

## ROAD AGENCY COMPLIANCE & REPORTING

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### House Bill 5301

Sponsor: Rep. Amanda Price

### House Bill 5302

Sponsor: Rep. Roy Schmidt

### House Bill 5313

Sponsor: Rep. Bradford Jacobsen

Committee: Transportation

Complete to 2-7-12

## A SUMMARY OF HOUSE BILLS 5301, 5302, & 5313, AS INTRODUCED 1-26-2012

House Bills 5301, 5302, and 5313 would establish new requirements for certain counties, county road commissions, and other local road agencies (cities and villages). The requirements in the three bills are effectively the same. The three bills amend three different acts in order to cover agencies established under the different acts.

House Bill 5301 would amend the 1966 PA 293, the act which provided for charter counties in Michigan. House Bill 5313 would amend the 1973 PA 139, the act which provided for optional unified form of county government in Michigan. House Bill 5302 would amend the 1951 PA 51, the act which generally governs transportation funding in Michigan. House Bill 5302 would establish the new requirements on "local road agencies," a defined term under a companion bill, House Bill 5303.

The specific requirements of the bills are as follows:

### *Certification*

Subsection (1) of all three bills requires that, beginning September 30, 2014, each agency annually certify to the Michigan Department of Transportation that it satisfies certain specified conditions:

(a) The agency is in compliance with the Publicly Funded Health Insurance Contribution Act, 2011 PA 152, MCL 15.561 to 15.569. (This new act, generally speaking, limits the amount that public employers can contribute to employee medical benefit plans.)

(b) The agency enrolls new employees in a defined contribution plan.

(c) The agency has adopted and is acting under a road safety plan designed to ensure uniform high safety standards on all roads in this state that, at a minimum, requires the agency to do all of the following:

- Tabulate the location and causation of traffic accidents, use the resulting information to prioritize investment, and provide the resulting information to all law enforcement agencies within the jurisdiction of the agency for use as a guide to enforcement operations.
- Review the warrants and traffic control orders for all traffic control devices erected on agency roads at least every 7 years and remove all unwarranted devices and all devices that are not in compliance with the Michigan Vehicle Code, 1949 PA 300, MCL 257.1 to 257.923, or the Uniform Traffic Code for cities, townships, and villages promulgated by the Michigan State Police.
- Review and adjust the timing of signal devices on its roads to reflect traffic volumes and actual operating speeds at least every 5 years and, where practicable, synchronize the operation of signal devices for minimum delay to traffic.
- Conduct a multidisciplinary road safety audit of each project over \$1 million and of each high-accident location.
- Employ or contract for the services of a licensed traffic engineer.

(d) The agency is in compliance with the asset management requirements of Section 9a of 1951 PA 51, MCL 247.659a.

#### ***Penalty for Non-Compliance***

Subsection (2) of all three bills indicates that if an agency does not make the required certification, the department must withhold all distributions from the Michigan Transportation Fund and the Commercial Corridor Fund "under this act." We assume this section intends for the department to withhold funding from the non-compliant agency, but the language suggests that the department would be required to withhold *all* distributions from the two funds. In addition, we assume that House Bills 5301 and 5313 intend to reference funds distributed under 1951 PA 51, rather than "under this act."

#### ***Dashboard***

The bills direct each agency to develop and implement a "dashboard" to provide information, including information regarding the agency's compliance with the requirements established subsection (1) of the bills, any information compiled by the agency required by subsection (1), and whether distributions from the Michigan Transportation Fund or the Commercial Corridor Fund have been withheld by the department under subsection (2).

#### **The Bills**

With regard to House Bill 5301 the bill would apply to the "county road agency" that functions as a county road commission in counties organized under 1966 PA 293, the act which provided for charter counties in Michigan. There are two counties organized under that act, **Wayne County and Macomb County**.

With regard to House Bill 5313 the bill would apply to the "county road agency" that functions as a county road commission in counties organized under 1973 PA 139, the act

which provided for optional unified form of county government in Michigan. There are two counties organized under that act, **Oakland County and Bay County**.

With regard to House Bill 5302 the bill would apply to the "local road agencies." House Bill 5302 does not define "local road agency;" however, that term is defined in a companion bill, House Bill 5303. Under the definition in House Bill 5303, "local road agency" means a county road commission, a county that had assumed the duties of a county road commission, a city or village receiving \$50,000 or more from the Michigan Transportation Fund in FY 2011-12, or a regional road agency established by interlocal agreement.

House Bill 5313 is tie-barred to House Bill 5303.

### **FISCAL IMPACT:**

The bills would impose various requirements on local road agencies. It is not clear to what extent agencies are already in compliance with the requirements. For example, many local agencies are already in compliance with asset management requirements of Section 9a of 1951 PA 51. In that instance, the bills would simply impose a new reporting requirement and not a new substantive requirement.

Other requirements appear to be new in statute, including the requirement that agencies conduct a multi-disciplinary road safety audit of each project over \$1 million and of each high-accident location, and the requirement that each agency develop and implement a "dashboard." We are also not aware of any requirement in current law that road agencies offer only defined contribution retirement systems. The fiscal impact of such a requirement is unknown.

The new requirements would impose costs on local units of government, although those costs cannot be readily estimated at this time.

Fiscal Analyst: William E. Hamilton

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■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.