

**SUBSTITUTE FOR
HOUSE BILL NO. 5594**

A bill to make appropriations for the state transportation department and certain transportation purposes for the fiscal year ending September 30, 1999; to provide for the imposition of fees; to create certain work groups and committees; to provide for reports; to create certain funds and programs; to prescribe requirements for certain railroad and bus facilities; to prescribe certain powers and duties of certain state departments and officials, local units of government, committees, and work groups; and to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1

PART 1

2

LINE-ITEM APPROPRIATIONS

3

Sec. 101. Subject to the conditions set forth in this act, the

4

amounts listed in this part are appropriated for the state transportation

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1 department and certain state purposes designated in this act for the
2 fiscal year ending September 30, 1999, from the funds indicated in this
3 part. The following is a summary of the appropriations in this part:

4 STATE TRANSPORTATION DEPARTMENT

5 APPROPRIATION SUMMARY:

6	Full-time equated unclassified positions.....	6.0	
7	Full-time equated classified positions.....	3,120.3	
8	GROSS APPROPRIATION.....		\$ [2,925,437,200]
9	Interdepartmental grant revenues:		
10	Total interdepartmental grants and intradepartmental		
11	transfers.....		29,357,500
12	ADJUSTED GROSS APPROPRIATION.....		\$ [2,896,079,700]
13	Federal revenues:		
14	Total federal revenues.....		821,817,800
15	Special revenue funds:		
16	Total local revenues.....		5,300,000
17	Total private revenues.....		0
18	Total other state restricted revenues.....		1,968,961,900
19	State general fund/general purpose.....		\$ [100,000,000]
20	Sec. 102. DEBT SERVICE		
21	State trunkline.....		\$ 46,548,200
22	Trunkline bonds, series 1989A-EDF (\$100,000,000).....		11,469,600
23	Critical bridge.....		3,000,000
24	Blue water bridge.....		2,367,100
25	Comprehensive transportation.....		<u>23,078,900</u>
26	GROSS APPROPRIATION.....		\$ 86,463,800

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1	Appropriated from:	
2	Special revenue funds:	
3	Comprehensive transportation fund.....	23,078,900
4	Michigan transportation fund.....	14,469,600
5	State trunkline fund.....	46,548,200
6	Blue water bridge fund.....	2,367,100
7	State general fund/general purpose..... \$	0
8	Sec. 103. INTERDEPARTMENT & STATUTORY CONTRACTS	
9	Michigan transportation fund (MTF)	
10	MTF grant to department of civil service..... \$	100,000
11	MTF grant to department of environmental quality.....	780,000
12	MTF grant to department of management and budget.....	168,400
13	MTF grant to department of state.....	47,104,600
14	MTF grant to department of state police.....	305,400
15	MTF grant to department of treasury.....	3,434,400
16	MTF grant to legislative auditor general.....	101,800
17	State trunkline fund (STF)	
18	STF grant to department of attorney general.....	2,246,400
19	STF grant to department of civil service.....	2,100,000
20	STF grant to department of management and budget.....	578,600
21	STF grant to department of natural resources.....	36,300
22	STF grant to department of state police.....	6,087,500
23	STF grant to department of treasury.....	21,700
24	STF grant to legislative auditor general.....	381,100
25	State aeronautics fund (SAF)	
26	SAF grant to department of attorney general.....	109,800

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1	SAF grant to department of civil service.....	56,300
2	SAF grant to department of management and budget.....	43,000
3	SAF grant to department of treasury.....	59,300
4	SAF grant to legislative auditor general.....	15,400
5	Comprehensive transportation fund (CTF)	
6	CTF grant to department of attorney general.....	116,600
7	CTF grant to department of civil service.....	112,700
8	CTF grant to department of management and budget.....	27,200
9	CTF grant to department of treasury.....	10,700
10	CTF grant to legislative auditor general.....	<u>38,900</u>
11	GROSS APPROPRIATION.....	\$ 64,036,100
12	Appropriated from:	
13	Special revenue funds:	
14	Comprehensive transportation fund.....	306,100
15	Michigan transportation fund.....	51,994,600
16	State aeronautics fund.....	283,800
17	State trunkline fund.....	11,451,600
18	State general fund/general purpose.....	\$ 0
19	Sec. 104. EXECUTIVE DIRECTION	
20	Full-time equated unclassified positions.....	6.0
21	Full-time equated classified positions.....	33.3
22	Director.....	\$ 100,500
23	Deputy director - UPTRAN.....	91,800
24	Legislative liaison.....	55,500
25	Chief administrative officer.....	86,800
26	Commission advisor.....	46,000

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1	Director - office of communications.....	82,000
2	Commission audit--33.3 FTE positions.....	<u>2,938,900</u>
3	GROSS APPROPRIATION.....	\$ 3,401,500
4	Appropriated from:	
5	Special revenue funds:	
6	State trunkline fund.....	3,401,500
7	State general fund/general purpose.....	\$ 0
8	Sec. 105. ADMINISTRATIVE SERVICES	
9	Full-time equated classified positions.....	135.7
10	Administration and data center--98.7 FTE positions... \$	24,606,000
11	Building occupancy charges-property management.....	3,889,100
12	Human resources--32.0 FTE positions.....	2,452,900
13	Economic development administration--5.0 FTE	
14	positions.....	500,700
15	Rent.....	1,940,000
16	Worker's compensation.....	<u>2,494,400</u>
17	GROSS APPROPRIATION.....	\$ 35,883,100
18	Appropriated from:	
19	Special revenue funds:	
20	General fund restricted purpose.....	129,800
21	State aeronautics fund.....	808,600
22	Comprehensive transportation fund.....	1,232,300
23	Michigan transportation fund.....	424,900
24	State trunkline fund.....	33,287,500
25	State general fund/general purpose.....	\$ 0
26	Sec. 106. BUREAU OF FINANCE AND ADMINISTRATION	

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1	Full-time equated classified positions.....	221.5		
2	Administration--221.5 FTE positions.....		\$	<u>20,056,600</u>
3	GROSS APPROPRIATION.....		\$	20,056,600
4	Appropriated from:			
5	IDT - intradepartmental charges.....			5,022,700
6	Special revenue funds:			
7	Michigan transportation fund.....			462,700
8	State trunkline fund.....			14,571,200
9	State general fund/general purpose.....		\$	0
10	Sec. 107. BUREAU OF TRANSPORTATION PLANNING			
11	Full-time equated classified positions.....	182.1		
12	Administration--182.1 FTE positions.....		\$	15,332,200
13	Grants to regional planning councils.....			<u>488,800</u>
14	GROSS APPROPRIATION.....		\$	15,821,000
15	Appropriated from:			
16	Federal revenues:			
17	DOT-FHWA highway research, planning, and construction			7,275,000
18	Special revenue funds:			
19	State aeronautics fund.....			228,400
20	Comprehensive transportation fund.....			1,631,000
21	Michigan transportation fund.....			4,320,300
22	State trunkline fund.....			2,366,300
23	State general fund/general purpose.....		\$	0
24	Sec. 108. BUREAU OF HIGHWAYS			
25	Full-time equated classified positions.....	1,638.1		
26	Engineering operations--821.7 FTE positions.....		\$	33,095,400

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1	Maintenance operations--80.0 FTE positions.....	6,806,600
2	Program services--736.4 FTE positions.....	<u>31,681,800</u>
3	GROSS APPROPRIATION.....	\$ 71,583,800
4	Appropriated from:	
5	Federal revenues:	
6	DOT-FHWA highway research, planning, and construction	2,000,000
7	DOT-NHTSA, state and community highway safety.....	146,800
8	IDT - intradepartmental charges.....	12,500,000
9	Special revenue funds:	
10	Michigan transportation fund.....	1,739,500
11	State trunkline fund.....	55,197,500
12	State general fund/general purpose.....	\$ 0
13	Sec. 109. HIGHWAY MAINTENANCE	
14	Full-time equated classified positions.....713.1	
15	State trunkline operations--713.1 FTE positions.....	\$ 90,978,400
16	Contract operations.....	<u>124,128,300</u>
17	GROSS APPROPRIATION.....	\$ 215,106,700
18	Appropriated from:	
19	IDT - intradepartmental charges.....	11,834,800
20	Special revenue funds:	
21	State trunkline fund.....	203,271,900
22	State general fund/general purpose.....	\$ 0
23	Sec. 110. ROAD AND BRIDGES PROGRAMS	
24	State trunkline federal aid and road and bridge	
25	construction.....	\$ 898,334,400
26	Local federal aid and road and bridge construction...	155,000,000

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1	Grants to local programs.....	33,000,000
2	Rail grade crossing.....	3,000,000
3	Critical bridge program.....	6,016,800
4	Urban economic infrastructure improvement.....	100
5	County road commissions.....	581,601,500
6	Cities and villages.....	324,268,900
	[State matching funds to local units.....	<u>100,000,000]</u>
7	GROSS APPROPRIATION.....	\$ [2,101,221,700]
8	Appropriated from:	
9	Federal revenues:	
10	DOT-FHWA highway research, planning, and construction	781,250,000
11	Special revenue funds:	
12	Local funds.....	5,000,000
13	Blue water bridge fund.....	10,000,000
14	Michigan transportation fund.....	892,060,400
15	State trunkline fund.....	312,911,300
16	State general fund/general purpose.....	\$ [100,000,000]
17	Sec. 111. BLUE WATER BRIDGE	
18	Full-time equated classified positions.....	32.0
19	Blue water bridge operations--32.0 FTE positions.....	\$ <u>9,944,100</u>
20	GROSS APPROPRIATION.....	\$ 9,944,100
21	Appropriated from:	
22	Special revenue funds:	
23	Blue water bridge fund.....	9,944,100
24	State general fund/general purpose.....	\$ 0
25	Sec. 112. TRANSPORTATION ECONOMIC DEV. FUND	
26	Forest roads.....	\$ 5,040,000

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1	Rural county urban system.....	2,500,000
2	Target industries/economic redevelopment.....	14,899,000
3	Urban county congestion.....	11,434,300
4	Rural county primary.....	<u>11,434,300</u>
5	GROSS APPROPRIATION..... \$	45,307,600
6	Appropriated from:	
7	Special revenue funds:	
8	General fund restricted purpose.....	12,870,000
9	Michigan transportation fund.....	28,437,600
10	State trunkline fund.....	4,000,000
11	State general fund/general purpose..... \$	0
12	Sec. 113. BUREAU OF AERONAUTICS	
13	Full-time equated classified positions.....56.0	
14	Administration--56.0 FTE positions..... \$	8,048,200
15	Air service program.....	<u>1,000,000</u>
16	GROSS APPROPRIATION..... \$	9,048,200
17	Appropriated from:	
18	Special revenue funds:	
19	State aeronautics fund.....	9,048,200
20	State general fund/general purpose..... \$	0
21	Sec. 114. BUREAU OF URBAN & PUBLIC TRANSPORT.	
22	Full-time equated classified positions.....108.5	
23	Administration--108.5 FTE positions..... \$	<u>8,286,900</u>
24	GROSS APPROPRIATION..... \$	8,286,900
25	Appropriated from:	
26	Special revenue funds:	

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1	Comprehensive transportation fund.....	6,860,200
2	Michigan transportation fund.....	1,426,700
3	State general fund/general purpose.....	\$ 0
4	Sec. 115. BUS TRANSIT DIVISION; STATUTORY OPER.	
5	Local bus operating.....	\$ 162,134,000
6	Nonurban operating/capital.....	<u>6,646,000</u>
7	GROSS APPROPRIATION.....	\$ 168,780,000
8	Appropriated from:	
9	Federal revenues:	
10	DOT-federal transit act.....	6,546,000
11	Special revenue funds:	
12	Comprehensive transportation fund.....	162,134,000
13	Local funds.....	100,000
14	State general fund/general purpose.....	\$ 0
15	Sec. 116. INTERCITY PASSENGER AND FREIGHT	
16	Freight property management.....	\$ 2,000,000
17	Detroit/Wayne County port authority.....	301,800
18	Intercity bus equipment.....	2,824,500
19	Intercity bus passenger service.....	1,000,000
20	Rail passenger service.....	6,977,300
21	Freight preservation and development.....	7,500,000
22	Rail infrastructure loan program.....	3,300,000
23	Intercity bus service development.....	1,025,500
24	Marine passenger service.....	1,100,000
25	Terminal development.....	<u>1,000,000</u>
26	GROSS APPROPRIATION.....	\$ 27,029,100

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1	Appropriated from:	
2	Federal revenues:	
3	DOT-federal transit act.....	1,000,000
4	DOT-FRA, local rail freight assistance.....	2,000,000
5	DOT-FRA, rail passenger/HSGT.....	3,000,000
6	Special revenue funds:	
7	Rail preservation fund.....	2,000,000
8	Intercity bus equipment fund.....	500,000
9	Rail infrastructure fund.....	300,000
10	Comprehensive transportation fund.....	18,179,100
11	Local funds.....	50,000
12	State general fund/general purpose.....	\$ 0
13	Sec. 117. PUBLIC TRANSPORTATION DEVELOPMENT	
14	Specialized services.....	\$ 3,600,100
15	Senior mobility program.....	1,500,000
16	Municipal credit program.....	2,000,000
17	Bus capital.....	29,400,000
18	Ride sharing.....	330,700
19	Van pooling.....	145,000
20	Bus property management.....	175,000
21	Service development and new technology.....	1,675,000
22	Planning grants.....	150,000
23	Audit settlements.....	200,000
24	Regional service coordination.....	1,000,000
25	Work first initiative.....	2,246,600
26	Public transportation development discretionary.....	<u>1,044,600</u>

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1	GROSS APPROPRIATION.....	\$	43,467,000
2	Appropriated from:		
3	Federal revenues:		
4	DOT-federal transit act.....		18,600,000
5	Special revenue funds:		
6	Comprehensive transportation fund.....		24,717,000
7	Local funds.....		150,000
8	State general fund/general purpose.....	\$	0

9

10 PART 2

11 PROVISIONS CONCERNING APPROPRIATIONS

12 **GENERAL SECTIONS**

13 Sec. 201. (1) Pursuant to section 30 of article IX of the state
14 constitution of 1963, total state spending from state sources for fiscal
15 year 1998-1999 is estimated at [\$2,068,961,900.00] and state sources paid
16 to local units of government for fiscal year 1998-1999 are estimated at
17 [\$1,202,591,200.00]. The itemized list below identifies appropriations
18 from which spending to units of local government will occur:

19 DEPARTMENT OF TRANSPORTATION

20	Local grant program.....	\$	33,000,000
21	Economic development fund.....		30,408,600
22	Grants to cities and villages.....		304,648,900
23	Grants to county road commissions.....		546,411,500
24	Critical bridge program.....		6,016,800
25	Grants to regional planning councils.....		488,800
26	Local bus operating.....		162,134,000

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1 Bus capital.....	12,000,000
2 Marine passenger service.....	1,100,000
3 Detroit/Wayne County port authority.....	301,800
4 Local ride sharing operating grants.....	330,700
5 Planning grants.....	150,000
6 Municipal credit program.....	2,000,000
[State matching funds to local units.....	100,000,000]
7 Specialized services.....	<u>3,600,100</u>
8 Total payments to local units of government..... \$	[1,202,591,200]

9 (2) If it appears to the principal executive officer of a department
10 or branch that state spending to local units of government will be less
11 than the amount that was projected to be expended under subsection (1),
12 the principal executive officer shall immediately give notice of the
13 approximate shortfall to the department of management and budget, the
14 senate and house appropriations committees, the senate and house fiscal
15 agencies, and the state budget director.

16 Sec. 202. The expenditures and funding sources authorized under
17 this act are subject to the management and budget act, 1984 PA 431,
18 MCL 18.1101 to 18.1594.

19 Sec. 203. As used in this act:

- 20 (a) "CTF" means comprehensive transportation fund.
- 21 (b) "Department" means the department of transportation.
- 22 (c) "DOT" means the United States department of transportation.
- 23 (d) "DOT-FHWA" means DOT, federal highway administration.
- 24 (e) "DOT-FRA" means DOT, federal railroad administration.
- 25 (f) "DOT-FRA, rail passenger/HSGT" means DOT, federal railroad
26 administration, high-speed ground transportation.

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1 (g) "DOT-NHTSA" means DOT, national highway traffic safety
2 administration.

3 (h) "EDF" means economic development fund.

4 (i) "FTE" means full-time equated.

5 (j) "IDG" means interdepartmental grant.

6 (k) "MDTR" means Michigan department of treasury.

7 (l) "MTF" means Michigan transportation fund.

8 (m) "RIF" means recreation improvement fund.

9 (n) "SAF" means state aeronautics fund.

10 (o) "SEDF" means state economic development fund.

11 (p) "STF" means state trunkline fund.

12 Sec. 204. (1) Beginning October 1, 1998, there is a hiring freeze
13 imposed on the state classified civil service. State departments and
14 agencies are prohibited from hiring any new full-time state classified
15 civil service employees or prohibited from filling any vacant state clas-
16 sified civil service positions. This hiring freeze does not apply to
17 internal transfers of classified employees from 1 position to another
18 within a department or to positions that are funded with 80% or more fed-
19 eral or restricted funds.

20 (2) The state budget director shall grant exceptions to this hiring
21 freeze when the director believes that the hiring freeze will result in
22 the state department or agency being unable to deliver basic services.
23 The director of the department of management and budget shall report by
24 the fifteenth of each month to the chairpersons of the senate and house
25 appropriations committees the number of exclusions to the hiring freeze
26 approved during the previous month and the justification for the
27 exclusion.

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1 Sec. 205. The department of civil service shall bill departments
2 and agencies at the end of the first fiscal quarter for the 1% charges
3 authorized by section 5 of article XI of the state constitution of 1963.
4 Payments shall be made for the total amount of the billing by the end of
5 the second fiscal quarter.

6 Sec. 206. (1) In addition to the funds appropriated in part 1,
7 there is appropriated an amount not to exceed \$40,000,000.00 for federal
8 contingency funds. These funds are not available for expenditure until
9 they have been transferred to another line item in this act pursuant to
10 section 393(2) of the management and budget act, 1984 PA 431,
11 MCL 18.1393.

12 (2) In addition to the funds appropriated in part 1, there is appro-
13 priated an amount not to exceed \$40,000,000.00 for state restricted con-
14 tingency funds. These funds are not available for expenditure until they
15 have been transferred to another line item in this act pursuant to sec-
16 tion 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

17 (3) In addition to the funds appropriated in part 1, there is appro-
18 priated an amount not to exceed \$1,000,000.00 for local contingency
19 funds. These funds are not available for expenditure until they have
20 been transferred to another line item in this act pursuant to section
21 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

22 (4) In addition to the funds appropriated in part 1, there is appro-
23 priated an amount not to exceed \$1,000,000.00 for private contingency
24 funds. These funds are not available for expenditure until they have
25 been transferred to another line item in this act pursuant to section
26 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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1 Sec. 207. The design of all new rail passenger facilities
2 constructed in this state after the effective date of this act shall take
3 into consideration the published standards for rail passenger facilities
4 of the American railway engineering association.

5 Sec. 208. An agency, department, or other entity receiving funds
6 under part 1 shall not conduct or sponsor any activity that causes a
7 motor vehicle to be stopped on any highway or freeway in this state for
8 the purpose of disseminating literature including but not limited to a
9 survey.

10 Sec. 209. The department shall not implement an affirmative action
11 plan unless it has been submitted to the Michigan civil rights commission
12 for approval in accordance with section 210 of the Elliott-Larsen civil
13 rights act, 1976 PA 453, MCL 37.2210, and the Michigan civil rights com-
14 mission has approved the plan.

15 Sec. 210. (1) The department shall submit to the department of man-
16 agement and budget, the house and senate appropriations committees, the
17 house and senate fiscal agencies, and the house and senate standing com-
18 mittees having jurisdiction over technology issues, quarterly reports on
19 the department's efforts to change the department's computer software and
20 hardware as necessary to perform properly in the year 2000 and beyond.
21 These reports shall identify actual progress in comparison to the
22 department's approved work plan for these efforts.

23 (2) These reports shall also identify and forward as appropriate the
24 funding sources that should support the work performed.

25 Sec. 211. (1) This appropriation act includes funding for depart-
26 mental operations financed in whole or in part from early retirement
27 savings generated through the early retirement program under section 19f

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1 of the state employees' retirement act, 1943 PA 240, MCL 38.19f. The
2 director shall provide a report that identifies all of the following:

3 (a) The amount of these early retirement savings realized in the
4 1997-98 fiscal year.

5 (b) The amount of these early retirement savings explicitly ear-
6 marked and spent for technology improvements in the 1997-98 fiscal year.

7 (c) The amount of these early retirement savings used for other
8 organizational enhancements in the 1997-98 fiscal year.

9 (2) The report required under subsection (1) shall be provided to
10 the house and senate appropriations committees and to the house and
11 senate fiscal agencies on or before December 15, 1998.

12 DEPARTMENTAL SECTIONS

13 Sec. 301. The department may establish a fee schedule and collect
14 fees sufficient to cover the costs to issue the permits that the depart-
15 ment is authorized by law to issue upon request, and for which fees are
16 not otherwise stipulated by law. A bridge authority shall hold 3 public
17 hearings on a change in any toll charged by the authority at least 30
18 days before the toll change will become effective. Two of the hearings
19 shall be held within 5 miles of the bridge over which the bridge author-
20 ity has jurisdiction. One hearing shall be held in Lansing.

21 Sec. 302. The department shall prepare an official transportation
22 map that shall be distributed without charge. Each legislator shall
23 receive a quantity of maps as determined by the legislative council, but
24 each senator shall receive 2 times the number of maps of each
25 representative.

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1 Sec. 303. On request, the department shall provide to a legislator,
2 in writing, a report on the amount of money to be received by each city
3 and village and the county road commission of each county, that is
4 included in whole or in part within the legislator's legislative
5 district.

6 Sec. 304. If, as a requirement of bidding on a highway project, the
7 department requires a contractor to submit financial or proprietary docu-
8 mentation as to how the bid was calculated, that bid documentation shall
9 be kept confidential and shall not be disclosed other than to a depart-
10 ment representative without the contractor's written consent. The
11 department may disclose the bid documentation if necessary to address or
12 defend a claim by a contractor.

13 Sec. 305. The department may permit space on public passenger
14 transportation properties to be occupied by public or private tenants on
15 a competitive market rate basis. The department may require that revenue
16 from the tenants be placed in an account to be used to pay the costs to
17 maintain and improve the property.

18 Sec. 306. From the funds appropriated in part 1, the auditor gen-
19 eral shall conduct an audit of charges to transportation funds by state
20 departments. The auditor general shall prepare a detailed report, with
21 recommendations and conclusions, including a list of services charged to
22 transportation funds, the appropriateness of those charges, and the cost
23 allocation methodologies used in determining the level of funding, and
24 provide the report, upon request, to any member of the senate and house
25 of representatives and to the senate and house fiscal agencies by
26 January 15, 1999.

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1 Sec. 307. Before January 1 of each year, the department will
2 provide to the legislature a listing by county or by county road
3 commission of all highway construction projects for the fiscal year and a
4 list of expected projects for the ensuing fiscal year.

5 Sec. 308. Funds appropriated in part 1 shall not be used for the
6 purchase of foreign goods or services, or both, if competitively priced
7 American goods or services, or both, of comparable quality are
8 available. By May 1, 1999, the department shall submit a report to the
9 department of management and budget, the speaker and minority leader of
10 the house of representatives, the majority and minority leaders of the
11 senate, the chairpersons of the house and senate appropriations commit-
12 tees, and the house and senate fiscal agencies on efforts to comply with
13 this section.

14 Sec. 309. The department shall aggressively pursue compliance with
15 contract specifications for construction and maintenance of state
16 highways. The department shall identify contractors who fail to meet
17 minimum standards and will actively pursue remuneration efforts.
18 Collections shall be deposited into the appropriate fund accounts. As
19 part of its annual overview of the budget, the department shall report to
20 the house and senate appropriations subcommittees on transportation on
21 its activities under this section.

22 Sec. 310. (1) Any new initiative to privatize state services shall
23 not commence until a pilot program is completed with a duration of not
24 less than 12 months or greater than 36 months. At least 30 days before
25 beginning any privatization pilot program, the department shall submit a
26 complete project plan to house and senate appropriations transportation
27 subcommittees and the house and senate fiscal agencies. The

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1 privatization pilot program plan submission shall contain a complete set
2 of baseline data for comparative evaluation of the pilot program at the
3 end of the program term. Administrative costs of the contract shall be
4 included in the privatization pilot program evaluation.

5 (2) A contract for privatized services shall not be continued beyond
6 the original privatization pilot program term unless the program has con-
7 clusively demonstrated a cost savings of at least 5% and improved quality
8 of service.

9 Sec. 311. The department shall continue its efforts to reduce
10 administrative costs and provide the maximum funding possible for con-
11 struction projects.

12 Sec. 312. To promote more effective management of employees within
13 the bureau of highways, the director of the department may temporarily
14 transfer positions between appropriation units within and between the
15 highway engineering and highway maintenance programs to cover functions
16 that the director considers to be critical due to seasonal fluctuations
17 and emergency situations. The department shall report at the end of the
18 fiscal year to the department of management and budget on the temporary
19 cross-divisional transfers of positions pursuant to this section.

20 Sec. 313. To facilitate an informed and cooperative relationship
21 between the transportation commission and the legislature, the department
22 shall provide in a timely manner copies of the agenda and approved
23 minutes of monthly transportation commission meetings to the members of
24 the house and senate appropriations subcommittees on transportation, the
25 house and senate fiscal agencies, and the state budget director.

26 Sec. 314. The director shall take all reasonable steps to ensure
27 businesses in deprived and depressed communities compete for and perform

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1 contracts to provide services or supplies, or both. The director shall
2 strongly encourage firms with which the department contracts to subcon-
3 tract with businesses in depressed and deprived communities for services
4 or supplies, or both.

5 Sec. 315. The department shall not use funds appropriated under
6 part 1 on behalf of a local governmental unit to pay the amount required
7 for that local governmental unit to participate in the federal advance
8 construct program.

9 Sec. 316. (1) At the close of the fiscal year ending September 30,
10 1999, any unencumbered and unexpended balance in the state trunkline fund
11 shall remain in the state trunkline fund and shall be used for federal
12 aid road and bridge programs for projects contained in an annual state
13 transportation program approved by the legislature except that 2% of any
14 unexpended balance shall be encumbered to establish a soundwall construc-
15 tion fund in the fiscal year ending September 30, 2000.

16 (2) Money from the soundwall construction fund shall be used to con-
17 struct soundwalls based on criteria established by the department in
18 localities that provide matching funds equal to 50% of the total cost.

19 Sec. 317. (1) From funds appropriated in part 1, the department may
20 establish a state infrastructure bank program and grant or loan funds in
21 accordance with regulations of the state infrastructure bank program of
22 the United States department of transportation. The state infrastructure
23 bank is to be administered by the department for the purpose of providing
24 a revolving, self-sustaining resource for financing transportation infra-
25 structure projects.

26 (2) A state infrastructure bank fund is created. In addition to
27 funds provided in subsection (1), money received by the state as federal

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1 grants, repayment of state infrastructure bank loans, or other
2 reimbursement or revenue received by the state as a result of projects
3 funded by the program shall be deposited in the revolving state infra-
4 structure bank fund and shall be available for transportation infrastruc-
5 ture projects. At the close of the fiscal year, any funds remaining in
6 the state infrastructure bank fund shall remain in the fund and be car-
7 ried forward into the succeeding fiscal year.

8 Sec. 318. From funds appropriated in part 1, money received by the
9 department in payment for advanced purchase right-of-way, either as a
10 result of project programming from federal, state, local, or private
11 sources, or from sale as excess property, will be restricted for the pur-
12 chase of other advanced purchase right-of-way. At the end of the fiscal
13 year, unexpended funds shall remain in the advanced purchase right-of-way
14 fund and shall be used for this purpose in the succeeding fiscal year.

15 Sec. 319. (1) The department of management and budget and the
16 department shall provide to the house and senate appropriations commit-
17 tees and the house and senate fiscal agencies a monthly report on all
18 sole source contracts and personal service contracts awarded that month
19 without competitive bidding, pricing, or rate setting. The monthly
20 report shall include at least all of the following:

21 (a) The total dollar amount of the contract.

22 (b) The duration of the contract.

23 (c) The name of the vendor.

24 (d) The type of service to be provided.

25 (2) At least quarterly, the department shall transmit to the house
26 and senate appropriations committees, the house and senate fiscal
27 agencies, and the department of management and budget a report including

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1 all of the following for each personal service contract awarded that
2 quarter:

3 (a) A description of the personal service contract.

4 (b) A copy of the approved CS-138 form.

5 (c) The purpose and type of service to be provided.

6 (d) The name of the person or entity that was awarded the contract.

7 (e) The estimated cost or financial obligation for the contract.

8 (f) The cost savings to the state from awarding the contract. This
9 cost savings shall be calculated as the difference between the cost the
10 personal service contract and the estimated cost if that product or serv-
11 ice were provided through the classified civil service by permanent civil
12 service employees.

13 (3) The internal auditor of the department shall prepare an annual
14 report concerning personal service contracts that explicitly identifies
15 exceptions between the authorized purpose and level of expenditures and
16 the actual product or service and level of expenditures. This report
17 shall be submitted to the legislative auditor general, the house and
18 senate fiscal agencies, and the department of management and budget not
19 later than 90 days after the books are closed at the conclusion of the
20 fiscal year.

21 (4) The department shall provide to the department of management and
22 budget a monthly listing of all bid requests or requests for proposal
23 that were issued for personal service contracts during that month. The
24 department of management and budget shall provide this monthly listing to
25 the house and senate appropriations committees and house and senate
26 fiscal agencies.

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1 (5) The department shall provide to the department of management and
2 budget a monthly summary listing that identifies any authorizations for
3 personal service contracts that are provided to the department of civil
4 service pursuant to delegated authority granted to each principal execu-
5 tive department and agency related to personal service contracts. The
6 department of management and budget shall provide this monthly listing to
7 the house and senate appropriations committees and the house and senate
8 fiscal agencies.

9 (6) All reporting and provision of information by the department of
10 management and budget referred to in this section shall be as provided in
11 House Bill No. 5595 of the 89th Legislature.

12 Sec. 320. The department shall conduct a study concerning the pro-
13 posed Petoskey area US-31 beltway project. The study shall include, if
14 necessary, the preparation of a supplement to any draft environmental
15 impact statement previously prepared. The study shall be based upon the
16 agreement reached in February 1998 between the department, Emmet County,
17 the townships of Bear Creek and Resort, and the city of Petoskey.

18 Sec. 321. From funds appropriated in part 1 to administration and
19 data of administrative services for the fiscal year ending September 30,
20 1999, \$1,000,000.00 shall be used to establish within the DBE division of
21 the department a surety division to assist qualified bidders in securing
22 bonding and in monitoring vendor and supplier payments as specified in
23 section 9b of 1951 PA 51, MCL 247.659a. The appropriation is contingent
24 upon private access surety participation of \$10,000,000.00. The surety
25 division shall assess qualified bidders not less than 8% of the funded
26 amount per application to the division surety program. The surety
27 division shall also assess bond recipients not less than 10% of the

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1 funded amount. All revenues from the program shall be transferred
2 quarterly to the STF. Program participants will be required to meet
3 departmental oversight requirements and agree to co-payment contracts as
4 deemed necessary by the division.

5 Sec. 322. The department shall conduct a study in conjunction with
6 the family independence agency and the Michigan jobs commission of the
7 accessibility of transportation for work first clients to get them to
8 work assignments and child care. The study shall address the concept of
9 mobility managers for each zone in the state. The results of the study
10 shall be reported to the house and senate appropriations subcommittees on
11 transportation by March 1, 1999.

12 Sec. 323. (1) Funds appropriated in part 1 for the office of com-
13 mission audits shall not be expended until all authorized positions are
14 filled and the commission submits a written report to the house and
15 senate appropriations subcommittees on transportation and the house and
16 senate fiscal agencies providing the structure of the office, the over-
17 sight of the office by the commission, and specific plans and the date or
18 dates for implementation of those plans for improvements in the office.

19 (2) The chief administrative officer of the office shall be respon-
20 sible for the performance by the office of not less than 6 performance
21 audits in a fiscal year. The chief administrative officer shall provide
22 a report at the end of each calendar quarter to the house and senate
23 appropriations subcommittees on transportation and the house and senate
24 fiscal agencies on the status of the office, the hours spent on per-
25 formance audits, and the expected completion dates of audits in
26 progress. Copies of audits completed during the calendar quarter may be
27 included with the report.

[Sec. 324. The appropriation in section 110 for state matching funds to local units shall be used to provide a 50% match from general fund/general purpose revenue on all property tax revenue collected by local units of government in the state through the levying of millages specifically for the purposes of road repair and maintenance. The state match shall apply to all such millage revenue raised between October 1, 1996 and September 30, 1999. If the funding required to meet the provisions of this section exceed the amount appropriated in section 110 for this purpose, the allocations to local units shall be prorated based on the proportion of each local unit's road millage collections to overall state road millage collections.]

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Sec. 325. The department shall conduct a study on the

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distribution of funds from the Michigan transportation fund under a formula which would reflect vehicle miles traveled and lane miles and other appropriate factors that bear on the useful life of the road and traffic congestion. The report shall recommend factors to be included in a formula which would encourage road agencies to implement technologies or schedules to maximize the practical useful life of roads and streets under their jurisdiction. The report shall consider whether relying on lane miles in the formula would encourage local road agencies to add unnecessary lanes, or whether this criteria would lead to increased urban sprawl. The study shall be completed not later than September 30, 1999, and shall be made available promptly to the legislature.

Sec. 326. (1) Road authorities shall mow the right-of-way of a highway located outside of a city or village as prescribed in this section.

(2) The first mowing period shall be May 1 to June 1 in the southern half of the state and June 1 to July 1 in the northern half of the state with the following specified requirements:

(a) Mowing shall be 12 feet or to the leading edge of the ditch, whichever is less, adjacent to both shoulders of the roadway.

(b) The area between the ditch bottom and the back slopes of the rights-of-way shall be protected from mowing, spraying, or any other machinery disturbance during this mowing period and the second mowing period described in subsection (3).

(3) The second mowing period shall be June 10 to August 1 with the same specified requirements as the first mowing period if necessary.

(4) The third mowing period shall be August 15 to November 1 except that if a minimum 12-inch height of residual grass cannot be ensured on the back slopes of the rights-of-way, the dates shall be July 1 to September 1. Mowing may be through the entire right-of-way if needed, including through the ditch bottom, while maintaining not less than 12 inches of grass height from the back of the ditch to the back of the right-of-way and within the median, if applicable.

(5) The fourth mowing period shall be August 1 to March 1 and shall consist of brush and woody stem control to whatever height is needed to provide control and safety. Twenty-five percent of all roads shall be designated annually for brush control that includes dormant season mowing with follow-up herbicide treatment at the start of the next growing season.

(6) The mowing standards prescribed in this section shall apply to all medians 70 feet wide or more. Medians 70 feet wide or more shall be maintained to be as brush-free as possible and with a grass height of at least 12 inches. Twenty-five percent of the medians within a district shall be annually designated for removal or treatment of unwanted brush and trees. It is the intent of the legislature that the mowing standards prescribed in this section apply to medians 50 feet wide or more 3 years after the effective date of this section.

(7) All mowing of the back slope and wide median areas beyond the 12-foot width from the road edge shall be performed so as to ensure a minimum of 12 inches of grass remains by November 1 each year except in those zones designated for brush control. Areas of brush within the right-of-way shall be mowed back to prevent brush from becoming established within the right-of-way. Brush or tree stumps shall be spot treated with herbicide, as needed, for long-term control.

(8) A right-of-way may be mowed as necessary to maintain health and safety.

Sec. 327. The department shall conduct a study of the amount needed and source of funding available for state matching funds to local units to provide a 50% match on all property tax revenue collected by local units of government in the state through the levying of millages specifically for the purposes of road repair and maintenance between October 1, 1996 and September 30, 1999. The department shall report to the house and senate appropriations subcommittees on transportation and house and senate fiscal agencies on their finding by January 31, 1999.

Sec. 328. (1) The department, on behalf of the state, shall convey to Pittsfield Township, for consideration of \$1.00, certain real property under the jurisdiction of the department and located in Washtenaw County, Michigan, and more particularly described as: All that part of the following described Tract "A" which lies Easterly of a line described as: Beginning at a point on the North line of Section 14, Town 3 South, Range 6 East, Pittsfield Township, Washtenaw County, Michigan, which is North 88° 29' 27" East, 635.98 feet from the Northwest corner of said Section 14; thence South 57° 35' 13" East, 2336.11 feet to a point on the arc of a

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1020.92 foot radius curve to the right; thence Southeasterly, along the arc of said curve, 216.52 feet (chord bearing South 37° 28' 15" East, chord distance 216.11 feet) to the point of tangent of said curve; thence South 31° 23' 43" East, 804.99 feet; thence South 88° 15' 47" West, parallel to the East and West quarter line of said Section 14, a distance of 598.09 feet to the North and South quarter line of said Section 14; thence South 01° 21' 10" East, along said North and South quarter line, 534.91 feet to a point of ending at the center quarter corner of said Section 14 and Southwesterly of a line described as: Commencing at the Northwest corner of said Section 14; thence North 88° 29' 27" East, 725.59 feet to a point of beginning; thence South 57° 35' 13" East, 2267.84 feet to a point on the arc of a 1070.9 foot radius curve to the right; thence Southeasterly along the arc of said curve 233.35 feet to the point of tangency of said curve (chord bearing South 37° 38' 15" East); thence South 31° 23' 43" East, 2000 feet to the point of ending. There shall be no right of direct ingress or egress from the interchange area of Highway I-94 and US-23, or the connecting ramps to, from and between the lands herein described. Contains 10.75 acres, more or less. Tract "A": The West half of the Northeast quarter of Section 14,

Town 3 South, Range 6 East, Pittsfield Township, Washtenaw County, Michigan, ALSO the East half of the Northwest quarter of said Section 14, EXCEPT that part which lies Northwesterly of the Southeasterly Right of Way line of the Detroit, Hillsdale and Indiana (now New York Central) Railroad.

(2) The conveyance authorized by this section shall provide for both of the following:

(a) That the property shall be used exclusively as a scenic woodlot bordering a portion of I-94 and that the property may be made a part of Pittsfield Township's Lillie park, if the property continues to be used as a scenic woodlot; and that upon termination of that use or use for any other purpose, the state may reenter and repossess the property, terminating the grantee's estate in the property.

(b) That if the grantee disputes the state's exercise of its right of reentry and fails to promptly deliver possession of the property to the state, the attorney general, on behalf of the state, may bring an action to quiet title to, and regain possession of, the property.

(3) The conveyance authorized by this section shall expressly provide that the grantee will have no right of direct ingress or egress to the property from the I-94 and US-23 interchange area.

(4) The conveyance authorized by this section shall be by quitclaim deed approved by the attorney general and shall reserve to the state all rights to coal, oil, gas, and other nonmetallic minerals found on, within, or under the conveyed property.

(5) The revenue received under this section shall be deposited in the state treasury and credited to the general fund.]

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1 FEDERAL

2 Sec. 401. When the department receives authorization from the fed-
3 eral government to commit transportation funds pursuant to federal appro-
4 priations, it shall present to the senate and house appropriations trans-
5 portation subcommittees and the senate and house fiscal agencies, the
6 federal amounts and categories authorized and the department's recommen-
7 dation for distribution of these funds. If a recommendation or recommen-
8 dations are not disapproved within 30 business days by either the senate

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9 or house appropriations transportation subcommittees, then the recommen-
10 dation or recommendations shall be considered as approved. If either the
11 senate or house appropriations transportation subcommittee disapproves
12 the proposed distribution, then the senate and house appropriations
13 transportation subcommittees and the department shall hold a joint meet-
14 ing on the issue to arrive at a final distribution. If no agreement is
15 reached between the parties, the department's distribution shall stand.

16 Sec. 402. (1) From the \$781,250,000.00 DOT-FHWA highway research,
17 planning, and construction federal funds appropriated in section 110,
18 \$90,000,000.00 of the funds is allocated for distribution to the state
19 trunkline fund, county road commissions, and cities and villages accord-
20 ing to the formula defined in section 10(1)(h) of 1951 PA 51, MCL
21 247.660.

22 (2) Twenty-three to twenty-seven percent of the remaining DOT-FHWA
23 highway research, planning, and construction federal funds appropriated
24 in section 110 shall be allocated to programs administered by local
25 jurisdictions after deduction of the following:

26 (a) The \$90,000,000.00 allocated in subsection (1).

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1 (b) Funds that are specifically allocated at the federal level to
2 the state or local jurisdictions.

3 (c) Funds allocated by the department to the state and to local
4 jurisdictions through a competitive process.

5 (3) Federal aid excluded from the calculation of funding allocated
6 to programs administered by local jurisdictions in subsection (2)
7 includes, but is not limited to, congestion mitigation and air quality
8 funds, federal bridge funds, transportation enhancement funds, funds dis-
9 tributed at the discretion of the United States secretary of transporta-
10 tion, and congressionally designated funds.

11 (4) The funds shall be distributed to eligible local agencies for
12 transportation purposes in a manner consistent with state and federal
13 law.

[(5) Cities and villages that do not have federal aid eligible
roads shall submit by October 15, 1998, a list of streets located
within their jurisdiction for certification by the department as
federal aid eligible. Federal funds distributed by this subsection
to cities and villages that have applied for federal aid
certification of streets located within their jurisdiction, shall be
held for not more than 1 year beginning October 1, 1998 or until it
has been determined whether those streets are federal aid eligible,
whichever is earlier.]

14 [(6)] If a city or village is ineligible for federal aid, funds that
15 would be allocated to that city or village shall be redistributed to the
16 eligible cities and villages based upon their ratio of federal aid eligi-
17 ble road miles to the total number of federal aid eligible road miles
18 located within all cities and villages.

19 [(7)] It is the intent of the legislature that federal aid to highways
20 allocated to local jurisdictions in subsection (2) be distributed in a
21 manner that produces a 25% average allocation of applicable funds to pro-
22 grams for local jurisdictions in each fiscal year through the fiscal year
23 ending September 30, 2005. Beginning in the fiscal year ending September
24 30, 1999, the average allocation of applicable federal aid to highway
25 funds to programs for local jurisdictions shall be the average of the
26 amount distributed to local jurisdictions under subsection (2) and
27 similarly calculated distributions in each succeeding fiscal year.

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1 Sec. 403. Before February, May, August, and November of each year,
2 the department will provide to the house and senate fiscal agencies for
3 use by the legislature a quarterly report outlining both state and local
4 federal aid expenditures on road bridge projects on a year-to-date basis
5 for the current fiscal year. Projects listed in the report shall be
6 sorted by county. For each project, the report shall contain the follow-
7 ing information:

8 (a) The project's job number and current phase.

9 (b) A clear description of the work being undertaken, including the
10 route being worked upon and its location.

11 (c) Total federal aid obligations to the project over its life.

12 (d) The amount of federal aid obligations for the current fiscal
13 year.

14 (e) Total federal aid expended on the project in the current fiscal
15 year to date.

16 (f) The date of the initial obligation of federal aid to the
17 project.

18 (g) The project's federal highway administration program code.

19 Sec. 404. The appropriation in part 1 for grants to regional plan-
20 ning councils shall not be distributed until the department submits a
21 report to the house and senate appropriations subcommittees on transpor-
22 tation and the house and senate fiscal agencies. The report shall
23 describe how the regional planning council grants were spent in the last
24 5 years and assess the regional councils' effectiveness during this
25 period.

26 Sec. 405. Notwithstanding any other provision of this act, in light
27 of the anticipated unique receipt of a more equitable share of federal

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1 funds, the department shall seek to maximize the capture of those funds
2 through the use of match funds or prioritization to ensure the lowest
3 federal funds available to Michigan remains at the federal level. The
4 department shall prepare a report and advise the legislature of the pos-
5 sible loss of federal funds or delayed federal-aid projects as a result
6 of proposals to divert funds to nonfederal-aid roads.

7 MICHIGAN TRANSPORTATION FUND

8 Sec. 501. The money received under the motor carrier act, 1933
9 PA 254, MCL 475.1 to 479.43, and not appropriated to the department of
10 consumer and industry services or the department of state police, is
11 deposited in the Michigan transportation fund.

12 Sec. 502. The department of treasury shall perform audits and make
13 investigations of the disposition of all state funds received by county
14 road commissions or county boards of commissioners, as applicable, and
15 cities and villages for transportation purposes to determine compliance
16 with the terms and conditions of 1951 PA 51, MCL 247.651 to 247.675.
17 County road commissions or county boards of commissioners, as applicable,
18 and cities and villages shall make available to the department of trea-
19 sury the pertinent records for the audit.

20 Sec. 503. If a county road commission or county board of commis-
21 sioners, as applicable, or a private contractor has entered into a con-
22 tract with the department to eliminate or cut roadside weeds and if the
23 weeds were eliminated or cut by a city or township with prior approval
24 from the department due to negligence on the part of the county or
25 contractor in performing its contractual obligation, then the department

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1 shall reimburse the city or township and shall deduct that amount from
2 the funds appropriated to the county or paid to the contractor involved.
3 The department shall consult with the department of agriculture prior to
4 use of plant growth retardant on freeway or highway rights-of-way.

5 Sec. 504. (1) The funds appropriated in part 1 for the economic
6 development programs shall not lapse at the end of the fiscal year but
7 shall carry forward each fiscal year for the purposes for which appropri-
8 ated in accordance with 1987 PA 231, MCL 247.901 to 247.913.

9 (2) Interest earned in the department of transportation economic
10 development fund shall remain in the fund and shall be allocated to the
11 respective programs based on actual interest earned at the end of each
12 fiscal year.

13 (3) The department of transportation economic development fund may
14 receive and expend federal, local, or private funds or restricted source
15 funds such as interest earnings for projects that are consistent with the
16 programmatic mission of the fund in addition to funds appropriated in
17 part 1.

18 (4) None of the funds statutorily dedicated to the transportation
19 economic development fund shall be diverted to other projects without the
20 notification and approval of the house and senate appropriations subcom-
21 mittees on transportation.

22 Sec. 505. (1) Funds from the Michigan transportation fund (MTF)
23 shall be distributed to the comprehensive transportation fund (CTF), the
24 economic development fund (EDF), the recreational improvement fund (RIF),
25 and the state trunkline fund (STF), in accordance with this act and part
26 711 (recreation improvement fund) of the natural resources and
27 environmental protection act, 1994 PA 451, MCL 324.71101 to 324.71108,

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1 and may only be used as specified in this act, 1951 PA 51, MCL 247.651 to
2 247.675, and part 711 (recreation improvement fund) of the natural
3 resources and environmental protection act, 1994 PA 451, MCL 324.71101 to
4 324.71108.

5 (2) The amounts appropriated and transferred to various state agen-
6 cies from part 1 shall be expended from the transportation funds pursuant
7 to annual contracts between the department and state agencies providing
8 tax and fee collection and other services applicable to transportation
9 funds. The contracts shall be executed prior to the transfer of these
10 funds. The contracts shall provide, but are not limited to, the follow-
11 ing data applicable to each state agency:

12 (a) Estimated costs to be recovered from transportation funds.

13 (b) Description of services financed with transportation funds.

14 (3) If the spending authorization accounts also are to be used for
15 financing other than transportation fund services, the contracts shall
16 include detailed cost allocation methods that are appropriate to the type
17 of services being provided and the activities financed and supporting
18 rationale for the portion of costs allocated to transportation funds.

19 (4) At the close of each fiscal year and before April 1, each state
20 agency shall submit a written report to the state budget director stating
21 by spending authorization account the amount of estimated funds con-
22 tracted with the department, the amount of funds expended, and the amount
23 of funds returned to the transportation funds. A copy of the report
24 shall be submitted to the auditor general and the report shall be subject
25 to audit by the auditor general.

26 (5) The department and the state agencies with which the department
27 contracts in the manner provided in subsection (2) shall work together to

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1 explore methods of minimizing lapses or shortfalls in grants from
2 transportation funds.

3 (6) In addition to the reporting requirements in subsection (4), the
4 department of state shall submit a written report to the auditor general,
5 not later than May 30 of each year, stating by spending authorization
6 account the amount of funds contracted with the department of transporta-
7 tion that had been received during the first 6 months of the fiscal year,
8 the amount of funds expended during the first 6 months of the fiscal
9 year, a description of the services and costs that were financed by those
10 funds, and the rationale for the allocation of transportation funds for
11 those services and costs. The report shall be subject to audit by the
12 auditor general. A copy of the report shall be submitted to the depart-
13 ment of transportation, the house and senate appropriations subcommittees
14 on transportation, and the house and senate fiscal agencies. If the
15 report is not received by May 30 of each year, the auditor general shall
16 immediately notify the house and senate appropriations subcommittees on
17 transportation and the house and senate fiscal agencies in writing of the
18 department of state's failure to submit the required report.

19 Sec. 506. Of the amount appropriated in part 1 from the Michigan
20 transportation fund to the department of state, \$186,600.00 represents
21 the additional cost of issuing specialized license plates for veterans
22 and national guard members, as included in 1989 PAs 16, 17, 18, and 19,
23 MCL 257.803i, 257.803j, 257.803k, and 257.803l. The department of state
24 shall prepare an annual report on the number of and the additional costs
25 associated with the veteran license plates to the department, the state
26 budget director, the house and senate fiscal agencies, and the
27 chairpersons of the house and senate appropriations subcommittees on

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1 transportation. Any unspent funds based on these annual reports shall
2 lapse to the Michigan transportation fund and be distributed in accord-
3 ance with 1951 PA 51, MCL 247.651 to 247.675.

4 Sec. 507. (1) Of the amount appropriated in part 1 from the
5 Michigan transportation fund to the department of state, \$187,600.00 rep-
6 resents the additional cost of issuing generic license plates for non-
7 profit fraternal or public service organizations, as included in
8 section 803m of the Michigan vehicle code, 1949 PA 300, MCL 257.803m.

9 (2) The department of state shall prepare an annual report on the
10 number of, and the additional costs associated with, the generic license
11 plates to the department, the state budget director, the house and senate
12 appropriations subcommittees on transportation, and the house and senate
13 fiscal agencies.

14 (3) Any unspent funds based on these annual reports shall lapse to
15 the Michigan transportation fund to be distributed in accordance with
16 1951 PA 51, MCL 247.651 to 247.675.

17 Sec. 508. (1) Commemorative and specialty license plate fee revenue
18 collected by the department of state and deposited into the Michigan
19 transportation fund is authorized for expenditure by the department of
20 state up to the amount of revenue collected, but not to exceed
21 \$9,353,300.00, the amount appropriated to the department of state in part
22 1 to administer the commemorative and specialty license plate program
23 pursuant to section 225 of the Michigan vehicle code, 1949 PA 300,
24 MCL 257.225.

25 (2) Commemorative and specialty license plate fee revenue collected
26 by the department of state and deposited in the Michigan transportation
27 fund in addition to that appropriated in part 1 to the department of

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1 state shall be available for other Michigan transportation fund-supported
2 programs.

[Sec. 509. The department, in conjunction with the Macomb county road commission and any other local units of government in Macomb county affected that wish to participate, may participate in a joint study on the effect of the proposed United States postal distribution facility at 23 Mile Road and M-53 on traffic patterns in the area and urban congestion and recommend proposed solutions. The study shall be completed by July 1, 1999 with copies distributed to the house and senate transportation appropriations subcommittees and the house and senate fiscal agencies.]

3 STATE TRUNKLINE FUND

4 Sec. 601. The department shall give funding priority for the funds
5 appropriated in part 1 for state trunkline federal aid and road and
6 bridge construction to projects for which funding has already been pro-
7 grammed and appropriate planning has been conducted. The department
8 shall make every effort to ensure that such projects are completed in a
9 timely manner.

10 Sec. 602. Of the amount of state funds appropriated for road and
11 bridge projects under this act, the department, counties, and cities and
12 villages shall, whenever possible, secure warranties for contracted con-
13 struction work.

14 Sec. 603. [(1)] From the funds appropriated in part 1, the department
15 shall begin the construction process, which may include land acquisition,
16 of 2 modern, indoor rest facilities. One shall be located along US-2 in
17 Delta County, another shall be constructed along M-28 between Newberry
18 and Marquette.

[(2) The department shall convert the current rest facility as Fumee State Park on Highway US 2 in Dickinson county to a modern, indoor rest facility.]

19 Sec. 604. From the amounts appropriated in part 1 for urban county
20 congestion from the transportation economic development fund for the
21 fiscal year ending September 20, 1999, \$2,000,000.00 shall be used for
22 the purpose of matching, at not more than 50%, private and local funds
23 for the AAA Michigan road improvement program. The AAA Michigan road
24 improvement program, a public/private partnership, was established to

1 fund or assist funding road improvements in urban areas to reduce the
2 number and severity of crashes at high crash locations.

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3 Sec. 605. From the amounts appropriated in part 1 for forest roads
4 from the transportation economic development fund in the fiscal year
5 ending September 30, 1999, \$40,000.00 shall be used for the purpose of
6 establishing 2, of the proposed 10, truck inspection stations. During
7 this demonstration, the department shall work directly with the
8 timberman's association to educate truck drivers on the use of the sta-
9 tions, as well as evaluate the stations' effectiveness.

10 Sec. 607. For projects to construct new state trunkline highways or
11 to expand the capacity of existing state trunkline highways, the depart-
12 ment shall, where practical, prudent, and economically feasible, consider
13 the natural, scenic, and cultural landscape of the surrounding area by
14 doing the following:

15 (a) Completing an inventory of the natural and built features in the
16 vicinity of the project. The inventory shall include topographical and
17 physical characteristics, natural resources, recreational uses, poten-
18 tial, existing, and future residential uses, historical resources, visual
19 and aesthetic resources, landmarks, and existing and potential land
20 uses. The department shall determine whether the identified resources
21 require protection, and how those resources can be integrated into the
22 project.

23 (b) Maximizing the fit between the highway and the surrounding land-
24 scape by utilizing Michigan resurfacing, restoration, and rehabilitation
25 standards and the following techniques that, where applicable, will pro-
26 vide for highways that are reasonably safe and fit for travel:

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- 1 (i) Adjusting the horizontal and vertical curves of the road to
2 complement the natural topography of the surrounding area.
- 3 (ii) Aligning the road to fringe areas to avoid bisecting open
4 fields, agricultural lands, critical natural habitats, and wetlands.
- 5 (iii) Using landscape features to blend roadways and bridges into
6 the natural setting.
- 7 (iv) Using locally available materials to blend colors and textures
8 into the setting.
- 9 (v) Protecting and enhancing vegetative buffers adjacent to wetlands
10 and important habitats.
- 11 (vi) Acquiring additional rights-of-way or grading easements to
12 allow blending of roadway side slopes with the adjacent landscape.
- 13 (vii) Using fencing, landscaping, or screening or earth berm
14 buffers.
- 15 (viii) Minimizing use of light poles and fixtures in rural areas and
16 using down-shielded luminaires in more populous settings.
- 17 (ix) Removing and trimming trees to preserve or enhance views.
- 18 (x) Using guard rails in selected areas to allow retention of sig-
19 nificant tree groupings.
- 20 (xi) Considering appropriate sign size and placement of signs by the
21 department to prevent blockage of views.
- 22 (xii) Minimizing commercial signage.
- 23 Sec. 608. The funds appropriated in part 1 to urban economic infra-
24 structure improvement within road and bridges programs in section 110
25 shall be used for department approved projects that substantially affect
26 long-term [regional] economic development in [cities and villages] with
27 populations greater than [5,000].

[Sec. 609. From the amount appropriated in section 110 for road and bridge programs, the department shall include the following projects:

(a) The extension of the current passing lane on US-223 in Lenawee County from Rome Road to the city of Adrian.

(b) The construction of a passing lane on US-223 between the city limits of Palmyra and the city limits of Blissfield.

Sec. 610. Of the STF grant to the department of state police in section 103, \$10,000.00 shall be available for each jurisdiction with more than 1 international crossing for training and specialized equipment for response activities related to the transport and handling of hazardous materials.

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Sec. 611. From the amounts appropriated in part 1 for urban

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county congestion from the transportation economic development fund for the fiscal year ending September 30, 1999, \$100,000.00 shall be used for work associated with the Telegraph Tomorrow Corridor improvement project.

Sec. 612. From the funds appropriated for state trunkline road and bridge constructions in section 110, the department shall provide funding for any soundwalls for which the department or the state transportation commission have made a commitment prior to December 31, 1988 and which have not been completed.

Sec. 613. From funds appropriated in section 110 for state trunkline federal aid and road and bridge construction, the department shall provide funding for the proposed soundwall on I-75 for the off-ramp to Telegraph Road.]

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1 COMPREHENSIVE TRANSPORTATION FUND

2 Sec. 701. Money that is returned to the state as repayment for a
3 loan for intercity bus equipment is not money to be deposited in the com-
4 prehensive transportation fund under section 10b of 1951 PA 51,

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5 MCL 247.660b, but is money that is deposited in an intercity bus equip-
6 ment fund for appropriation for the purchase and repair of intercity bus
7 equipment. Proceeds received by the state from the sale of intercity bus
8 equipment are deposited in an intercity bus equipment fund for appropria-
9 tion for the purchase and repair of intercity bus equipment. Security
10 deposits from the lease of state-owned intercity bus equipment not
11 returned to the lessee of the equipment under terms of the lease agree-
12 ment are deposited in an intercity bus equipment fund for appropriation
13 for the repair of intercity bus equipment.

14 Sec. 702. Money that is received by the state as repayment for
15 loans made for rail or water freight capital projects, and as a result of
16 the sale of property or equipment used or projected to be used for rail
17 or water freight projects shall be deposited in the fund created by sec-
18 tion 17 of the state transportation preservation act of 1976, 1976
19 PA 295, MCL 474.67.

20 Sec. 703. Entities that operate railroads and receive appropria-
21 tions under part 1 shall expend those appropriations for goods and serv-
22 ices of manufacturers, suppliers, and service companies located in this
23 state, whenever practicable, if the goods and services are comparably
24 priced and reasonably available.

25 Sec. 704. (1) The discretionary accounts in part 1 shall be used
26 for programs and projects as determined by the department. The
27 department shall inform the house and senate appropriations committees of

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1 the manner in which the funds in these accounts will be expended not less
2 than 30 days before expenditure.

3 (2) If a situation arises that is considered to be an emergency by
4 the director of the department, the requirement to inform the house and
5 senate appropriations committees shall be waived. The director shall
6 inform those committees of this action within 5 days of the action.

7 (3) If the department intends to alter a program after approval, the
8 department shall follow the requirements of subsection (1).

9 Sec. 705. (1) The departments of community health and transporta-
10 tion, the office of services to the aging within the department of commu-
11 nity health, and the family independence agency shall develop a system to
12 identify and collect the following information annually for each county:

13 (a) All operational and capital costs of services provided, con-
14 tracted for, or purchased, to transport clients or program participants
15 within the county, including all other funds received and expended for
16 those purposes by the state department.

17 (b) Population groups that utilize transportation services by a per-
18 centage of the total number of persons who utilize the services.

19 (c) Services accessed through transportation provided by percentages
20 of the total dollar amount expended for the services.

21 (d) All funding sources for transportation and amounts from each
22 source.

23 (e) If known, provide the existence of interagency or countywide
24 transportation planning or coordination, and the extent to which each
25 state department participates.

26 (2) The information specified in subsection (1) shall be submitted
27 to the department of transportation. The department of transportation

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1 shall compile and report the information it has collected and received on
2 or before December 31 of the immediately succeeding state fiscal year to
3 the house and senate appropriations subcommittees on transportation and
4 the state budget director.

5 (3) The report specified in subsection (2) shall include, but not be
6 limited to, all of the following:

7 (a) Current efforts to coordinate or consolidate transportation
8 services provided by human service agencies.

9 (b) Areas where coordination or consolidation of transportation
10 services will produce cost savings.

11 (c) Legislation needed to facilitate the coordination and consolida-
12 tion of transportation services.

13 (d) Steps to implement policy to more efficiently coordinate and
14 consolidate transportation services.

15 (e) The use of the amount appropriated in part 1 to regional service
16 coordination.

17 Sec. 706. The department shall submit a report to both the house
18 and senate appropriations subcommittees on transportation and the house
19 and senate fiscal agencies by March 1 of each year outlining its efforts
20 to develop a high-speed rail program as well as efforts to obtain funding
21 for this purpose.

22 Sec. 707. (1) From the funds appropriated in part 1, the department
23 of transportation shall allocate sufficient comprehensive transportation
24 fund revenue to continue 7-day rail passenger service on the Pere
25 Marquette and the International lines.

26 (2) The department shall work with Amtrak and local interests on
27 increasing marketing efforts to promote awareness of rail passenger

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1 service and to increase ridership. The department shall also work with
2 Amtrak to reduce the operating cost and to maximize the revenue of its
3 rail passenger lines in Michigan including, but not limited to, privati-
4 zation of food services aboard the train and selling of advertising space
5 aboard the train. The department shall submit a report to both the house
6 and senate appropriations subcommittees on transportation and the house
7 and senate fiscal agencies by January 1, 1999 that provides a 5-year his-
8 tory on services and ridership, as well as a 5-year plan for these
9 services.

10 Sec. 708. (1) The following rail lines are designated as an essen-
11 tial corridor in Michigan and shall receive priority in matters concern-
12 ing operation, maintenance, and rehabilitation:

13 ANN ARBOR RAILROAD SYSTEM:

14 Toledo to north of Ann Arbor (Osmer).

15 Pittsfield Junction to Saline.

16 STATE OF MICHIGAN OWNED RAIL LINES (ACTIVE):

17 North of Ann Arbor (Osmer) to Durand, Durand to Owosso via Central
18 Michigan Railway trackage rights, and then Owosso to Ashley to Cadillac
19 to Harlan.

20 (Tuscola and Saginaw Bay Railway)

21 Owosso north to St. Charles. (TSB)

22 Cadillac north to Petoskey via Walton Junction. (TSB)

23 Walton Junction to Traverse City. (TSB)

24 Grawn via Traverse City to Williamsburg. (TSB)

25 (Huron and Eastern Railway)

26 Millington to Vassar to Munger. (HERC)

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- 1 Vassar to Caro to Colling. (HERC)
- 2 Iron Mountain to Ontonagon via Channing. (Escanaba and Lake
- 3 Superior Railroad)
- 4 (Indiana Northeastern Railroad)
- 5 Hillsdale to Indiana State Line via Reading.
- 6 Hillsdale to east of Quincy via Jonesville. (INRC)
- 7 Jonesville to Litchfield. (INRC)
- 8 Linwood to Sallings via West Branch and Grayling. (Lake State
- 9 Railway)
- 10 Riga to west of Adrian. (Adrian and Blissfield Railroad)
- 11 Grosvenor to River Raisin. (A&B)
- 12 TUSCOLA AND SAGINAW BAY RAILWAY:
- 13 Middleton to Ashley.
- 14 HURON AND EASTERN RAILWAY:
- 15 Denmark Junction to Harger (Saginaw).
- 16 Saginaw to Bad Axe.
- 17 Bad Axe to Kinde.
- 18 Bad Axe to Croswell.
- 19 Palms to Harbor Beach.
- 20 Poland to Sandusky.
- 21 Saginaw to Brown City.
- 22 NORFOLK SOUTHERN RAILWAY COMPANY:
- 23 Detroit to Ohio State Line via Milan.
- 24 CSX TRANSPORTATION:
- 25 Ohio State Line to Saginaw via Plymouth and Flint.
- 26 Detroit to Grand Rapids via Plymouth and Lansing.

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- 1 Grand Rapids to Indiana State Line via Holland and St. Joseph.
- 2 Holland to Montague via Muskegon.
- 3 Holland to Hamilton.
- 4 Berry to Fremont.
- 5 Saginaw to Midland.
- 6 Saginaw to Bay City to Essexville.
- 7 Grand Rapids to Baldwin via Newaygo.
- 8 Baldwin to Ludington via Walhalla.
- 9 Walhalla to Manistee/Filer City.
- 10 Port Huron to Marine City.
- 11 MID-MICHIGAN RAILROAD:
- 12 Paines to Elwell via Alma.
- 13 Elmdale to Greenville.
- 14 COE RAIL, INC.:
- 15 Wixom to east of Walled Lake.
- 16 GRAND TRUNK WESTERN RAILROAD (CN NORTH AMERICA):
- 17 Port Huron to Indiana State Line via Flint, Durand, Lansing, Battle
- 18 Creek, and Cassopolis.
- 19 Durand to Detroit via Pontiac.
- 20 Dearborn to Ohio State Line via Flat Rock and Dundee.
- 21 Port Huron to Detroit.
- 22 Richmond to Pontiac.
- 23 Pontiac to Lake Orion.
- 24 Detroit to Ohio State Line via Monroe.
- 25 Pavilion to Kalamazoo.
- 26 WISCONSIN CENTRAL LIMITED:

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- 1 Canadian International Boundary at Sault Ste. Marie to Wisconsin
2 State Line via Trout Lake and Gladstone.
3 Trout Lake to Baraga via Munising Junction and Marquette.
4 Munising to Munising Junction.
5 Baraga to Arnheim.
6 White Pine to Wisconsin State Line via Bergland.
7 SAULT STE. MARIE BRIDGE COMPANY:
8 Wisconsin State Line at Menominee to Escanaba via Powers.
9 Powers to Iron Mountain (Antoine).
10 Quinnesec to Wisconsin State Line.
11 Escanaba to Ishpeming.
12 ESCANABA AND LAKE SUPERIOR RAILROAD:
13 At Escanaba.
14 Channing to Republic.
15 Iron Mountain to Wisconsin State Line.
16 At Menominee.
17 LAKE SUPERIOR AND ISHPEMING RAILROAD:
18 Marquette to Republic Mine via Eagle Mills and Ishpeming.
19 Eagle Mills to Tilden Mine.
20 LAKE STATE RAILWAY:
21 Bay City to Linwood.
22 Pinconning to Hawks via Tawas City and Alpena.
23 Alabaster Junction to Alabaster.
24 Alpena to Paxton.
25 Posen to Rogers City.
26 Sallings to Gaylord.

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- 1 CENTRAL MICHIGAN RAILWAY:
- 2 Bay City to Midland.
- 3 Saginaw to Paines.
- 4 CONSOLIDATED RAIL CORPORATION:
- 5 Detroit to Kalamazoo via Jackson and Battle Creek.
- 6 Jackson to Lansing.
- 7 Detroit to Toledo.
- 8 Detroit to Carleton.
- 9 Detroit to Utica.
- 10 Jackson to Ackerson Lake.
- 11 Ottawa Lake to Ohio State Line.
- 12 Grand Rapids to Indiana State Line via Kalamazoo.
- 13 White Pigeon Junction to Sturgis.
- 14 Kalamazoo to Portage (Upjohn).
- 15 Plainwell to Otsego.
- 16 Grand Rapids to Kentwood (44 Street).
- 17 NATIONAL RAILROAD PASSENGER CORPORATION:
- 18 Kalamazoo to Indiana State Line via Niles.
- 19 CANADIAN NATIONAL RAILWAYS:
- 20 Detroit River Tunnel.
- 21 St. Clair River Tunnel.
- 22 DELRAY CONNECTING RAILROAD:
- 23 At Detroit.
- 24 WEST MICHIGAN RAILWAY:
- 25 Hartford to Paw Paw.
- 26 BRANCH AND ST. JOSEPH COUNTIES RAIL USERS ASSOCIATION:

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1 Sturgis to east of Quincy.

2 MICHIGAN SHORE RAILROAD:

3 At Muskegon.

4 IRON CLIFFS RAILWAY COMPANY:

5 At Ishpeming.

6 (2) Any changes to the essential corridor list in subsection (1),
7 including sales of state-owned rights-of-way [not specifically authorized
for sale in another public act], shall be approved by the

8 house and senate appropriations subcommittees on transportation.

9 (3) After receiving notification from a railroad company pursuant to
10 section 8 of the state transportation preservation act of 1976, 1976
11 PA 295, MCL 474.58, the department shall immediately notify the house and
12 senate appropriations subcommittees on transportation that the railroad
13 company has filed with the appropriate governmental agencies for abandon-
14 ment of a line.

15 Sec. 709. (1) The appropriation in part 1 for van pooling shall be
16 administered by the department through grants to eligible authorities and
17 eligible governmental agencies to insure coordination between van and car
18 pooling programs and the transit systems operated by the eligible author-
19 ities and eligible governmental agencies. The appropriation shall not be
20 distributed until the department submits a report to the house and senate
21 appropriations subcommittees on transportation and the house and senate
22 fiscal agencies. The report shall describe how the appropriations for
23 this program were expended in the last 5 years and assess the program's
24 effectiveness during this period.

25 (2) The department shall utilize competitive bidding for each grant
26 awarded under subsection (1).

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1 Sec. 710. From the funds appropriated in part 1, \$3,300,000.00 is
2 allocated for the department to establish a rail infrastructure loan
3 program. The program shall provide noninterest bearing loans for rail
4 infrastructure improvements. The department shall evaluate loan applica-
5 tions according to the relative merit of the project in conjunction with
6 program goals. The transportation commission shall approve the loans.
7 The loans shall fund not less than 90% of the rail portion of project
8 costs, and the loan repayment period shall not exceed 10 years. Local
9 governments, railroads, and current or potential users of freight rail-
10 road services are eligible applicants. At the end of the fiscal year,
11 unexpended funds shall remain in the rail infrastructure loan program and
12 shall be available to be allocated for the purposes of the program in the
13 succeeding fiscal year. Money that is received by this state as repay-
14 ment for rail infrastructure loans made pursuant to this program shall
15 remain within the rail infrastructure loan program and shall be allocated
16 for the purposes of the program. The state's total contribution to the
17 rail infrastructure loan program shall not exceed \$15,000,000.00.

18 Sec. 711. In addition to the \$2,246,600.00 appropriated in part 1
19 for the work first initiative, the department shall maintain current
20 funding support for this initiative.

21 Sec. 712. The Detroit/Wayne County port authority shall issue a
22 complete operations assessment and a financial disclosure statement. The
23 operations assessment shall include operational goals for the next 5
24 years and recommendations to improve land acquisition and development
25 efficiency. It is not the intent of the legislature that the authority
26 be granted the power of condemnation of private property. The report
27 shall be completed and submitted to the house and senate appropriations

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1 subcommittees on transportation and the house and senate fiscal agencies
2 by December 15, 1998.

3 Sec. 713. The department shall issue information to all law
4 enforcement agencies and railroads operating in this state explaining the
5 state laws which limit the length of time that railroads may block cross-
6 ings and encourage law enforcement agencies to strictly enforce the stat-
7 utory time limits with regard to crossing blockages.

8 Sec. 714. For the fiscal year ending September 30, 1999, each eli-
9 gible authority and each eligible governmental agency which provides
10 public transportation services in urbanized areas with a Michigan popula-
11 tion of less than or equal to 100,000 and nonurbanized areas under
12 section 5311 of title 49 of the United States Code, 49 U.S.C. 5311, shall
13 receive a grant of up to 60% of its eligible operating expenses. Each
14 eligible authority and each eligible government agency which provides
15 public transportation services in urbanized areas with a Michigan popula-
16 tion of greater than 100,000 under section 5311 of title 49 of the United
17 States Code, 49 U.S.C. 5311, shall receive a grant of up to 50% of its
18 eligible operating expenses. If funds appropriated in part 1 for local
19 bus operating are not sufficient to fulfill this requirement, sufficient
20 funds appropriated for public transportation development discretionary
21 may be used for this purpose.

22 Sec. 715. Of the amount appropriated in part 1 for bus capital, for
23 the fiscal year ending September 30, 1999, any funds not utilized for
24 matching federal funds for local bus capital shall be distributed for
25 100% capital projects for eligible authorities and eligible governmental
26 agencies that are not eligible to receive federal capital formula funds

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1 under section 5307 of the federal intermodal surface transportation
2 efficiency act, Public Law 102-240, or any successor act.

3 Sec. 716. The appropriation in part 1 for ride sharing shall not be
4 distributed until the department submits a report to the house and senate
5 appropriations subcommittees on transportation and the house and senate
6 fiscal agencies. The report shall describe how the appropriations for
7 this program have been spent in the last 5 years and assess the program's
8 effectiveness during this period. The appropriation shall be held in
9 escrow until the report is submitted.

10 Sec. 717. The department shall provide state matching funds to con-
11 struct a new ferry for which federal funds have been authorized as of
12 December 31, 1997 for the eastern Upper Peninsula transportation author-
13 ity as permitted under section 10e(14) of 1951 PA 51, MCL 247.660e.

14 Sec. 718. (1) The following bus routes are designated as an essen-
15 tial corridor in Michigan:

16 UPPER PENINSULA-SUPERIOR TRANSPORTATION

17	Between St. Ignace and	
18	Escanaba	US-2
19	Between Escanaba and	
20	Duluth	US-2 through Ironwood to the
21		state line
22	Between Calumet and	
23	Escanaba	US-41
24	Between Escanaba and	
25	Milwaukee	US-41 through Menominee to the
26		state line

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1	Between St. Ignace and	
2	Sault Ste. Marie	I-75
3		
4	<u>GREYHOUND</u>	
5	Between Detroit and	
6	Chicago	I-94 from Detroit to state line
7	Between Detroit and	
8	Muskegon	I-96
9	Between Grand Rapids,	
10	Holland, and Benton	
11	Harbor	I-196 to I-94
12	Between Muskegon and	
13	Grand Rapids	US-31, I-96
14	Between Detroit and Bay	
15	City	I-75
16	Between Bay City and	
17	Mount Pleasant	US-10, M-20
18	Between Jackson and	
19	Traverse City	US-127, US-27, I-75, Grayling,
20		Gaylord, M-72 to Traverse City
21	Between Jackson and	
22	Indianapolis	I-69, I-94 to the state line
23		through Albion, Marshall, and
24		Coldwater
25	Between Houghton Lake	
26	and Cadillac	M-55 and M-66

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1 Between Detroit and
2 Toledo I-75 to state line
3 Between the Indiana
4 state line and
5 Traverse City US-31 and I-196
6
7 INDIAN TRAILS
8 Between Bay City and
9 Chicago I-75, Flint, I-69, I-94, Battle
10 Creek, I-94 to the state line
11 Between Flint and
12 Lansing I-69, M-21, Owosso, M-52, I-69
13 Between Bay City and
14 St. Ignace I-75, US-23
15 Between Grand Rapids and
16 St. Ignace US-131, Cadillac, M-115, Mesick,
17 M-37 to Traverse City, US-31,
18 Acme, M-72, Kalkaska, US-131,
19 Boyne Falls, M-75, Walloon
20 Lake, US-131, Petoskey, US-31,
21 I-75, St. Ignace
22 Between Kalamazoo and
23 Grand Rapids US-131
24 (2) Any changes to the essential corridor list in subsection (1)
25 shall be approved by the house and senate appropriations subcommittees on
26 transportation.

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1 (3) No entity shall receive operating assistance for a scheduled
2 regular route service which is competing with another private or public
3 carrier over the same route.

4 Sec. 719. The funds appropriated in part 1 to the senior mobility
5 program of public transportation development in section 117 shall be used
6 to establish a senior mobility program that will provide grants to area
7 agencies on aging and other senior service organizations to provide
8 centrally-organized transportation services for older persons to and from
9 community facilities in order to receive support services, reduce isola-
10 tion, and otherwise promote independent living.

11 Sec. 720. The appropriation in part 1 for regional service coordi-
12 nation shall not be distributed until the department submits a report to
13 the house and senate appropriations subcommittees on transportation and
14 the house and senate fiscal agencies. The report shall describe how the
15 appropriations for this program have been spent in the last 2 years and
16 assess the program's effectiveness during this period.

17 Sec. 721. It is the intent of the legislature that RTCC coordinate
18 DDOT and SMART operations on major routes.

[Sec. 722. If federal funds are authorized for a proposed
Lansing to Detroit commuter rail line, the department may match up
to 20% of the federal funds authorized from rail passenger service
funds appropriated under section 116. However, no funds shall be
used for operations subsidy.]

19 **AERONAUTICS FUND**

20 Sec. 801. At the close of the fiscal year ending September 30,
21 1999, any unobligated and unexpended balance in the state aeronautics
22 fund created in the aeronautics code of the state of Michigan, 1945
23 PA 327, MCL 259.1 to 259.208, shall lapse to the state aeronautics fund
24 and be appropriated by the legislature in the immediately succeeding
25 fiscal year.

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1 Sec. 802. The bureau of aeronautics of the department shall
2 maintain a comprehensive flight log of all flights involving state owned
3 aircraft. The log shall include information on passengers aboard the
4 flight, charges to state departments and agencies for the flight, and the
5 origin and destination of the flight. Copies of the flight log for all
6 flights in the preceding fiscal year shall be submitted to the chair-
7 persons and minority vice-chairpersons of the house and senate appropria-
8 tions subcommittees on transportation by October 31 of each year.

9 Sec. 803. The appropriation in part 1 from the state aeronautics
10 fund for transportation planning administration shall not be distributed
11 until the department submits a report to the house and senate appropria-
12 tions subcommittees on transportation and the house and senate fiscal
13 agencies. The report shall describe how the appropriations for aeronau-
14 tics planning have been spent in the last 5 years, and assess the current
15 and future levels of funding needed for this purpose.

16 **TIEBAR**

17 Sec. 902. This act does not take effect unless [all of the following
18 bills of the 89th Legislature are enacted into law:

- (a) House Bill No. 4813.
- (b) House Bill No. 5822.]