

SUBSTITUTE FOR
SENATE BILL NO. 105

A bill to amend 1951 PA 51, entitled

"An act to provide for the classification of all public roads, streets, and highways in this state, and for the revision of that classification and for additions to and deletions from each classification; to set up and establish the Michigan transportation fund; to provide for the deposits in the Michigan transportation fund of specific taxes on motor vehicles and motor vehicle fuels; to provide for the allocation of funds from the Michigan transportation fund and the use and administration of the fund for transportation purposes; to promote safe and efficient travel for motor vehicle drivers, bicyclists, pedestrians, and other legal users of roads, streets, and highways; to set up and establish the truck safety fund; to provide for the allocation of funds from the truck safety fund and administration of the fund for truck safety purposes; to set up and establish the Michigan truck safety commission; to establish certain standards for road contracts for certain businesses; to provide for the continuing review of transportation needs within the state; to authorize the state transportation commission, counties, cities, and villages to borrow money, issue bonds, and make pledges of funds for transportation purposes; to authorize counties to advance funds for the payment of deficiencies necessary for the payment of bonds issued under this act; to provide for the limitations, payment, retirement, and security of the bonds and pledges; to provide for appropriations and tax levies by counties and townships for county roads; to authorize contributions by townships for county roads; to provide

for the establishment and administration of the state trunk line fund, local bridge fund, comprehensive transportation fund, and certain other funds; to provide for the deposits in the state trunk line fund, critical bridge fund, comprehensive transportation fund, and certain other funds of money raised by specific taxes and fees; to provide for definitions of public transportation functions and criteria; to define the purposes for which Michigan transportation funds may be allocated; to provide for Michigan transportation fund grants; to provide for review and approval of transportation programs; to provide for submission of annual legislative requests and reports; to provide for the establishment and functions of certain advisory entities; to provide for conditions for grants; to provide for the issuance of bonds and notes for transportation purposes; to provide for the powers and duties of certain state and local agencies and officials; to provide for the making of loans for transportation purposes by the state transportation department and for the receipt and repayment by local units and agencies of those loans from certain specified sources; and to repeal acts and parts of acts,"

by amending section 10 (MCL 247.660), as amended by 2007 PA 210, and by adding sections 11g and 11h.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 10. (1) A fund to be known as the Michigan transportation
 2 fund is established ~~and shall be set up and maintained~~ in the state
 3 treasury as a separate fund. Money received and collected under the
 4 motor fuel tax act, 2000 PA 403, MCL 207.1001 to 207.1170, except a
 5 license fee provided in that act, and a tax, fee, license, and
 6 other money received and collected under sections 801 to 810 of the
 7 Michigan vehicle code, 1949 PA 300, MCL 257.801 to 257.810, except
 8 a truck safety fund fee provided in section 801(1)(k) of the
 9 Michigan vehicle code, 1949 PA 300, MCL 257.801, and money received
 10 under the motor carrier act, 1933 PA 254, MCL 475.1 to 479.43,
 11 shall be deposited in the state treasury to the credit of the
 12 Michigan transportation fund. In addition, income or profit derived
 13 from the investment of money in the Michigan transportation fund
 14 shall be deposited in the Michigan transportation fund. Except as

1 provided in this act, no other money, whether appropriated from the
2 general fund of this state or any other source, shall be deposited
3 in the Michigan transportation fund. Except as otherwise provided
4 in this section, the legislature shall appropriate ~~funds~~ **MONEY** for
5 the necessary expenses incurred in the administration and
6 enforcement of the motor fuel tax act, 2000 PA 403, MCL 207.1001 to
7 207.1170, the motor carrier act, 1933 PA 254, MCL 475.1 to 479.43,
8 and sections 801 to 810 of the Michigan vehicle code, 1949 PA 300,
9 MCL 257.801 to 257.810. ~~Funds~~ **MONEY** appropriated for necessary
10 expenses shall be based upon established cost allocation
11 methodology that reflects actual costs. Appropriations for the
12 necessary expenses incurred by the department of state in
13 administration and enforcement of sections 801 to 810 of the
14 Michigan vehicle code, 1949 PA 300, MCL 257.801 to 257.810, shall
15 be made from the Michigan transportation fund and from ~~funds~~ **MONEY**
16 in the transportation administration collection fund created in
17 section 810b of the Michigan vehicle code, 1949 PA 300, MCL
18 257.810b. Appropriations from the Michigan transportation fund for
19 the necessary expenses incurred by **THE** department of state in
20 administration and enforcement of sections 801 to 810 of the
21 Michigan vehicle code, 1949 PA 300, MCL 257.801 to 257.810, shall
22 not exceed \$20,000,000.00 per state fiscal year. ~~except for the~~
23 ~~fiscal year ending September 30, 2006. For the fiscal year ending~~
24 ~~September 30, 2006, the legislature may appropriate funds in excess~~
25 ~~of \$20,000,000.00 from the Michigan transportation fund for all~~
26 ~~incremental additional expenses incurred by the department of state~~
27 ~~in enforcing sections 801 to 810 of the Michigan vehicle code, 1949~~

1 ~~PA 300, MCL 257.801 to 257.810, that arise because of the~~
2 ~~replacement of standard design registration license plates as~~
3 ~~provided in section 224 of the Michigan vehicle code, 1949 PA 300,~~
4 ~~MCL 257.224.~~ All money in the Michigan transportation fund is
5 apportioned and appropriated in the following manner:

6 (a) Not more than \$3,000,000.00 as may be annually
7 appropriated each fiscal year to the state trunk line fund for
8 subsequent deposit in the rail grade crossing account.

9 (b) Not less than \$3,000,000.00 each year to the local bridge
10 fund established in subsection ~~(5)~~ **(4)** for the purpose of payment
11 of the principal, interest, and redemption premium on any notes or
12 bonds issued by the state transportation commission under former
13 section 11b or subsection ~~(10)~~ **(9)**.

14 **(C) SUBJECT TO SECTION 11H, \$5,000,000.00 TO THE LOCAL AGENCY**
15 **WETLAND MITIGATION BANK FUND CREATED IN SECTION 11H.**

16 **(D) ~~(e)~~ Revenue EXCEPT AS OTHERWISE PROVIDED IN THIS**
17 **SUBDIVISION, \$5,000,000.00 EACH YEAR OF THE REVENUE** from 3 cents of
18 the tax levied under section 8(1)(a) of the motor fuel tax act,
19 2000 PA 403, MCL 207.1008, to the **MOVABLE BRIDGE FUND CREATED IN**
20 **SECTION 11G, WITH THE REMAINDER TO THE** state trunk line fund,
21 county road commissions, and cities and villages in the percentages
22 provided in subdivision ~~(i)~~ **(K)**. **THE DEPARTMENT SHALL ANNUALLY**
23 **ADJUST THE AMOUNT ALLOCATED UNDER THIS SUBDIVISION BY AN AMOUNT**
24 **EQUAL TO THE ANNUAL INCREASE IN THE DETROIT CONSUMER PRICE INDEX**
25 **FOR THE PRECEDING YEAR.**

26 **(E) ~~(d)~~ Until September 30, 2004, all of the revenue from 1**
27 **cent of the tax levied under section 8(1)(a) of the motor fuel tax**

1 ~~act, 2000 PA 403, MCL 207.1008, to the state trunk line fund for~~
 2 ~~repair of state bridges under section 11. Beginning October 1, 2004~~
 3 ~~and continuing through September 30, 2005, 3/4 of the revenue from~~
 4 ~~1 cent of the tax levied under section 8(1)(a) of the motor fuel~~
 5 ~~tax act, 2000 PA 403, MCL 207.1008, shall be appropriated to the~~
 6 ~~state trunk line fund for the repair of state bridges under section~~
 7 ~~11, and 1/4 of the revenue from 1 cent of the tax levied under~~
 8 ~~section 8(1)(a) of the motor fuel tax act, 2000 PA 403, MCL~~
 9 ~~207.1008, shall be appropriated to the local bridge fund created in~~
 10 ~~subsection (5) for distribution only to cities, villages, and~~
 11 ~~county road commissions. Beginning October 1, 2005, 1/2 **ONE-HALF** of~~
 12 ~~the revenue from 1 cent of the tax levied under section 8(1)(a) of~~
 13 ~~the motor fuel tax act, 2000 PA 403, MCL 207.1008, shall be **IS**~~
 14 ~~appropriated to the state trunk line fund for the repair of state~~
 15 ~~bridges under section 11, and 1/2 of the revenue from 1 cent of the~~
 16 ~~tax levied under section 8(1)(a) of the motor fuel tax act, 2000 PA~~
 17 ~~403, MCL 207.1008, shall be **IS** appropriated to the local bridge~~
 18 ~~fund created in subsection (5) **(4)** for distribution only to cities,~~
 19 ~~villages, and county road commissions.~~

20 **(F)** ~~(e)~~ \$43,000,000.00 to the state trunk line fund for debt
 21 service costs on state of Michigan projects.

22 **(G)** ~~(f)~~ ~~Except as provided in subsection (4),~~ 10% to the
 23 comprehensive transportation fund for the purposes described in
 24 section 10e.

25 **(H)** ~~(g)~~ \$5,000,000.00 to the local bridge fund established in
 26 subsection (5) **(4)** for distribution only to the local bridge
 27 advisory board, the regional bridge councils, cities, villages, and

1 county road commissions.

2 (I) ~~(h)~~—\$36,775,000.00 to the state trunk line fund for
3 subsequent deposit in the transportation economic development fund,
4 and, ~~as of September 30, 1997,~~ with first priority for allocation
5 to debt service on bonds issued to fund transportation economic
6 development fund projects. In addition, ~~beginning October 1, 1997,~~
7 \$3,500,000.00 is appropriated from the Michigan transportation fund
8 to the state trunk line fund for subsequent deposit in the
9 transportation economic development fund to be used for economic
10 development road projects in any of the targeted industries
11 described in section 9(1)(a) of 1987 PA 231, MCL 247.909.

12 (J) ~~(i)~~—Not less than \$33,000,000.00 as may be annually
13 appropriated each fiscal year to the local program fund created in
14 section 11e.

15 (K) ~~(j)~~—The balance of the Michigan transportation fund as
16 follows, after deduction of the amounts appropriated in
17 subdivisions (a) through ~~(i) and section 11b:~~ (J) :

18 (i) 39.1% to the state trunk line fund for the purposes
19 described in section 11.

20 (ii) 39.1% to the county road commissions of ~~the~~ **THIS** state.

21 (iii) 21.8% to the cities and villages of ~~the~~ **THIS** state.

22 (2) The money appropriated ~~pursuant to~~ **UNDER** this section
23 shall be used for the purposes as provided in this act and any
24 other applicable act. Subject to ~~the requirements of~~ section 9b,
25 the department shall develop programs in conjunction with the
26 Michigan state chamber of commerce and the Michigan minority
27 business development council to assist small businesses, including

1 those located in enterprise zones and those located in empowerment
2 zones as determined under federal law, as defined by law in
3 becoming qualified to bid.

4 (3) Thirty-one and one-half percent of the ~~funds~~ **MONEY**
5 appropriated to this state from the federal government ~~pursuant to~~
6 **UNDER** 23 USC 157, commonly known as minimum guarantee funds, shall
7 be allocated to the transportation economic development fund, if
8 ~~such an~~ **THE** allocation is consistent with federal law. ~~These funds~~
9 **THIS MONEY** shall be distributed 16-1/2% for development projects
10 for rural counties as defined by law and 15% for capacity
11 improvement or advanced traffic management systems in urban
12 counties as defined by law. Federal ~~funds~~ **MONEY** allocated for
13 distribution under this section ~~shall be~~ **IS** eligible for obligation
14 and use by all recipients as defined by the transportation equity
15 act for the 21st century, Public Law 105-178.

16 ~~—— (4) For the fiscal year beginning October 1, 2003 only, the~~
17 ~~apportionment of 10% of Michigan transportation fund money to the~~
18 ~~comprehensive transportation fund as provided in subsection (1)(f)~~
19 ~~shall be reduced by \$10,000,000.00 and the \$10,000,000.00 shall be~~
20 ~~transferred to the state trunk line fund for capacity improvements~~
21 ~~to state trunk line highways.~~

22 (4) ~~(5)~~ A fund to be known as the local bridge fund is
23 established ~~and is set up and maintained~~ in the state treasury as a
24 separate fund. The money appropriated to the local bridge fund and
25 the interest accruing to that fund shall be expended for the local
26 bridge program. The purpose of the fund is to provide financial
27 assistance to highway authorities for the preservation,

1 improvement, or reconstruction of existing bridges or for the
2 construction of bridges to replace existing bridges in whole or
3 part. The money in the local bridge fund is not subject to section
4 12(15) or 13(5). The local bridge advisory board is created and
5 shall consist of 6 voting members appointed by the state
6 transportation commission and 2 nonvoting members appointed by the
7 ~~state transportation~~ department. The board shall include 3 members
8 from the county road association of Michigan, 1 member who
9 represents counties with populations 65,000 or greater, 1 member
10 who represents counties with populations greater than 30,000 and
11 less than 65,000, and 1 member who represents counties with
12 populations of 30,000 or less. Three members shall be appointed
13 from the Michigan municipal league, 1 member who represents cities
14 with a population 75,000 or greater, 1 member who represents cities
15 with a population less than 75,000, and 1 member who represents
16 villages. Each organization with voting rights shall submit a list
17 of nominees in each population category to the state transportation
18 commission. The state transportation commission shall make the
19 appointments from the lists submitted under this subsection. ~~Names~~
20 ~~shall be submitted within 45 days after October 1, 2004. The state~~
21 ~~transportation commission shall make the appointments by January~~
22 ~~30, 2005.~~ Voting members shall be appointed for 2 years. The
23 chairperson of the board shall be selected from among the voting
24 members of the board. In addition to the 2 nonvoting members, the
25 department shall provide qualified administrative staff and
26 qualified technical assistance to the board.

27 (5) ~~(6) Beginning October 1, 2005, no~~ **NO** less than 5% and no

1 more than 15% of the ~~funds MONEY~~ received in the local bridge fund
2 may be used for critical repair of large bridges and emergencies as
3 determined by the local bridge advisory board. ~~Beginning October 1,~~
4 ~~2005, funds MONEY~~ remaining after the ~~funds MONEY~~ allocated for
5 critical large bridge repair and emergencies ~~are IS~~ deducted shall
6 be distributed by the board to the regional bridge councils created
7 under this section. One regional council shall be formed for each
8 department of transportation region as those regions exist on
9 October 1, 2004. The regional councils shall consist of 2 members
10 of the county road association of Michigan from counties in the
11 region, 2 members of the Michigan municipal league from cities and
12 villages in the region, and 1 member of the ~~state transportation~~
13 department in each region. The members of the ~~state transportation~~
14 department ~~shall be ARE~~ nonvoting members who shall provide
15 qualified administrative staff and qualified technical assistance
16 to the regional councils.

17 (6) ~~(7) Beginning October 1, 2005, funds MONEY~~ in the local
18 bridge fund after deduction of the amounts set aside for critical
19 repair of large bridges and emergency repairs shall be distributed
20 among the regional bridge councils according to all of the
21 following ratios, which shall be assigned a weight expressed as a
22 percentage as determined by the board, with each ratio receiving no
23 greater than a 50% weight and no less than a 25% weight:

24 (a) A ratio with a numerator that is the total number of local
25 bridges in the region and a denominator that is the total number of
26 local bridges in this state.

27 (b) A ratio with a numerator that is the total local bridge

1 deck area in the region and a denominator that is the total local
2 bridge deck area in this state.

3 (c) A ratio with a numerator that is the total amount of
4 structurally deficient local bridge deck area in the region and a
5 denominator that is the total amount of structurally deficient
6 local bridge deck area in this state.

7 (7) ~~(8) Beginning October 1, 2005, the~~ **THE** regional bridge
8 councils shall allocate the ~~funds~~ **MONEY** received from the board for
9 the preservation, improvement, and reconstruction of existing
10 bridges or for the construction of bridges to replace existing
11 bridges in whole or in part in each region.

12 (8) ~~(9) Beginning January 1, 2007 and each~~ **EACH** January, after
13 ~~2007,~~ the department shall submit a report to the chair and the
14 minority vice-chair of the appropriations committees of the senate
15 and the house of representatives, and to the standing committees on
16 transportation of the senate and the house of representatives, on
17 all of the following activities for the previous state fiscal year:

18 (a) A listing of how much money was dedicated for emergency
19 and large bridge repair.

20 (b) A listing of ~~what~~ **THE** emergency and large bridge repair
21 projects **THAT** were funded.

22 (c) The actual weights used in the calculation required under
23 subsection ~~(7)~~ **(6)**.

24 (d) A listing of the total money distributed to each region.

25 (e) A listing of ~~what~~ **THE** specific projects **THAT** were funded
26 ~~pursuant to~~ **UNDER** subsection ~~(8)~~ **(7)**.

27 (9) ~~(10)~~ The state transportation commission shall borrow

1 money and issue notes or bonds in an amount of not less than
2 \$30,000,000.00 to supplement the funding provided for the local
3 bridge program under subsection ~~(6)~~—**(5)**. The bonds or notes issued
4 pursuant to this subsection may be issued by the commission for any
5 purpose for which other local bridge funds—**MONEY** may be used under
6 this section. The bonds or notes authorized by this subsection
7 shall be issued by resolution of the state transportation
8 commission consistent with the requirements of section 18b.

9 **(10)** ~~(11)~~—The ~~state transportation~~ department shall promulgate
10 rules ~~pursuant to~~ **UNDER** the administrative procedures act of 1969,
11 1969 PA 306, MCL 24.201 to 24.328, governing the administration of
12 the local bridge program. The rules shall set forth the eligibility
13 criteria for financial assistance under the program and other
14 matters related to the program that the department considers
15 necessary and desirable. The department shall take into
16 consideration the availability of federal aid and other financial
17 resources of the highway authority responsible for the bridge, the
18 importance of the bridge to the highway, road, or street network,
19 and the condition of the existing bridge.

20 **(11)** ~~(12)~~ ~~Beginning October 1, 2004, the revenue~~ **THE MONEY**
21 appropriated to the local bridge fund ~~pursuant to~~ **UNDER** subsection
22 (1)(d) shall be distributed only to the local bridge advisory
23 board, the regional bridge councils, cities, villages, and county
24 road commissions.

25 **(12)** ~~(13)~~ ~~Beginning October 1, 2008, the~~ **THE** regional bridge
26 councils shall determine ~~what~~ **THE** bridge projects **THAT** are selected
27 for funding from the local bridge fund created in subsection ~~(5)~~

1 (4) and shall make a list of selected projects available to
 2 interested parties in the region. A determination that a bridge
 3 project is selected for funding in a given fiscal year is not
 4 approval to disburse the ~~funds-MONEY~~.

5 (13) ~~(14) Beginning October 1, 2008, a~~ A county road
 6 commission, city, or village may implement a bridge project if the
 7 bridge project has been selected for funding and is included in the
 8 appropriate regional bridge council's current multiyear bridge plan
 9 for the local bridge program but the regional bridge council has
 10 not allocated ~~funds-MONEY~~ to the bridge project for the fiscal year
 11 that the bridge project is on the current multiyear bridge plan. A
 12 county road commission, city, or village may borrow ~~funds-MONEY~~ to
 13 implement a project that has been selected for funding and is
 14 included in the appropriate regional bridge council's current
 15 multiyear bridge plan but has not been allocated ~~funds-MONEY~~ by the
 16 regional bridge council. Based on available local bridge ~~funds,~~
 17 **MONEY**, when a bridge project that was implemented with borrowed
 18 ~~funds-MONEY~~ is allocated funding in a subsequent fiscal year, the
 19 funding shall only be used to repay the amount approved by the
 20 multiyear bridge plan when the ~~funds were-MONEY WAS~~ borrowed. To be
 21 eligible for repayment of the amount borrowed, a bridge project
 22 that has been implemented with borrowed ~~funds-MONEY~~ shall be
 23 administered through the department's local bridge program.

24 **SEC. 11G. (1) THE MOVABLE BRIDGE FUND IS CREATED IN THE STATE**
 25 **TREASURY AS A SEPARATE FUND. THE STATE TREASURER MAY RECEIVE MONEY**
 26 **OR OTHER ASSETS FROM ANY SOURCE FOR DEPOSIT INTO THE FUND. THE**
 27 **STATE TREASURER SHALL DIRECT THE INVESTMENT OF THE FUND. THE STATE**

1 TREASURER SHALL CREDIT TO THE FUND INTEREST AND EARNINGS FROM FUND
2 INVESTMENTS. MONEY IN THE FUND AT THE CLOSE OF THE FISCAL YEAR
3 SHALL REMAIN IN THE FUND AND SHALL NOT LAPSE TO THE GENERAL FUND.
4 THE DEPARTMENT SHALL BE THE ADMINISTRATOR OF THE FUND FOR AUDITING
5 PURPOSES.

6 (2) THE DEPARTMENT MAY ENTER INTO A CONTRACT WITH A PERSON OR
7 AGENCY THAT HAS JURISDICTION OF A PUBLICLY OWNED MOVABLE BRIDGE FOR
8 THE OPERATION OF THAT BRIDGE. A CONTRACT ENTERED INTO UNDER THIS
9 SUBSECTION SHALL REQUIRE ANY CONTRACTOR HIRED BY THE DEPARTMENT TO
10 OPERATE THE BRIDGE TO MAINTAIN INSURANCE IN AN AMOUNT SPECIFIED BY
11 THE DEPARTMENT. THIS SUBSECTION DOES NOT REQUIRE THE DEPARTMENT TO
12 ASSUME OWNERSHIP OR JURISDICTION OF A PUBLICLY OWNED MOVABLE BRIDGE
13 AS PART OF A CONTRACT DESCRIBED IN THIS SUBSECTION.

14 (3) EACH PERSON OR AGENCY OTHER THAN THE DEPARTMENT THAT OWNS
15 OR HAS JURISDICTION OF A PUBLICLY OWNED MOVABLE BRIDGE SHALL SUBMIT
16 TO THE DEPARTMENT THE OPERATIONAL PROCEDURES FOR THAT BRIDGE AND
17 THE OPERATIONAL COSTS INCURRED BY THE PERSON OR AGENCY IN OPERATING
18 THE BRIDGE ON AN ANNUAL BASIS. THE DEPARTMENT SHALL DEVELOP
19 PROCEDURES TO GOVERN THE OPERATION OF AND TO DETERMINE THE
20 OPERATIONAL COSTS OF ALL PUBLICLY OWNED MOVABLE BRIDGES IN THIS
21 STATE. THE DEPARTMENT SHALL ANNUALLY DEVELOP AN ESTIMATE FOR THE
22 OPERATIONAL COST OF EACH PUBLICLY OWNED MOVABLE BRIDGE IN THIS
23 STATE FOR EACH FISCAL YEAR. FOR EACH PUBLICLY OWNED MOVABLE BRIDGE
24 THAT IS OWNED BY OR UNDER THE JURISDICTION OF A PERSON OR AGENCY
25 OTHER THAN THE DEPARTMENT, THE DEPARTMENT SHALL USE THE OPERATIONAL
26 PROCEDURES AND OPERATIONAL COSTS SUBMITTED BY THAT PERSON OR AGENCY
27 UNDER THIS SUBSECTION IN DEVELOPING THE PROCEDURES AND ESTIMATE

1 REQUIRED BY THIS SUBSECTION. USING THE ESTIMATES DEVELOPED UNDER
2 THIS SUBSECTION, THE DEPARTMENT SHALL DISTRIBUTE A PERCENTAGE OF
3 MONEY FROM THE MOVABLE BRIDGE FUND TO EACH PERSON OR AGENCY
4 RESPONSIBLE FOR THE OPERATION OF A PUBLICLY OWNED MOVABLE BRIDGE.
5 IF THE DEPARTMENT IS RESPONSIBLE FOR THE OPERATION OF A PUBLICLY
6 OWNED MOVABLE BRIDGE, THE MONEY DISTRIBUTED UNDER THIS SUBSECTION
7 SHALL BE DISTRIBUTED TO THE DEPARTMENT.

8 (4) IF THE DEPARTMENT OFFERS TO ENTER INTO A CONTRACT
9 DESCRIBED IN SUBSECTION (2) AND THE OWNER OR AGENCY THAT HAS
10 JURISDICTION OF THE BRIDGE DECLINES, THE OWNER OR AGENCY SHALL
11 CONTINUE TO RECEIVE THE AMOUNT OF MONEY THAT IT OTHERWISE WOULD
12 HAVE RECEIVED FOR THE OPERATION OF THAT BRIDGE UNDER THIS ACT.

13 (5) AS USED IN THIS SECTION, "OPERATIONAL COSTS" INCLUDES ALL
14 REASONABLE AND CUSTOMARY COSTS ASSOCIATED WITH THE OPERATION OF A
15 PUBLICLY OWNED MOVEABLE BRIDGE. OPERATIONAL COSTS DO NOT INCLUDE
16 ROUTINE MAINTENANCE COSTS, CAPITAL IMPROVEMENT COSTS, OR EMERGENCY
17 STRUCTURAL, MECHANICAL, ELECTRICAL, OR HYDRAULIC REPAIRS.

18 SEC. 11H. (1) THE LOCAL AGENCY WETLAND MITIGATION BANK FUND IS
19 ESTABLISHED IN THE STATE TREASURY AS A SEPARATE FUND. THE STATE
20 TREASURER MAY RECEIVE MONEY OR OTHER ASSETS FROM ANY SOURCE FOR
21 DEPOSIT INTO THE FUND. THE STATE TREASURER SHALL DIRECT THE
22 INVESTMENT OF THE FUND. THE STATE TREASURER SHALL CREDIT TO THE
23 FUND INTEREST AND EARNINGS FROM FUND INVESTMENTS.

24 (2) THE MONEY APPROPRIATED TO THE LOCAL AGENCY WETLAND
25 MITIGATION BANK FUND AND THE INTEREST ACCRUING TO THAT FUND SHALL
26 BE EXPENDED FOR THE LOCAL AGENCY WETLAND MITIGATION BANK PROGRAM.
27 THE BALANCE OF THE FUND SHALL NOT EXCEED \$10,000,000.00 AT THE

1 BEGINNING OF A FISCAL YEAR, LESS THE AMOUNT OF FUNDS THAT HAVE BEEN
2 OBLIGATED BUT NOT YET EXPENDED. THE MONEY IN THE LOCAL AGENCY
3 WETLAND MITIGATION BANK FUND IS NOT SUBJECT TO SECTION 12(15).

4 (3) THE LOCAL AGENCY WETLAND MITIGATION BANK ADVISORY BOARD IS
5 CREATED AND SHALL CONSIST OF THE FOLLOWING 9 MEMBERS:

6 (A) ONE VOTING MEMBER APPOINTED BY THE COUNTY ROAD ASSOCIATION
7 OF MICHIGAN FROM A COUNTY WITH A POPULATION GREATER THAN 400,000.

8 (B) ONE VOTING MEMBER APPOINTED BY THE COUNTY ROAD ASSOCIATION
9 OF MICHIGAN FROM A COUNTY WITH A POPULATION GREATER THAN 65,000 BUT
10 NO MORE THAN 400,000.

11 (C) ONE VOTING MEMBER APPOINTED BY THE COUNTY ROAD ASSOCIATION
12 OF MICHIGAN FROM A COUNTY WITH A POPULATION OF LESS THAN 65,000.

13 (D) ONE VOTING MEMBER WHO SHALL BE AN ENGINEER APPOINTED
14 JOINTLY BY THE COUNTY ROAD ASSOCIATION OF MICHIGAN AND THE MICHIGAN
15 MUNICIPAL LEAGUE.

16 (E) ONE VOTING MEMBER APPOINTED BY THE MICHIGAN MUNICIPAL
17 LEAGUE FROM A CITY WITH A POPULATION OF MORE THAN 70,000.

18 (F) ONE VOTING MEMBER APPOINTED BY THE MICHIGAN MUNICIPAL
19 LEAGUE FROM A CITY WITH A POPULATION OF 70,000 OR LESS.

20 (G) ONE VOTING MEMBER APPOINTED BY THE MICHIGAN MUNICIPAL
21 LEAGUE FROM A VILLAGE.

22 (H) TWO NONVOTING MEMBERS APPOINTED BY THE DEPARTMENT AND THE
23 DEPARTMENT OF ENVIRONMENTAL QUALITY.

24 (4) THE MEMBERS FIRST APPOINTED TO THE BOARD SHALL BE
25 APPOINTED NO LATER THAN OCTOBER 1, 2015.

26 (5) MEMBERS OF THE BOARD SHALL SERVE FOR TERMS OF 2 YEARS OR
27 UNTIL A SUCCESSOR IS APPOINTED, WHICHEVER IS LATER, EXCEPT THAT OF

1 THE MEMBERS FIRST APPOINTED 2 OF THE MEMBERS APPOINTED BY THE
2 COUNTY ROAD ASSOCIATION OF MICHIGAN AND 2 OF THE MEMBERS APPOINTED
3 BY THE MICHIGAN MUNICIPAL LEAGUE SHALL SERVE FOR 1 YEAR.

4 (6) IF A VACANCY OCCURS ON THE BOARD, THE PERSON THAT
5 APPOINTED THE VACATING MEMBER SHALL MAKE AN APPOINTMENT FOR THE
6 UNEXPIRED TERM IN THE SAME MANNER AS THE ORIGINAL APPOINTMENT.

7 (7) A MEMBER OF THE BOARD MAY BE REMOVED FOR INCOMPETENCE,
8 DERELICTION OF DUTY, MALFEASANCE, MISFEASANCE, OR NONFEASANCE IN
9 OFFICE, OR ANY OTHER GOOD CAUSE.

10 (8) THE FIRST MEETING OF THE BOARD SHALL BE CALLED BY THE
11 MEMBER APPOINTED BY THE DEPARTMENT UNDER SUBSECTION (3) (H). AT THE
12 FIRST MEETING, THE BOARD SHALL ELECT FROM AMONG ITS VOTING MEMBERS
13 A CHAIRPERSON AND OTHER OFFICERS AS IT CONSIDERS NECESSARY OR
14 APPROPRIATE. AFTER THE FIRST MEETING, THE BOARD SHALL MEET AT LEAST
15 QUARTERLY.

16 (9) A MAJORITY OF THE VOTING MEMBERS OF THE BOARD CONSTITUTE A
17 QUORUM FOR THE TRANSACTION OF BUSINESS AT A MEETING OF THE BOARD. A
18 MAJORITY OF THE MEMBERS PRESENT AND SERVING ARE REQUIRED FOR
19 OFFICIAL ACTION OF THE BOARD.

20 (10) A BOARD MEMBER SHALL SERVE WITHOUT COMPENSATION, BUT MAY
21 RECEIVE REIMBURSEMENT FOR NECESSARY FRAUD AND EXPENSES CONSISTENT
22 WITH APPLICABLE LAW AND RULES AND PROCEDURES OF THE CIVIL SERVICE
23 COMMISSION AND DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET OR
24 LOCAL ROAD AGENCY POLICIES, SUBJECT TO AVAILABLE FUNDING.

25 (11) THE BUSINESS THAT THE BOARD MAY PERFORM SHALL BE
26 CONDUCTED AT A PUBLIC MEETING OF THE BOARD HELD IN COMPLIANCE WITH
27 THE OPEN MEETINGS ACT, 1976 PA 267, MCL 15.261 TO 15.275.

1 (12) A WRITING PREPARED, OWNED, USED, IN THE POSSESSION OF, OR
2 RETAINED BY THE BOARD IN THE PERFORMANCE OF AN OFFICIAL FUNCTION IS
3 SUBJECT TO THE FREEDOM OF INFORMATION ACT, 1976 PA 442, MCL 15.231
4 TO 15.246.

5 (13) THE 2 NONVOTING MEMBERS OF THE BOARD, THE DEPARTMENT, AND
6 THE DEPARTMENT OF ENVIRONMENTAL QUALITY SHALL PROVIDE QUALIFIED
7 ADMINISTRATIVE STAFF AND QUALIFIED TECHNICAL ASSISTANCE TO THE
8 BOARD AS NECESSARY.

9 (14) THE LOCAL AGENCY WETLAND MITIGATION BANK PROGRAM SHALL
10 PROVIDE GRANTS TO LOCAL ROAD AGENCIES FOR 1 OR MORE OF THE
11 FOLLOWING:

12 (A) COMPLETE ENGINEERING AND DESIGN FOR A WETLAND MITIGATION
13 BANK.

14 (B) PURCHASE OF LAND FOR A WETLAND MITIGATION BANK.

15 (C) CONSTRUCTION OF A WETLAND MITIGATION BANK.

16 (D) MONITORING AND MAINTENANCE NECESSARY TO ENSURE THAT THE
17 PERFORMANCE STANDARDS ARE OR WILL BE MET.

18 (E) FUNDING FOR A WETLAND MITIGATION BANK ESTABLISHED BEFORE
19 THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SECTION.

20 (15) NOT MORE THAN 20% OF A WETLAND MITIGATION BANK MAY BE
21 SOLD TO THE PRIVATE SECTOR, AND ANY REVENUES GENERATED FROM THAT
22 SALE SHALL BE DEPOSITED INTO THE LOCAL AGENCY WETLAND BANK PROGRAM
23 FUND.

24 (16) THE BOARD MAY APPROVE THE USE OF GRANT FUNDS FOR OTHER
25 ACTIVITIES NEEDED TO ESTABLISH A WETLAND MITIGATION BANK UPON A
26 DEMONSTRATED NEED BY A LOCAL ROAD AGENCY.

27 (17) AN APPLICATION FOR A LOAN FROM THE LOCAL AGENCY WETLAND

1 MITIGATION BANK PROGRAM SHALL BE MADE ON A FORM APPROVED BY THE
2 BOARD AND SHALL CONTAIN THE INFORMATION REQUIRED BY THE BOARD. A
3 GRANT APPLICATION MAY BE MADE AT ANY TIME.

4 (18) THE BOARD SHALL ESTABLISH A REVIEW PROCESS FOR
5 CONSIDERING GRANT APPLICATIONS UNDER THIS SECTION. NO LATER THAN 90
6 DAYS AFTER RECEIVING A GRANT APPLICATION UNDER THIS SECTION, THE
7 BOARD SHALL NOTIFY THE APPLICANT IN WRITING WHETHER THE GRANT IS
8 APPROVED OR REJECTED. IF THE BOARD FAILS TO NOTIFY AN APPLICANT IN
9 WRITING WHETHER A GRANT IS APPROVED OR REJECTED WITHIN 90 DAYS
10 AFTER RECEIVING THE GRANT APPLICATION, THE GRANT SHALL BE
11 CONSIDERED APPROVED. PRIOR TO RELEASING GRANT FUNDS, THE BOARD
12 SHALL ENTER INTO A GRANT AGREEMENT WITH THE GRANT RECIPIENT.

13 (19) FOR EACH YEAR IN WHICH THE BOARD RECEIVES GRANT
14 APPLICATIONS, THE BOARD SHALL REPORT BY OCTOBER 1 TO THE STANDING
15 COMMITTEES OF THE SENATE AND THE HOUSE OF REPRESENTATIVES WITH
16 PRIMARY JURISDICTION OVER ISSUES PERTAINING TO TRANSPORTATION AND
17 NATURAL RESOURCES AND THE ENVIRONMENT AND TO THE SENATE AND HOUSE
18 OF REPRESENTATIVES APPROPRIATIONS COMMITTEES ON THE UTILIZATION OF
19 FUNDS FROM THE LOCAL AGENCY WETLAND MITIGATION BANK FUND. THE
20 REPORT SHALL INCLUDE, AT A MINIMUM, ALL OF THE FOLLOWING:

21 (A) THE NUMBER OF GRANT APPLICATIONS RECEIVED UNDER THIS
22 SECTION.

23 (B) THE NAME OF EACH LOCAL ROAD AGENCY APPLYING FOR A GRANT,
24 AND WHETHER EACH APPLICATION WAS APPROVED OR DENIED.

25 (C) THE AMOUNT OF LOCAL MATCH FOR EACH GRANT AWARDED.

26 (D) THE INDIVIDUAL AND ANNUAL CUMULATIVE AMOUNT OF GRANT FUNDS
27 AWARDED, INCLUDING AN IDENTIFICATION OF THE PURPOSE OF EACH GRANT

1 **AWARDED.**

2 Enacting section 1. This amendatory act takes effect 90 days
3 after the date it is enacted into law.