

# HOUSE BILL No. 4310

February 22, 2007, Introduced by Rep. LaJoy and referred to the Committee on Transportation.

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 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 9a (MCL 247.659a), as amended by 2002 PA 499.

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

1       Sec. 9a. (1) As used in this section:

2       (a) "Asset management" means an ongoing process of  
3 maintaining, upgrading, and operating physical assets cost-  
4 effectively, based on a continuous physical inventory and condition  
5 assessment.

6       (b) "Bridge" means a structure including supports erected over  
7 a depression or an obstruction, such as water, a highway, or a  
8 railway, for the purposes of carrying traffic or other moving  
9 loads, and having an opening measuring along the center of the  
10 roadway of more than 20 feet between undercopings of abutments or  
11 spring lines of arches, or extreme ends of openings for multiple  
12 boxes where the clear distance between openings is less than 1/2 of  
13 the smaller contiguous opening.

14       (c) "Central storage data agency" means that agency or office  
15 chosen by the council where the data collected is stored and  
16 maintained.

1 (d) "Council" means the transportation asset management  
2 council created by this section.

3 (e) "County road commission" means the board of county road  
4 commissioners elected or appointed pursuant to section 6 of chapter  
5 IV of 1909 PA 283, MCL 224.6, or, in the case of a charter county  
6 with a population of 2,000,000 or more with an elected county  
7 executive that does not have a board of county road commissioners,  
8 the county executive for ministerial functions and the county  
9 commission provided for in section 14(1)(d) of 1966 PA 293, MCL  
10 45.514, for legislative functions.

11 (f) "Department" means the state transportation department.

12 (g) "Federal-aid eligible" means any public road or bridge  
13 that is eligible for federal aid to be spent for the construction,  
14 repair, or maintenance of that road or bridge.

15 (h) "Local road agency" means a county road commission or  
16 designated county road agency or city or village that is  
17 responsible for the construction or maintenance of public roads  
18 within the state under this act.

19 (i) "Multiyear program" means a compilation of road and bridge  
20 projects anticipated to be contracted for by the department or a  
21 local road agency during a 3-year period.

22 (j) "State planning and development regions" means those  
23 agencies required by ~~section 134(b) of title 23 of the United~~  
24 ~~States Code, 23 U.S.C. 134~~ **23 USC 134**, and those agencies  
25 established by Executive Directive 1968-1.

26 (2) In order to provide a coordinated, unified effort by the  
27 various roadway agencies within the state, the transportation asset

management council is hereby created within the state transportation commission and is charged with advising the commission on a statewide asset management strategy and the processes and necessary tools needed to implement such a strategy beginning with the federal-aid eligible highway system, and once completed, continuing on with the county road and municipal systems, in a cost-effective, efficient manner. Nothing in this section shall prohibit a local road agency from using an asset management process on its non-federal-aid eligible system. The council shall consist of 10 voting members appointed by the state transportation commission. The council shall include 2 members from the county road association of Michigan, 2 members from the Michigan municipal league, 2 members from the state planning and development regions, 1 member from the Michigan townships association, 1 member from the Michigan association of counties, and 2 members from the department. Nonvoting members shall include 1 person from the agency or office selected as the location for central data storage. Each agency with voting rights shall submit a list of 2 nominees to the state transportation commission from which the appointments shall be made. The Michigan townships association shall submit 1 name, and the Michigan association of counties shall submit 1 name. ~~Names shall be submitted within 30 days after the effective date of the 2002 amendatory act that amended this section.~~ The state transportation commission shall make the appointments within 30 days after receipt of the lists.

(3) The positions for the department shall be permanent. The position of the central data storage agency shall be nonvoting and

1 shall be for as long as the agency continues to serve as the data  
2 storage repository. The member from the Michigan association of  
3 counties shall be initially appointed for 2 years. The member from  
4 the Michigan townships association shall be initially appointed for  
5 3 years. Of the members first appointed from the county road  
6 association of Michigan, the Michigan municipal league, and the  
7 state planning and development regions, 1 member of each group  
8 shall be appointed for 2 years and 1 member of each group shall be  
9 appointed for 3 years. At the end of the initial appointment, all  
10 terms shall be for 3 years. The chairperson shall be selected from  
11 among the voting members of the council.

12 (4) The department shall provide qualified administrative  
13 staff and the state planning and development regions shall provide  
14 qualified technical assistance to the council.

15 (5) The council shall develop and present to the state  
16 transportation commission for approval within 90 days after the  
17 date of the first meeting such procedures and requirements as are  
18 necessary for the administration of the asset management process.  
19 This shall, at a minimum, include the areas of training, data  
20 storage and collection, reporting, development of a multiyear  
21 program, budgeting and funding, and other issues related to asset  
22 management that may arise from time to time. All quality control  
23 standards and protocols shall, at a minimum, be consistent with any  
24 existing federal requirements and regulations and existing  
25 government accounting standards.

26 (6) The council may appoint a technical advisory panel whose  
27 members shall be representatives from the transportation

1 construction associations and related transportation road  
2 interests. The asset management council shall select members to the  
3 technical advisory panel from names submitted by the transportation  
4 construction associations and related transportation road  
5 interests. The technical advisory panel members shall be appointed  
6 for 3 years. The asset management council shall determine the  
7 research issues and assign projects to the technical advisory panel  
8 to assist in the development of statewide policies. The technical  
9 advisory panel's recommendations shall be advisory only and not  
10 binding on the asset management council.

11 (7) Beginning October 1, 2003, the department, each county  
12 road commission, and each city and village of this state shall  
13 annually prepare and publish a multiyear program, based on long-  
14 range plans, and developed through the use of the asset management  
15 process described in this section. Projects contained in each local  
16 road agency's annual multiyear program shall be consistent with the  
17 goals and objectives of the local road agency's long-range plan. A  
18 project, funded in whole or part, with state or federal funds,  
19 shall be included in any local road agency's multiyear plan.

20 **BEGINNING OCTOBER 1, 2007, A COUNTY ROAD COMMISSION SHALL NOT**  
21 **PUBLISH A MULTIYEAR PROGRAM UNDER THIS SECTION UNLESS THE COUNTY**  
22 **ROAD COMMISSION HAS NOTIFIED THE TOWNSHIPS WITHIN THE COUNTY OF THE**  
23 **INTENT TO PUBLISH A MULTIYEAR PROGRAM, GIVEN THE TOWNSHIPS WITHIN**  
24 **THE COUNTY AT LEAST 60 DAYS TO REVIEW THE PROPOSED MULTIYEAR**  
25 **PROGRAM.**

26 (8) Funding necessary to support the activities described in  
27 this section shall be provided by an annual appropriation from the

1 Michigan transportation fund to the state transportation  
2 commission.

3 (9) The department and each local road agency shall keep  
4 accurate and uniform records on all road and bridge work performed  
5 and funds expended for the purposes of this section, according to  
6 the procedures developed by the council. Each local road agency and  
7 the department shall annually report to the council the mileage and  
8 condition of the road and bridge system under their jurisdiction  
9 and the receipts and disbursements of road and street funds in the  
10 manner prescribed by the council, which shall be consistent with  
11 any current accounting procedures. An annual report shall be  
12 prepared by the staff assigned to the council regarding the results  
13 of activities conducted during the preceding year and the  
14 expenditure of funds related to the processes and activities  
15 identified by the council. The report shall also include an  
16 overview of the activities identified for the succeeding year. The  
17 council shall submit this report to the state transportation  
18 commission, the legislature, and the transportation committees of  
19 the house and senate by May 2 of each year.