that the roads shall not be open to public travel. The business  
14 which the board may perform at the public hearing shall be con-  
15 ducted at a hearing held in compliance with THE OPEN MEETINGS  
16 ACT, Act No. 267 of the Public Acts of 1976, ~~as amended,~~ being  
17 sections 15.261 to 15.275 of the Michigan Compiled Laws. In  
18 addition to the other notices required by this subsection, public  
19 notice of the time, date, and place of the hearing shall be given  
20 in the manner required by Act No. 267 of the Public Acts of  
21 1976. ~~, as amended.~~ If at the hearing an objection is made to  
22 the designation of a road as a part of the seasonal county road  
23 system by a person occupying a structure located upon or along  
24 the road as the person's principal residence, the commissioners  
25 shall not designate that road as a part of the seasonal county  
26 road system unless the commissioners provide that person with

1 immediate access to a road which is not a part of the seasonal  
2 county road ~~system~~ SYSTEM.

3 (3) Within 30 days after final adoption of a resolution  
4 establishing a seasonal county road system, the board of county  
5 road commissioners OR THE COUNTY BOARD OF COMMISSIONERS, AS  
6 APPLICABLE, shall file with the state transportation commission  
7 and each city, village, or township in which the roads are situa-  
8 ted a full record of its determination.

9 (4) The designation of a road as part of the seasonal county  
10 road system shall not affect the certification of the road under  
11 this act, but if the road is not open to public travel during the  
12 months of December to April, the road shall be excluded for pur-  
13 poses of the distribution of snow removal funds under section  
14 12a.

15 (5) A road included as part of the seasonal county road  
16 system shall be excluded for the purposes of determining the dis-  
17 tribution of funds under sections 12(4) and 12b for each year in  
18 which the road is part of the seasonal county road system.

19 (6) A map shall be maintained and on display in the office  
20 of each board of county road commissioners ~~which~~ OR COUNTY  
21 BOARD OF COMMISSIONERS, AS APPLICABLE, THAT has established a  
22 seasonal county roads system which shall also inform the public  
23 of the dates the road or road shall not open to public travel.

24 (7) The APPLICABLE board shall place and maintain signs on  
25 all roads designated as seasonal county roads, which signs shall  
26 describe the roads as seasonal county roads.

1        Sec. 6. ~~Within 6 months from the effective date of this~~  
2 ~~act, a~~ A tentative system of major streets shall be selected in  
3 each incorporated city and village of the state and certified to  
4 the state ~~highway commissioner~~ TRANSPORTATION COMMISSION for  
5 ~~his~~ approval. ~~Such~~ THE tentative system of major streets  
6 shall be selected in each incorporated city and village under the  
7 direction of ~~the~~ ITS governing body ~~thereof~~ on the basis of  
8 greatest general importance to ~~such municipality~~ THE CITY OR  
9 VILLAGE and shall not include any of the trunk line highways or  
10 county roads within the limits of ~~such municipality~~ THE CITY OR  
11 VILLAGE. Each ~~such~~ tentative system of major streets certified  
12 to the state ~~highway commissioner~~ TRANSPORTATION COMMISSION  
13 shall be checked and reviewed under ~~his~~ THEIR direction.  
14 Within 6 months after receipt ~~by him~~ of each ~~such~~  
15 certification, the state ~~highway commissioner~~ TRANSPORTATION  
16 COMMISSION shall approve ~~such~~ THAT part of ~~that~~ THE tentative  
17 system of major streets as complies with the uniform standards  
18 and specifications adopted and established as ~~hereinbefore~~ pro-  
19 vided IN THIS ACT and shall reject and delete any part that does  
20 not so comply and shall certify to that city or village the  
21 approved portion of AND ANY DELETIONS FROM the tentative system.  
22 ~~and any deletions therefrom. So much~~ THAT PORTION of the ten-  
23 tative system of major streets of any city or village ~~as is~~  
24 approved by the state ~~highway commissioner~~ TRANSPORTATION  
25 COMMISSION shall constitute the major street system of that  
26 ~~municipality~~ CITY OR VILLAGE for all purposes, and shall be

1 known officially as the major street system of that city or  
2 village. ~~as the case may be.~~

3       Sec. 7. Streets may, from time to time, be included in or  
4 deleted from the major street system of ~~any municipality~~ A CITY  
5 OR VILLAGE by selection by the governing body ~~thereof~~ and  
6 approval of the state ~~highway commissioner~~ TRANSPORTATION  
7 COMMISSION in the same manner and by the same procedure as pro-  
8 vided in section 6 ~~hereof~~ for the adoption of ~~any~~ AN ORIGINAL  
9 major street system. ~~in the first instance.~~

10       Sec. 8. All streets within the corporate limits and under  
11 the jurisdiction of each ~~municipality~~ CITY OR VILLAGE of the  
12 state, exclusive of state trunk line highways and county roads,  
13 and not included in the major street system of ~~such~~  
14 ~~municipality~~ THAT CITY OR VILLAGE as finally approved shall be  
15 certified to and reviewed and approved or deleted by the state  
16 ~~highway commissioner~~ TRANSPORTATION COMMISSION in the same  
17 manner as provided in section 6 ~~hereof~~ for the major street  
18 system and when finally approved by the state ~~highway~~  
19 ~~commissioner~~ TRANSPORTATION COMMISSION shall constitute and be  
20 the local street system of that city or village, which may there-  
21 after be added to or deleted from in the same manner as provided  
22 in section 7 ~~of this act~~ for city or village major street  
23 systems.

24       Sec. 9. All roads, streets, and highways included in the  
25 major street system of ~~any municipality~~ A CITY OR VILLAGE shall  
26 be officially known as city or village major streets, ~~as the~~  
27 ~~case may be,~~ and all roads, streets, and highways included in

1 the local street system of ~~any municipality~~ A CITY OR VILLAGE  
2 shall be officially known as city or village local streets. 7  
3 ~~as the case may be. For a period of 2 years after the effective~~  
4 ~~date of this act, the major street system and the local street~~  
5 ~~system in each city and village, and the mileage in each such~~  
6 ~~system used for all purposes under the provisions of this act,~~  
7 ~~shall be as determined by the state highway commissioner, and~~  
8 ~~thereafter the~~ THE major street system and the local street  
9 system in each city and village, and the mileage in each such  
10 system used for all purposes under ~~the provisions of~~ this act,  
11 shall be as established by certification to and approval by the  
12 state ~~highway commissioner pursuant to the provisions of~~  
13 TRANSPORTATION COMMISSION AS PROVIDED IN this act.

14       Sec. 10. (1) A fund to be known as the Michigan transporta-  
15 tion fund is established and shall be set up and maintained in  
16 the state treasury as a separate fund. Money received and col-  
17 lected under Act No. 150 of the Public Acts of 1927, ~~as~~  
18 ~~amended,~~ being sections 207.101 to 207.202 of the Michigan  
19 Compiled Laws, except a license fee provided in that act, and a  
20 tax, fee, license, and other money received and collected under  
21 sections 801 to 810 of the Michigan vehicle code, Act No. 300 of  
22 the Public Acts of 1949, ~~as amended,~~ being sections 257.801 to  
23 257.810 of the Michigan Compiled Laws, except a truck safety fund  
24 fee provided in section 801(1)(k) of Act No. 300 of the Public  
25 Acts of 1949, being section 257.801 of the Michigan Compiled  
26 Laws, and money received under the motor carrier act, Act No. 254  
27 of the Public Acts of 1933, ~~as amended,~~ being sections 475.1 to

1 479.20 of the Michigan Compiled Laws, shall be deposited in the  
2 state treasury to the credit of the Michigan transportation  
3 fund. In addition, income or profit derived from the investment  
4 of money in the Michigan transportation fund shall be deposited  
5 in the Michigan transportation fund. Except as provided in this  
6 act, no other money, whether appropriated from the general fund  
7 of this state or any other source, shall be deposited in the  
8 Michigan transportation fund. ~~The legislature shall appropriate~~  
9 ~~funds for the necessary expenses incurred in the administration~~  
10 ~~and enforcement of Act No. 150 of the Public Acts of 1927, as~~  
11 ~~amended, Act No. 254 of the Public Acts of 1933, as amended, and~~  
12 ~~sections 801 to 810 of Act No. 300 of the Public Acts of 1949, as~~  
13 ~~amended. After deduction of the amount as appropriated pursuant~~  
14 ~~to section 91 of Act No. 150 of the Public Acts of 1927, being~~  
15 ~~section 207.191 of the Michigan Compiled Laws, all money in the~~  
16 ~~Michigan transportation fund is apportioned and appropriated in~~  
17 ~~the following manner:~~

18 ~~(a) Beginning October 31, 1987 and for the fiscal years~~  
19 ~~ending September 30, 1988 through September 30, 1992:~~

20 ~~(i) Not more than \$3,000,000.00 as may be annually appropri-~~  
21 ~~ated each fiscal year to the state trunk line fund for subsequent~~  
22 ~~deposit in the rail grade crossing account.~~

23 ~~(ii) 10% to the comprehensive transportation fund for the~~  
24 ~~purposes described in section 10e.~~

25 ~~(iii) \$21,550,000.00 to the state trunk line fund for subse-~~  
26 ~~quent deposit in the transportation economic development fund, or~~  
27 ~~allocation to debt service on bonds issued to fund transportation~~

~~1 economic development fund projects for the fiscal year ending  
2 September 30, 1988, and \$36,775,000.00 for each fiscal year  
3 thereafter through the fiscal year ending September 30, 1992.~~

~~4 (iv) The balance of the Michigan transportation fund as fol-  
5 lows, after deduction of the amounts appropriated in subpara-  
6 graphs (i), (ii), and (iii) and section 11b:~~

~~7 (A) 39.1% to the state trunk line fund for the purposes  
8 described in section 11.~~

~~9 (B) 39.1% to the county road commissions of the state.~~

~~10 (C) 21.8% to the cities and villages of the state.~~

~~11 (b) Except as provided in subparagraph (vi), for the fiscal  
12 years ending September 30, 1993 through September 30, 1998:~~

~~13 (i) Not more than \$3,000,000.00 as may be annually appropri-  
14 ated each fiscal year to the state trunk line fund for subsequent  
15 deposit in the rail grade crossing account.~~

~~16 (ii) Not less than \$3,000,000.00 each year to the critical  
17 bridge fund established in section 11b for the purpose of payment  
18 of the principal, interest, and redemption premium on any notes  
19 or bonds issued by the state transportation commission under  
20 section 11b.~~

~~21 (iii) 10% to the comprehensive transportation fund for the  
22 purposes described in section 10e.~~

~~23 (iv) Not less than \$20,000,000.00 for FY 1992-93, not more  
24 than \$33,000,000.00 for FY 1993-94 and 1994-95, not less than  
25 \$33,000,000.00 for FY 1995-96, as may be annually appropriated,  
26 based on actual increased revenues from motor fuel tax  
27 collections beginning in FY 1992-93, for deposit in the state~~

1 ~~trunk line fund for subsequent deposit in the local program fund~~  
2 ~~created in section 11e.~~

3 ~~(v) \$36,775,000.00 to the state trunk line fund for subse-~~  
4 ~~quent deposit in the transportation economic development fund, or~~  
5 ~~allocation to debt service on bonds issued to fund transportation~~  
6 ~~economic development fund projects.~~

7 ~~(vi) The balance of the Michigan transportation fund as fol-~~  
8 ~~lows, after deduction of the amounts appropriated in subpara-~~  
9 ~~graphs (i) through (v) and section 11b:~~

10 ~~(A) 39.1% to the state trunk line fund for the purposes~~  
11 ~~described in section 11. From this amount, after the payment of~~  
12 ~~debt service pursuant to section 11(1)(a), a state grant of not~~  
13 ~~more than \$78,000,000.00 shall be annually appropriated each~~  
14 ~~fiscal year through the fiscal year ending September 30, 1995 to~~  
15 ~~the local program fund created in section 11e. Beginning October~~  
16 ~~1, 1995, a state grant of not less than \$33,000,000.00, as may be~~  
17 ~~annually appropriated each fiscal year, after the payment of debt~~  
18 ~~service pursuant to section 11(1)(a), shall be made to the local~~  
19 ~~program fund created in section 11e.~~

20 ~~(B) 39.1% to the county road commissions of the state.~~

21 ~~(C) 21.8% to the cities and villages of the state.~~

22 ~~(2) If a distribution formula is not enacted into law for~~  
23 ~~any time period beginning after September 30, 1998, the following~~  
24 ~~amounts are appropriated each fiscal year thereafter with the~~  
25 ~~balance reverting to the Michigan transportation fund until a~~  
26 ~~distribution formula is enacted:~~



1 ~~(a) An amount is apportioned and appropriated to the~~  
2 ~~comprehensive transportation fund sufficient to pay the principal~~  
3 ~~and interest payments due on bonds and notes issued for compre-~~  
4 ~~hensive transportation purposes under section 18b.~~

5 ~~(b) An amount is apportioned and appropriated to the state~~  
6 ~~trunk line fund sufficient to pay the principal and interest pay-~~  
7 ~~ments due on bonds and notes issued for those purposes for which~~  
8 ~~the state transportation commission may issue bonds and notes~~  
9 ~~under section 18b, except for those bonds and notes issued for~~  
10 ~~comprehensive transportation purposes, and sufficient to pay the~~  
11 ~~obligations of the state trunk line fund pursuant to contracts~~  
12 ~~entered into under section 18d, which contributions are pledged~~  
13 ~~for the payment of principal and interest on bonds issued under~~  
14 ~~section 18d.~~

15 ~~(c) An amount is apportioned and appropriated to county road~~  
16 ~~commissions sufficient to pay the principal and interest payments~~  
17 ~~due on bonds and notes described in section 12(8).~~

18 ~~(d) An amount is apportioned and appropriated to cities and~~  
19 ~~villages sufficient to pay the principal and interest payments~~  
20 ~~due on bonds and notes described in section 13(3)(a).~~

21 ~~(2) (3) The money appropriated pursuant to this section~~  
22 ~~shall be used for the purposes as provided in this act and any~~  
23 ~~other applicable act. The department shall develop programs to~~  
24 ~~assist small businesses as defined by law in becoming qualified~~  
25 ~~to bid.~~

26 ~~(3) (4) The distribution formula enacted into law after~~  
27 ~~September 30, 1998~~ PURSUANT TO ANNUAL APPROPRIATIONS shall not

1 adversely effect the ability of the state or a city, village,  
 2 county, or county road commission which has issued bonds or notes  
 3 payable from the Michigan transportation fund or the motor vehi-  
 4 cle highway fund to pay the debt service on those bonds or  
 5 notes.

6 ~~(5) Thirty one and one half percent of the funds appropri-~~  
 7 ~~ated to this state from the federal government pursuant to 23~~  
 8 ~~U.S.C. 157, commonly known as minimum allocation and donor state~~  
 9 ~~bonus funds, shall be allocated to the transportation economic~~  
 10 ~~development fund, if such an allocation is consistent with fed-~~  
 11 ~~eral law. These funds shall be distributed 16 1/2% for develop-~~  
 12 ~~ment projects for rural counties as defined by law and 15% for~~  
 13 ~~capacity improvement or advanced traffic management systems in~~  
 14 ~~urban counties as defined by law. Federal funds allocated for~~  
 15 ~~distribution under this section shall be eligible for obligation~~  
 16 ~~and use by all recipients as defined by the intermodal surface~~  
 17 ~~transportation efficiency act of 1991, Public Law 102-240, 105~~  
 18 ~~Stat. 1914.~~

19 Sec. 10b. (1) A fund to be known as the comprehensive  
 20 transportation fund is established and shall be set up and main-  
 21 tained in the state treasury as a separate fund. In addition to  
 22 the money distributed to the comprehensive transportation fund  
 23 pursuant to ~~this act~~ THE APPROPRIATIONS PROCESS BY THE  
 24 LEGISLATURE, the money authorized to be credited to the compre-  
 25 hensive transportation fund pursuant to section 25 of the general  
 26 sales tax act, Act No. 167 of the Public Acts of 1933, ~~as~~  
 27 ~~amended,~~ being section 205.75 of the Michigan Compiled Laws,

1 shall be deposited in the comprehensive transportation fund.

2 ~~and is appropriated to the state transportation department for~~  
3 ~~the purposes described in section 10e.~~

4 (2) The comprehensive transportation fund shall be adminis-  
5 tered by the state transportation department in accordance with  
6 this act AND THE APPROPRIATIONS BY THE LEGISLATURE.

7 ~~(3) The general functions of the state transportation~~  
8 ~~department in the administration of funds for comprehensive~~  
9 ~~transportation services shall include the following:~~

10 ~~(a) Establishing public transportation procedures and admin-~~  
11 ~~istrative practices for which there is a clear requirement for~~  
12 ~~uniformity statewide.~~

13 ~~(b) Planning and providing for the current and long range~~  
14 ~~development of a system of public transportation in areas for~~  
15 ~~which an eligible authority or eligible governmental agency does~~  
16 ~~not exist.~~

17 ~~(c) Investigating public transportation conditions and~~  
18 ~~making recommendations for improvement to the state transporta-~~  
19 ~~tion commission for forwarding to the legislature.~~

20 ~~(d) Encouraging, coordinating, and administering grants for~~  
21 ~~research and demonstration projects to develop the application of~~  
22 ~~new ideas and concepts in public transportation facilities and~~  
23 ~~services as applied to state as opposed to nationwide problems.~~

24 ~~(e) Performing each function necessary to comply fully with~~  
25 ~~present or future federal transportation acts.~~

26 ~~(f) Administering and distributing money from the~~  
27 ~~comprehensive transportation fund and the proceeds of notes and~~

~~1 bonds sold for public transportation purposes. If money is  
2 raised by an eligible authority or an eligible governmental  
3 agency for a public transportation capital outlay project funded  
4 pursuant to sections 3, 5, and 6 of the urban mass transportation  
5 act of 1964, 49 U.S.C. 1602, 1604, and 1605, or federal law cod-  
6 ified in 23 U.S.C. 101 to 407, the state shall pay not less than  
7 66 2/3% of the local match. The state shall not expend money as  
8 a local match or otherwise, and an eligible authority or eligible  
9 governmental agency shall not expend money distributed pursuant  
10 to this act, as a local match or otherwise, for the preliminary  
11 or final construction engineering plans or the construction of a  
12 subway system within the area of the southeastern Michigan trans-  
13 portation authority until that expenditure is approved by concur-  
14 rent resolution of the legislature. The concurrent resolution  
15 shall be approved on a record roll call vote of each house. The  
16 state shall not expend money for the construction, operation, or  
17 maintenance of a commuter boat service system within a county  
18 which is a member of the southeastern Michigan transportation  
19 authority until approved by concurrent resolution of the  
20 legislature. The concurrent resolution shall be approved on a  
21 record roll call vote of each house.~~

~~22 (g) Applying for, receiving, and accepting any grant, gift,  
23 contribution, loan, or other assistance in the form of money,  
24 property, labor, and any other form from a public or private  
25 source, including assistance from an agency or instrumentality of  
26 the United States and doing each thing as is necessary to apply~~

1 ~~for, receive, and administer that assistance in accordance with~~  
2 ~~the laws of this state.~~

3 ~~(h) Promulgating rules for the implementation and adminis-~~  
4 ~~tration of the comprehensive transportation fund, pursuant to the~~  
5 ~~administrative procedures act of 1969, Act No. 306 of the Public~~  
6 ~~Acts of 1969, as amended, being sections 24.201 to 24.315 of the~~  
7 ~~Michigan Compiled Laws.~~

8 ~~(i) Issuing bonds or notes for public transportation pur-~~  
9 ~~poses in accordance with this act.~~

10 ~~(j) Making direct expenditures, loans, grants, or guarantee-~~  
11 ~~ing lease costs to public and private corporations for public~~  
12 ~~transportation purposes using the comprehensive transportation~~  
13 ~~fund or using as appropriate, the proceeds of notes and bonds~~  
14 ~~authorized by section 18b.~~

15 Sec. 11. (1) A fund to be known as the state trunk line  
16 fund is established and shall be set up and maintained in the  
17 state treasury as a separate fund. ~~The money deposited in the~~  
18 ~~state trunk line fund is appropriated to the state transportation~~  
19 ~~department for the following purposes in the following order of~~  
20 ~~priority:~~

21 ~~(a) For the payment, but only from money restricted as to~~  
22 ~~use by section 9 of article IX of the state constitution of 1963,~~  
23 ~~of bonds, notes, or other obligations in the following order of~~  
24 ~~priority:~~

25 ~~(i) For the payment of contributions required to be made by~~  
26 ~~the state highway commission or the state transportation~~  
27 ~~commission under contracts entered into before July 18, 1979,~~

1 ~~under Act No. 205 of the Public Acts of 1941, as amended, being~~  
2 ~~sections 252.51 to 252.64 of the Michigan Compiled Laws, which~~  
3 ~~contributions have been pledged before July 18, 1979, for the~~  
4 ~~payment of the principal and interest on bonds issued under Act~~  
5 ~~No. 205 of the Public Acts of 1941, as amended, for the payment~~  
6 ~~of which a sufficient sum is irrevocably appropriated.~~

7 ~~(ii) For the payment of the principal and interest upon~~  
8 ~~bonds designated "State of Michigan, State Highway Commissioner,~~  
9 ~~Highway Construction Bonds, Series I", dated September 1, 1956,~~  
10 ~~in the aggregate principal amount of \$25,000,000.00, issued pur-~~  
11 ~~suant to former Act No. 87 of the Public Acts of 1955 and the~~  
12 ~~resolution of the state administrative board adopted August 6,~~  
13 ~~1956, for the payment of which a sufficient sum is irrevocably~~  
14 ~~appropriated.~~

15 ~~(iii) For the payment of the principal and interest on bonds~~  
16 ~~issued under section 18b for transportation purposes other than~~  
17 ~~comprehensive transportation purposes as defined by law and the~~  
18 ~~payment of contributions of the state highway commission or state~~  
19 ~~transportation commission to be made pursuant to contracts~~  
20 ~~entered into under section 18d, which contributions are pledged~~  
21 ~~to the payment of principal and interest on bonds issued under~~  
22 ~~the authorization of section 18d and contracts executed pursuant~~  
23 ~~to that section. A sufficient portion of the fund is irrevocably~~  
24 ~~appropriated to pay, when due, the principal and interest on~~  
25 ~~bonds or notes issued under section 18b for purposes other than~~  
26 ~~comprehensive transportation purposes as defined by law, and to~~  
27 ~~pay the annual contributions of the state highway commission and~~

1 ~~the state transportation commission as are pledged for the~~  
2 ~~payment of bonds issued pursuant to contracts authorized by sec-~~  
3 ~~tion 18d.~~

4 ~~(b) For the transfer of funds appropriated pursuant to sec-~~  
5 ~~tion 10(1)(b)(v) to the transportation economic development fund,~~  
6 ~~but the transfer shall be reduced each fiscal year by the amount~~  
7 ~~of debt service to be paid in that year from the state trunk line~~  
8 ~~fund for bonds, notes, or other obligations issued to fund~~  
9 ~~projects of the transportation economic development fund, which~~  
10 ~~amount shall be certified by the department.~~

11 ~~(c) For the transfer of funds appropriated pursuant to sec-~~  
12 ~~tion 10(1)(b)(i) to the railroad grade crossing account in the~~  
13 ~~state trunk line fund for expenditure to meet the cost, in whole~~  
14 ~~or in part, of providing for the improvement, installation, and~~  
15 ~~retirement of new or existing safety devices or other rail grade~~  
16 ~~crossing improvements at rail grade crossings on public roads and~~  
17 ~~streets under the jurisdiction of the state, counties, or cities~~  
18 ~~and villages. Projects shall be selected for funding in accord-~~  
19 ~~ance with the following:~~

20 ~~(i) Not more than 50% or less than 30% of these funds and~~  
21 ~~matched federal funds shall be expended for state trunk line~~  
22 ~~projects.~~

23 ~~(ii) In prioritizing projects for these funds, in whole or~~  
24 ~~in part, the department shall consider train and vehicular traf-~~  
25 ~~fic volumes, accident history, traffic control device improvement~~  
26 ~~needs, and the availability of funding.~~

1 ~~(iii) Consistent with the other requirements for these~~  
2 ~~funds, the first priority for funds deposited pursuant to this~~  
3 ~~subdivision for rail grade crossing improvements and retirement~~  
4 ~~shall be to match federal funds from the railroad highway grade~~  
5 ~~crossing improvement program or other comparable federal~~  
6 ~~programs.~~

7 ~~(iv) If federal funds from the railroad highway grade cross-~~  
8 ~~ing improvement program or other comparable federal programs have~~  
9 ~~been exhausted, funds deposited pursuant to this subdivision~~  
10 ~~shall be used to fund 100% of grade crossing projects that~~  
11 ~~receive the highest priority of unfunded projects pursuant to~~  
12 ~~criteria established by the department.~~

13 ~~(v) State railroad grade crossing funds shall not be used,~~  
14 ~~either as 100% of project cost or to match federal~~  
15 ~~railroad highway grade crossing improvement funds, for a crossing~~  
16 ~~that is determined by the department pursuant to the criteria~~  
17 ~~established by the department to be a lower priority than other~~  
18 ~~projects that have not yet been funded. However, if sufficient~~  
19 ~~funds are available, these state railroad grade crossing account~~  
20 ~~funds may be used for not more than 50% of a project's cost for a~~  
21 ~~crossing that is determined by the department pursuant to the~~  
22 ~~criteria established by the department to be a lower priority if~~  
23 ~~the balance of not less than 50% of the project's cost is pro-~~  
24 ~~vided by the road authority, railroad, or other sources.~~

25 ~~(vi) The type of railroad grade crossing improvement,~~  
26 ~~installation, relocation, or retirement of grade crossing~~  
27 ~~surfaces, active and passive traffic control devices, pavement~~



~~1 marking, or other related work shall be eligible for these  
2 railroad grade crossing account funds in the same manner as the  
3 project type eligibility provided by the federal funds from the  
4 railroad highway grade crossing improvement program, except for  
5 the following:~~

~~6 (A) For new railroad crossings, these funds may be used for  
7 the crossing surface, active and passive traffic control devices,  
8 pavement marking, and other improvements necessitated by the new  
9 crossing.~~

~~10 (B) These funds may be used for the modification, reloca-  
11 tion, or modernization of railroad grade crossing facilities  
12 necessitated by roadway improvement projects.~~

~~13 (C) If the department and the road authority with jurisdic-  
14 tion over a public road or street crossing formally agree that  
15 the grade crossing should be eliminated by permanent closing of  
16 the public road or street, the road authority making the closing  
17 shall receive \$5,000.00 from the railroad grade crossing  
18 account. In addition, any connecting road improvements necessi-  
19 tated by the grade crossing closure are reimbursable on an actual  
20 cost basis not to exceed \$10,000.00 per crossing closed. The  
21 physical removal of the crossing, roadway within railroad rights  
22 of way and street termination treatment will be negotiated  
23 between the road authority and railroad company. The funds pro-  
24 vided to the road authority as a result of the crossing closure  
25 will be credited to its account representing the same road or  
26 street system on which the crossing is located.~~

1 ~~(vii) This subdivision shall apply through September 30,~~  
2 ~~1998.~~

3 ~~(d) For the total operating expenses of the state trunk line~~  
4 ~~fund for each fiscal year as appropriated by the legislature.~~

5 ~~(e) For the maintenance of state trunk line highways and~~  
6 ~~bridges.~~

7 ~~(f) For the opening, widening, improving, construction, and~~  
8 ~~reconstruction of state trunk line highways and bridges, includ-~~  
9 ~~ing the acquisition of necessary rights of way and the work inci-~~  
10 ~~dental to that opening, widening, improving, construction, or~~  
11 ~~reconstruction. Those sums in the state trunk line fund not oth-~~  
12 ~~erwise appropriated, distributed, determined, or set aside by law~~  
13 ~~shall be used for the construction or reconstruction of the~~  
14 ~~national system of interstate and defense highways, referred to~~  
15 ~~in this act as "the interstate highway system" to the extent nec-~~  
16 ~~essary to match federal aid funds as the federal aid funds become~~  
17 ~~available for that purpose, and, for the construction and recon-~~  
18 ~~struction of the state trunk line system.~~

19 (2) ~~(g)~~ The state transportation department may enter into  
20 agreements with county road commissions OR COUNTY BOARDS OF COM-  
21 MISSIONERS, AS APPLICABLE, and with cities and villages to per-  
22 form work on a highway, road, or street. The agreements may pro-  
23 vide for the performance by any of the contracting parties of any  
24 of the work contemplated by the contract including engineering  
25 services and the acquisition of rights of way in connection with  
26 the work, by purchase or condemnation by any of the contracting  
27 parties in its own name, and for joint participation in the

1 costs, but only to the extent that the contracting parties are  
2 otherwise authorized by law to expend money on the highways,  
3 roads, or streets. The state transportation department also may  
4 contract with a county road commission OR COUNTY BOARD OF COMMIS-  
5 SIONERS, AS APPLICABLE, city, and village to advance money to a  
6 county road commission OR COUNTY BOARD OF COMMISSIONERS, AS  
7 APPLICABLE, city, and village to pay their costs of improving  
8 railroad grade crossings on the terms and conditions agreed to in  
9 the contract. A contract may be executed before or after the  
10 state transportation commission borrows money for the purpose of  
11 advancing money to a county road commission OR COUNTY BOARD OF  
12 COMMISSIONERS, AS APPLICABLE, city, or village, but the contract  
13 shall be executed before the advancement of any money to a county  
14 road commission OR COUNTY BOARD OF COMMISSIONERS, AS APPLICABLE,  
15 city, or village by the state transportation commission, and  
16 shall provide for the full reimbursement of any advancement by a  
17 county road commission OR COUNTY BOARD OF COMMISSIONERS, AS  
18 APPLICABLE, city, or village to the state transportation depart-  
19 ment, with interest, within 15 years after advancement, from any  
20 available revenue sources of the county road commission OR COUNTY  
21 BOARD OF COMMISSIONERS, AS APPLICABLE, city, or village or, if  
22 provided in the contract, by deduction from the periodic dis-  
23 bursements of any money returned by the state to the county road  
24 commission OR COUNTY BOARD OF COMMISSIONERS, AS APPLICABLE, city,  
25 or village.

26 ~~(h) For providing inventories of supplies and materials~~  
27 ~~required for the activities of the state transportation~~

~~1 department. The state transportation department may purchase  
2 supplies and materials for these purposes, with payment to be  
3 made out of the state trunk line fund to be charged on the basis  
4 of issues from inventory in accordance with the accounting and  
5 purchasing laws of the state.~~

~~6 (2) Notwithstanding any other provision of this act, at  
7 least 90% of state revenue appropriated annually to the state  
8 trunk line fund less the amounts described in subdivisions (a) to  
9 (i) shall be expended annually by the state transportation  
10 department for the maintenance of highways, roads, streets, and  
11 bridges and for the payment of debt service on bonds, notes, or  
12 other obligations described in subsection (1)(a) issued after  
13 July 1, 1983, for the purpose of providing funds for the mainte-  
14 nance of highways, roads, streets, and bridges. If an appropri-  
15 ate certificate is filed under section 18e but only to the extent  
16 necessary, this subsection shall not prohibit the use of any  
17 amount of money restricted as to use by section 9 of article IX  
18 of the state constitution of 1963 and deposited in the state  
19 trunk line fund for the payment of debt service on bonds, notes,  
20 or other obligations pledging for the payment thereof money  
21 restricted as to use by section 9 of article IX of the state con-  
22 stitution of 1963 and deposited in the state trunk line fund,  
23 whenever issued, as specified under subsection (1)(a). The  
24 amounts which are deducted from the state trunk line fund for the  
25 purpose of the calculation required by this subsection are as  
26 follows:~~

1 ~~(a) Amounts expended for the purposes described in~~  
2 ~~subsection (1)(a) for the payment of debt service on bonds,~~  
3 ~~notes, or other obligations issued before July 2, 1983.~~

4 ~~(b) Amounts expended to provide the state matching require-~~  
5 ~~ment for projects on the national highway system and for the pay-~~  
6 ~~ment of debt service on bonds, notes, or other obligations issued~~  
7 ~~after July 1, 1983, for the purpose of providing funds for the~~  
8 ~~state matching requirements for projects on the national highway~~  
9 ~~system.~~

10 ~~(c) Amounts expended for the construction of a highway,~~  
11 ~~street, road, or bridge to 1 or more of the following or for the~~  
12 ~~payment of debt service on bonds, notes, or other obligations~~  
13 ~~issued after July 1, 1983, for the purpose of providing funds for~~  
14 ~~the construction of a highway, street, road, or bridge to 1 or~~  
15 ~~more of the following:~~

16 ~~(i) A location for which a building permit has been obtained~~  
17 ~~for the construction of a manufacturing or industrial facility.~~

18 ~~(ii) A location for which a building permit has been~~  
19 ~~obtained for the renovation of, or addition to, a manufacturing~~  
20 ~~or industrial facility.~~

21 ~~(d) Amounts expended for capital outlay other than for high-~~  
22 ~~ways, roads, streets, and bridges or to pay debt service on~~  
23 ~~bonds, notes, or other obligations issued after July 1, 1983, for~~  
24 ~~the purpose of providing funds for capital outlay other than for~~  
25 ~~highways, roads, streets, and bridges.~~

26 ~~(e) Amounts expended for the operating expenses of the state~~  
27 ~~transportation department other than the units of the department~~

1 ~~performing the functions assigned on January 1, 1983 to the~~  
2 ~~bureau of highways.~~

3 ~~(f) Amounts expended pursuant to contracts entered into~~  
4 ~~before January 1, 1983.~~

5 ~~(g) Amounts expended for the purposes described in subsec-~~  
6 ~~tion (5).~~

7 ~~(h) Amounts appropriated for deposit in the transportation~~  
8 ~~economic development fund and the rail grade crossing account~~  
9 ~~pursuant to section 10(1)(b)(i) and (1)(b)(v).~~

10 ~~(i) Upon the affirmative recommendation of the director of~~  
11 ~~the state transportation department and the approval by resolu-~~  
12 ~~tion of the state transportation commission, those amounts~~  
13 ~~expended for projects vital to the economy of the state, a~~  
14 ~~region, or local area or the safety of the public. The resolu-~~  
15 ~~tion shall state the cost of the project exempted from this~~  
16 ~~subsection.~~

17 ~~(3) Notwithstanding any other provision of this act, the~~  
18 ~~state transportation department shall expend annually at least~~  
19 ~~90% of the federal revenue distributed to the credit of the state~~  
20 ~~trunk line fund in that year, except for federal revenue expended~~  
21 ~~for the purposes described in subsection (2)(b), (c), (f), and~~  
22 ~~(i) on the maintenance of highways, roads, streets, and bridges.~~  
23 ~~The requirement of this subsection shall be waived if compliance~~  
24 ~~would cause the state to be ineligible according to federal law~~  
25 ~~for federal revenue, but only to the extent necessary to make the~~  
26 ~~state eligible according to federal law for that revenue.~~

1 (3) ~~(4)~~ As used in this section:

2 (a) "Maintenance" and "maintaining" means snow removal;  
3 street cleaning and drainage; seal coating; patching and ordinary  
4 repairs; erection and maintenance of traffic signs and markings;  
5 safety projects; and the preservation, reconstruction, resurfac-  
6 ing, restoration, and rehabilitation of highways, roads, streets,  
7 and bridges. For the purposes of this section, maintenance and  
8 maintaining shall not be limited to the repair and replacement of  
9 a road but shall include maintaining the original intent of a  
10 construction project. If traffic patterns indicate that this  
11 intent is no longer being met, the department may expend funds to  
12 take corrective action and continue to fulfill its obligation of  
13 maintaining the department's original objective for the construc-  
14 tion project. However, maintenance and maintaining do not  
15 include projects which increase the capacity of a highway facil-  
16 ity to accommodate that part of the traffic having neither origin  
17 nor destination within the local area.

18 (b) "Maintenance" and "maintaining" include widening less  
19 than lane width; adding auxiliary turning lanes of 1/2 mile or  
20 less; adding auxiliary weaving, climbing, or speed change lanes;  
21 and correcting substandard intersections.

22 (c) "Maintenance" and "maintaining" do not include the  
23 upgrading of aggregate surface roads to hard surface roads.

24 (d) "Maintenance" and "maintaining" include the portion of  
25 the costs of the units of the department performing the functions  
26 assigned on January 1, 1983, to the bureau of highways expended  
27 for the purposes described in subdivisions (a) and (b).

1           (4) ~~(5)~~ Notwithstanding any other provision of this  
 2 section, the state transportation department may loan money to  
 3 county road commissions, cities, and villages for paying capital  
 4 costs of transportation purposes described in the second para-  
 5 graph of section 9 of article IX of the state constitution of  
 6 1963 from the proceeds of bonds or notes issued pursuant to sec-  
 7 tion 18b or from the state trunk line fund. Loans made directly  
 8 from the state trunk line fund shall be made only after provision  
 9 of funds for the purposes specified in ~~subsection (1)(a) to (f)~~  
 10 THE STATE TRANSPORTATION DEPARTMENT BUDGET ACT.

11           (5) ~~(6)~~ County road commissions OR COUNTY BOARDS OF COM-  
 12 MISSIONERS, AS APPLICABLE, cities, and villages may borrow money  
 13 from the proceeds of bonds or notes issued under section 18b or  
 14 the state trunk line fund for ~~the purposes set forth in subsec-~~  
 15 ~~tion (5)~~ PAYING CAPITAL COSTS OF TRANSPORTATION PURPOSES  
 16 DESCRIBED IN THE SECOND PARAGRAPH OF SECTION 9 OF ARTICLE IX OF  
 17 THE STATE CONSTITUTION OF 1963 which shall be repayable, with  
 18 interest, from 1 or more of the following:

19           (a) The money to be received by the county road commission  
 20 OR COUNTY BOARD OF COMMISSIONERS, AS APPLICABLE, city, or village  
 21 from the Michigan transportation fund, except to the extent the  
 22 money has been or may in the future be pledged by contract in  
 23 accordance with Act No. 205 of the Public Acts of 1941, being  
 24 sections 252.51 to 252.64 of the Michigan Compiled Laws, or has  
 25 been or may in the future be pledged for the payment of the prin-  
 26 cipal and interest upon notes issued pursuant to Act No. 143 of  
 27 the Public Acts of 1943, being sections 141.251 to 141.254 of the



1 Michigan Compiled Laws, or has been or may in the future be  
2 pledged for the payment of principal and interest upon bonds  
3 issued under section 18c or 18d, or has been or may in the future  
4 be pledged for the payment of the principal and interest upon  
5 bonds issued pursuant to Act No. 175 of the Public Acts of 1952,  
6 being sections 247.701 to 247.707 of the Michigan Compiled Laws.

7 (b) Any other legally available funds of the city, village,  
8 or county road commission OR COUNTY BOARD OF COMMISSIONERS, AS  
9 APPLICABLE, other than the general funds of the county.

10 ~~(7) Loans made pursuant to subsection (5) if required by~~  
11 ~~the state transportation department may be payable by deduction~~  
12 ~~by the state treasurer, upon direction of the state transporta-~~  
13 ~~tion department, from the periodic disbursements of any money~~  
14 ~~returned by the state under this act to the county road commis-~~  
15 ~~sion, city, or village, but only after sufficient money has been~~  
16 ~~returned to the county road commission, city, or village to pro-~~  
17 ~~vide for the payment of contractual obligations incurred or to be~~  
18 ~~incurred and principal and interest on notes and bonds issued or~~  
19 ~~to be issued under Act No. 205 of the Public Acts of 1941, Act~~  
20 ~~No. 143 of the Public Acts of 1943, Act No. 175 of the Public~~  
21 ~~Acts of 1952, or section 18c or 18d. The interest rates and pay-~~  
22 ~~ment schedules of any loans made from the proceeds of bonds or~~  
23 ~~notes issued pursuant to section 18b shall be established by the~~  
24 ~~state transportation department to conform as closely as practi-~~  
25 ~~cable to the interest rate and repayment schedules on the bonds~~  
26 ~~or notes issued to make the loans. However, the state~~  
27 ~~transportation department may allow for the deferral of the first~~

1 ~~payment of interest or principal on the loans for a period of not~~  
2 ~~to exceed 1 year after the respective first payment of interest~~  
3 ~~or principal on the bonds or notes issued to make the loans.~~

4       (6) ~~(8)~~ The amount borrowed by a county road commission OR  
5 COUNTY BOARD OF COMMISSIONERS, AS APPLICABLE, city, or village  
6 pursuant to subsection ~~(6)~~ (5) shall not be included in, or  
7 charged against, any constitutional, statutory, or charter debt  
8 limitation of the county, city, or village and shall not be  
9 included in the determination of the maximum annual principal and  
10 interest requirements of, or the limitations upon, the maximum  
11 annual principal and interest incurred under Act No. 205 of the  
12 Public Acts of 1941, Act No. 143 of the Public Acts of 1943, Act  
13 No. 175 of the Public Acts of 1952, or section 18c or 18d.

14       (7) ~~(9)~~ The county road commission OR COUNTY BOARD OF COM-  
15 MISSIONERS, AS APPLICABLE, city, or village shall not be required  
16 to seek or obtain the approval of the electors, the municipal  
17 finance commission or its successor agency, or, except as pro-  
18 vided in this subsection, the department of treasury to borrow  
19 money pursuant to subsection ~~(6)~~ (5). The borrowing shall not  
20 be subject to the municipal finance act, Act No. 202 of the  
21 Public Acts of 1943, being sections 131.1 to 139.3 of the  
22 Michigan Compiled Laws, nor to section 5(g) of Act No. 279 of the  
23 Public Acts of 1909, being section 117.5 of the Michigan Compiled  
24 Laws. The state transportation department shall give at least 10  
25 days' notice to the state treasurer of its intention to make a  
26 loan under subsection ~~(5)~~ (4). If the state treasurer gives  
27 notice to the director of the state transportation department

1 within 10 days of receiving the notice from the state  
 2 transportation department, that, based upon the then existing  
 3 financial or credit situation of the county road commission OR  
 4 COUNTY BOARD OF COMMISSIONERS, AS APPLICABLE, city, or village,  
 5 it would not be in the best interests of the state to make a loan  
 6 under subsection ~~(5)~~ (4) to the county road commission OR  
 7 COUNTY BOARD OF COMMISSIONERS, AS APPLICABLE, city, or village,  
 8 the loan shall not be made unless the state treasurer, after a  
 9 hearing, if requested by the affected county road commission OR  
 10 COUNTY BOARD OF COMMISSIONERS, AS APPLICABLE, city, or village,  
 11 subsequently gives notice to the director of the state transpor-  
 12 tation department that the loan may be made on the conditions  
 13 that the state treasurer specifies.

14 (8) ~~(10)~~ The state transportation commission may borrow  
 15 money and issue bonds and notes under, and pursuant to the  
 16 requirements of, section 18b to make loans to county road commis-  
 17 sions OR COUNTY BOARDS OF COMMISSIONERS, AS APPLICABLE, cities,  
 18 and villages for the purposes described in the second paragraph  
 19 of section 9 of article IX of the state constitution of 1963, as  
 20 provided in subsection ~~(5)~~ (4). A single issue of bonds or  
 21 notes may be issued for the purposes specified in subsection  
 22 ~~(5)~~ (4) and for the other purposes specified in section 18b.

23 (9) ~~(11)~~ The director of the state transportation depart-  
 24 ment, after consultation with representatives of the interests of  
 25 county road commissions OR COUNTY BOARDS OF COMMISSIONERS, AS  
 26 APPLICABLE, cities, and villages, shall establish, by  
 27 intergovernmental communication, procedures for the

1 implementation and administration of the loan program established  
2 under subsections ~~(5) to (10)~~ (4) TO (9).

3       Sec. 11b. (1) ~~During each April, there is appropriated to~~  
4 ~~a critical bridge fund from the Michigan transportation fund,~~  
5 ~~\$5,000,000.00.~~ The money appropriated to a critical bridge fund  
6 and the interest accruing to that fund shall be expended for a  
7 critical bridge program to be administered by the department to  
8 provide financial assistance to highway authorities for the  
9 improvement or reconstruction of existing bridges or for the con-  
10 struction of bridges to replace existing bridges in whole or in  
11 part. ~~This section is not subject to section 12(15) or section~~  
12 ~~13(5).~~

13       (2) The state transportation commission ~~shall~~ MAY borrow  
14 money and issue notes or bonds ~~in an amount of not less than~~  
15 ~~\$30,000,000.00~~ to supplement the funding provided for the local  
16 bridge program under subsection (1). The bonds or notes issued  
17 pursuant to this subsection may be issued by the commission for  
18 any purpose for which other critical bridge funds may be used  
19 under this section. The bonds or notes authorized by this sub-  
20 section shall be issued by resolution of the state transportation  
21 commission consistent with the requirements of section 18b.

22       (3) The state transportation department shall promulgate  
23 rules pursuant to Act No. 306 of the Public Acts of 1969, ~~as~~  
24 ~~amended,~~ being sections 24.201 to 24.328 of the Michigan  
25 Compiled Laws, governing the administration of the critical  
26 bridge program. The rules shall set forth the eligibility  
27 criteria for financial assistance under the program and other

1 matters related to the program as the department considers  
2 necessary and desirable. The department shall take into consid-  
3 eration the availability of federal aid and other financial  
4 resources of the highway authority responsible for the bridge,  
5 the importance of the bridge to the highway, road, or street net-  
6 work, and the condition of the existing bridge. The department  
7 shall not receive more than 38.4% of the critical bridge funds  
8 available during a 5-year period for expenditures on the state  
9 trunk line system.

10       Sec. 12c. (1) A city or village which desires to have a  
11 county primary road, which is under the jurisdiction of a county  
12 road commission OR COUNTY BOARD OF COMMISSIONERS, AS APPLICABLE,  
13 and which lies within the corporate limits of the city or vil-  
14 lage, placed under the jurisdiction of the city or village, shall  
15 present a resolution of its governing body to the appropriate  
16 county road commission OR COUNTY BOARD OF COMMISSIONERS, AS  
17 APPLICABLE, requesting that the county primary road be placed  
18 under the jurisdiction of the city or village. The county road  
19 commission OR COUNTY BOARD OF COMMISSIONERS, AS APPLICABLE, shall  
20 respond to the request, in writing, within 90 days after its  
21 receipt of the request.

22       (2) If the county road commission OR COUNTY BOARD OF COMMIS-  
23 SIONERS, AS APPLICABLE, rejects the request within 90 days after  
24 its receipt of the request, the city or village, by resolution of  
25 its governing body, not sooner than 30 days after, ~~nor~~ BUT NOT  
26 later than 90 days after, the decision of the county road  
27 commission OR COUNTY BOARD OF COMMISSIONERS, AS APPLICABLE, may

1 appeal the decision of the county road commission OR COUNTY BOARD  
2 OF COMMISSIONERS, AS APPLICABLE, to the state transportation  
3 commission.

4 (3) If the county road commission OR COUNTY BOARD OF COMMIS-  
5 SIONERS, AS APPLICABLE, does not respond, in writing, within 90  
6 days after its receipt of the request, the city or village, by  
7 resolution of its governing body, not sooner than 30 days after,  
8 ~~nor~~ BUT NOT later than 90 days after, the expiration of the  
9 90-day period for a response, may petition the state transporta-  
10 tion commission for a hearing on the request.

11 (4) The state transportation commission, after notice and an  
12 opportunity for a hearing on the appeal under subsection (2) or  
13 the petition under subsection (3), shall review the merits of the  
14 request. The state transportation commission in its determina-  
15 tion as to whether the county primary road shall be placed under  
16 the jurisdiction of the city or village, shall consider all of  
17 the following:

18 (a) The benefits of the requested transfer to the city or  
19 village making the request.

20 (b) The benefits of the requested transfer to the users of  
21 the county primary road.

22 (c) The benefits of the requested transfer to the county  
23 with respect to the maintenance of a county road arterial  
24 network.

25 Sec. 13b. A county road commission OR COUNTY BOARD OF COM-  
26 MISSIONERS, AS APPLICABLE, may contract with other county road  
27 commissions OR COUNTY BOARDS OF COMMISSIONERS, AS APPLICABLE, for

1 the purchase and use of equipment or machinery necessary for the  
2 construction, maintenance, or operation of a road or highway.

3       Sec. 17. (1) At the end of each month, the secretary of  
4 state shall certify to the state transportation department and  
5 the director of the department of management and budget the  
6 amounts received from the counties for motor vehicle taxes during  
7 the preceding month pursuant to the Michigan vehicle code, Act  
8 No. 300 of the Public Acts of 1949, ~~as amended,~~ being sections  
9 257.1 to 257.923 of the Michigan Compiled Laws, and also the  
10 total amount deposited in the Michigan transportation fund pursu-  
11 ant to this act during the preceding month, after deducting the  
12 amount appropriated for the payment of the necessary expenses  
13 incurred in the enforcement of Act No. 150 of the Public Acts of  
14 1927, ~~as amended,~~ being sections 207.101 to 207.202 of the  
15 Michigan Compiled Laws, and sections 801 to 810 of Act No. 300 of  
16 the Public Acts of 1949, ~~as amended,~~ being sections 257.801 to  
17 257.810 of the Michigan Compiled Laws. The state transportation  
18 department shall certify to the director of the department of  
19 management and budget the amounts to be returned to the state  
20 transportation department from the Michigan transportation fund  
21 monthly, and the amounts to be returned to each county road com-  
22 mission OR COUNTY BOARD OF COMMISSIONERS, AS APPLICABLE, and each  
23 city and village of the state monthly, pursuant to ~~this act~~ THE  
24 APPROPRIATIONS PROCESS, and the director of the department of  
25 management and budget shall certify these amounts to the state  
26 treasurer, who shall draw a warrant monthly for the net amounts  
27 as are due the state transportation department, the county road

1 commissions OR COUNTY BOARDS OF COMMISSIONERS, AS APPLICABLE, and  
2 the cities and villages of the state. ~~under this act.~~ The  
3 state treasurer shall issue checks for the amounts due, within 30  
4 days after the end of each month, to the state transportation  
5 department, the county road commissions OR COUNTY BOARDS OF COM-  
6 MISSIONERS, AS APPLICABLE, and the cities and villages. If the  
7 amount due is not returned to a county road commission OR COUNTY  
8 BOARD OF COMMISSIONERS, AS APPLICABLE, city, or village within 30  
9 days after the end of each month, the county road commission OR  
10 COUNTY BOARD OF COMMISSIONERS, AS APPLICABLE, city, or village  
11 may bring an action in the nature of mandamus to compel the vari-  
12 ous officials to perform their duties in connection with the  
13 return as provided in this section.

14 (2) The state transportation department, within 120 days  
15 after the close of each fiscal year of the state shall furnish to  
16 the legislature and the governor a detailed report of revenues  
17 credited to the Michigan transportation fund ~~and distributions~~  
18 ~~under this act~~ and a detailed report of the interest earnings  
19 and allocations of each fund created ~~or appropriated money~~  
20 under this act, showing the amounts distributed THROUGH THE  
21 APPROPRIATIONS PROCESS to each county road commission OR COUNTY  
22 BOARD OF COMMISSIONERS, AS APPLICABLE, city, and village and the  
23 purposes for which those amounts were expended.

24 Sec. 18c. (1) A county may borrow money and issue bonds to  
25 pay all or any portion of the cost of the construction or recon-  
26 struction of highways, including limited access highways, which  
27 by law a county road commission OR COUNTY BOARD OF COMMISSIONERS,



1 AS APPLICABLE, is authorized to construct or reconstruct, or  
2 participate with any other county road commission OR COUNTY BOARD  
3 OF COMMISSIONERS, AS APPLICABLE, city, or village in the con-  
4 struction or reconstruction of, including the construction or the  
5 enlargement, reconstruction, or relocation of existing highways  
6 and the acquisition of necessary rights-of-way for those high-  
7 ways, and all work incidental to the construction or reconstruc-  
8 tion, which bonds shall be issued only upon the written recommen-  
9 dation or approval of the county road commission OR COUNTY BOARD  
10 OF COMMISSIONERS, AS APPLICABLE, and the adoption of a resolution  
11 by a majority vote of the county board of commissioners of the  
12 county. The resolution shall briefly describe the contemplated  
13 highway construction project, the estimated cost of the project,  
14 and the amount, maximum rate of interest, and maturity dates of  
15 the bonds to be issued and the form of the bonds. The resolution  
16 shall contain an irrevocable appropriation providing for the pay-  
17 ment of the principal and interest of the bonds from the money  
18 received or to be received by the county road commission from the  
19 Michigan transportation fund.  ~~, except to the extent the money~~  
20  ~~has been pledged by contract in accordance with Act No. 205 of~~  
21  ~~the Public Acts of 1941, as amended, before July 1, 1957, for the~~  
22  ~~construction or financing of limited access highways, and except~~  
23  ~~to the extent the moneys have been pledged before July 1, 1957,~~  
24  ~~for the payment of notes issued under Act No. 143 of the Public~~  
25  ~~Acts of 1943, as amended, being sections 141.251 to 141.254 of~~  
26  ~~the Michigan Compiled Laws. A contractual pledge made before~~  
27  ~~July 1, 1957, in accordance with the provisions of Act No. 205 of~~

1 ~~the Public Acts of 1941, as amended, and a pledge made before~~  
2 ~~July 1, 1957, for the payment of promissory notes under Act~~  
3 ~~No. 143 of the Public Acts of 1943, as amended, shall have and~~  
4 ~~retain its priority of lien or charge against the money distrib-~~  
5 ~~uted by law to the county road commission from the Michigan~~  
6 ~~transportation fund, as contemplated by those acts, and as pro-~~  
7 ~~vided in the contract or resolution authorizing the issuance of~~  
8 ~~bonds or notes under those acts.~~ A pledge made after June 30,  
9 1957 ~~—~~ by a county road commission OR COUNTY BOARD OF COMMIS-  
10 SIONERS, AS APPLICABLE, under Act No. 205 of the Public Acts of  
11 1941 ~~—, as amended,~~ or Act No. 143 of the Public Acts of 1943 ~~—~~  
12 ~~as amended,~~ shall have equal standing and priority with a pledge  
13 made after June 30, 1957 ~~—~~ by the county road commission OR  
14 COUNTY BOARD OF COMMISSIONERS, AS APPLICABLE, under this act.  
15 The total aggregate amount of bonds that may be issued by a  
16 county under this section shall not exceed the amount as will be  
17 serviced as to their maximum annual principal and interest  
18 requirements by an amount equal to 20% of the ~~moneys~~ MONEY  
19 received by the county road commission OR COUNTY BOARD OF COMMIS-  
20 SIONERS, AS APPLICABLE, of the county from the Michigan transpor-  
21 tation fund during the fiscal year next preceding the issuance of  
22 the bonds. Bonds may be issued under this section as separate  
23 issues or series with different dates of issuance but the aggre-  
24 gate of the bonds shall be subject to the limitations set forth  
25 in this act. As additional security for the payment of the  
26 bonds, a county, upon adoption of a resolution by a majority of  
27 the members of its county board of commissioners, may agree on

1 behalf of the county that if the funds pledged for the payment of  
2 the bonds are at any time insufficient to pay the principal and  
3 interest on the bonds as ~~the same~~ THEY become due, the county  
4 treasurer shall be obligated to advance sufficient money from the  
5 general fund of the county to make up the deficiency, and reim-  
6 bursement shall be made from the first subsequent revenues  
7 received by the county road commission OR COUNTY BOARD OF COMMIS-  
8 SIONERS, AS APPLICABLE, from the Michigan transportation fund not  
9 pledged or required to be set aside and used for the payment of  
10 the principal and interest on bonds, notes, or other evidences of  
11 indebtedness.

12 (2) The total annual amount that may be pledged by a county  
13 road commission OR COUNTY BOARD OF COMMISSIONERS, AS APPLICABLE,  
14 for the payment of principal and interest on bonds issued pursu-  
15 ant to this section, or the payment of contributions as required  
16 by a contract entered into in accordance with section 18d, which  
17 contributions are pledged for the payment of bonds, together with  
18 total maximum debt service requirements for payment of notes  
19 issued under Act No. 143 of the Public Acts of 1943, ~~as~~  
20 ~~amended,~~ shall not exceed 50% of the total amount received by  
21 the county road commission OR COUNTY BOARD OF COMMISSIONERS, AS  
22 APPLICABLE, from the Michigan transportation fund during the last  
23 completed fiscal year ending on June 30 before the issuance of a  
24 bond or note or the execution of a contract.

25 Sec. 18d. (1) The state transportation commission, county  
26 road commission OR COUNTY BOARD OF COMMISSIONERS, AS APPLICABLE,  
27 and a city or village may enter into a contract providing for the

1 construction or reconstruction of highways, including limited  
2 access highways, under the jurisdiction and control of 1 of the  
3 contracting parties to the extent that the contracting parties  
4 are otherwise authorized by law to expend ~~moneys~~ MONEY on the  
5 highways, roads, or streets, which contract shall provide for  
6 allocation of the share of the cost of the construction or recon-  
7 struction to be borne by the department or a county road commis-  
8 sion OR COUNTY BOARD OF COMMISSIONERS, AS APPLICABLE, city, or  
9 village in annual installments for a period not to exceed 30  
10 years. The contract shall designate the department or a county  
11 road commission OR COUNTY BOARD OF COMMISSIONERS, AS APPLICABLE,  
12 city, or village to carry on, in whole or in part, the engineer-  
13 ing, construction, or reconstruction work required by the con-  
14 tract which may include the construction or enlargement, recon-  
15 struction, or relocation of existing highways and work incidental  
16 to the engineering, construction, or reconstruction work. The  
17 contract shall designate the department or a county road commis-  
18 sion OR COUNTY BOARD OF COMMISSIONERS, AS APPLICABLE, city, or  
19 village to undertake the acquisition of rights of way required  
20 for the highways, which rights of way may be acquired by purchase  
21 or condemnation by the department or a county road commission OR  
22 COUNTY BOARD OF COMMISSIONERS, AS APPLICABLE, city, or village in  
23 its own name for the purposes of the construction or  
24 reconstruction. The department or a county road commission OR  
25 COUNTY BOARD OF COMMISSIONERS, AS APPLICABLE, city, or village  
26 may make a contribution to the cost of its highway construction  
27 and reconstruction projects as are provided for in contracts

1 authorized in this section. A governmental unit may make  
2 irrevocable pledges of its Michigan transportation fund receipts  
3 to meet its annual obligations pursuant to the contracts. A gov-  
4 ernmental unit which is a party to a contract may make an addi-  
5 tional irrevocable pledge of a contribution or funds received, or  
6 to be received, by the department or a county road commission OR  
7 COUNTY BOARD OF COMMISSIONERS, AS APPLICABLE, city, or village  
8 from the federal government or 1 of its agencies or from any  
9 other source for or in aid of the highway construction or recon-  
10 struction projects provided for in the contracts. A governmental  
11 unit which is a party to the contracts may borrow money and issue  
12 bonds in accordance with this act for the purpose of providing  
13 funds for the immediate construction or reconstruction of the  
14 highway projects contemplated by the contracts. The bonds shall  
15 be secured by an irrevocable pledge of the annual contributions  
16 required to be made by the department or a county road commission  
17 OR COUNTY BOARD OF COMMISSIONERS, AS APPLICABLE, city, or village  
18 that is a party to the contracts. Before the issuance of the  
19 bonds by a governmental unit, the issuance of the bonds shall be  
20 approved by a resolution of the state administrative board and by  
21 a resolution of the county road commission OR COUNTY BOARD OF  
22 COMMISSIONERS, AS APPLICABLE, of each county and the governing  
23 body of each city or village that is a party to the contracts.  
24 The annual contribution required by the contracts shall be paid  
25 to the governmental unit issuing the bonds. A governmental unit  
26 which is a party to the contracts, at any time, may pay all or  
27 part of the unpaid annual contributions undertaken by it in a

1 contract, and may raise money for that payment by the issuance of  
2 bonds in accordance with and subject to this act. A contract  
3 executed under this section may authorize the governmental unit  
4 issuing the bonds pursuant to the contract to receive bids for  
5 the bonds, accept the best bid, and issue and deliver the bonds  
6 for and on behalf of all the parties to the contract.

7 (2) The aggregate amount of annual contributions from the  
8 Michigan transportation fund which may be made by a county, city,  
9 or village under this section and pledged for the payment of  
10 principal and interest on bonds issued pursuant to a contract ~~—~~  
11 shall not exceed 40% of the total amount received by it from the  
12 Michigan transportation fund during the last completed fiscal  
13 year ending on the June 30 before the execution of a contract.  
14 The amount of an annual contribution made by the state transpor-  
15 tation department and pledged for the payment of bonds pursuant  
16 to this section shall be included in computing the bonding limit  
17 set forth in section 18b. The total aggregate amount that may be  
18 pledged by a city or village for the payment of principal and  
19 interest on bonds issued pursuant to a contract entered into in  
20 accordance with this section and Act No. 175 of the Public Acts  
21 of 1952 ~~, as amended,~~ shall not exceed 50% of the total amount  
22 received by the city or village from the Michigan transportation  
23 fund and the highway construction fund during the last completed  
24 fiscal year ending on June 30 before the issuance of the bonds.

25 Section 2. Sections 1c, 1f, 9a, 10a, 10d, 10e, 10k, 10l,  
26 11e, 12, 12a, 12b, 13, 18l, 19, 21, 22, and 23 of Act No. 51 of  
27 the Public Acts of 1951, being sections 247.651c, 247.651f,

1 247.659a, 247.660a, 247.660d, 247.660e, 247.660k, 247.660l,  
2 247.661e, 247.662, 247.662a, 247.662b, 247.663, 247.668l,  
3 247.669, 247.671, 247.672, and 247.673 of the Michigan Compiled  
4 Laws, are repealed.

5 Section 3. This amendatory act shall not take effect unless  
6 House Bill No. 5582 of the 88th Legislature is enacted into law.