



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

BILL



ANALYSIS

Telephone: (517) 373-5383
Fax: (517) 373-1986

House Bill 4790 (Substitute S-4 as reported)
Sponsor: Representative Kevin Cotter
House Committee: Transportation
Senate Committee: Transportation

CONTENT

The bill would amend the county road law to allow a township board, by resolution, to require a county road commission to contract for work on a road project through competitive bidding, if the township contributed at least 50% to the cost. This would apply only to a road project involving unpaved roads with an estimated cost of more than \$25,000, or a project involving paved roads with an estimated cost of more than \$50,000.

If a township board required a county road commission to contract for work through competitive bidding, before accepting bids, the road commission would have to submit the competitive bid process to be used to the township board. At least 30 days before starting the project, the road commission would have to submit to the township board a copy of each competitive bid received for that project and a copy of the contract awarded.

The bill would not prohibit a county road commission from submitting a competitive bid.

If a township contributed at least 50% to the cost of a "very low-volume local road" project, at a minimum, the work would have to comply with the standards adopted by the American Association of State Highway and Transportation Officials for such projects. A county road commission could not impose more stringent construction and design standards on a very low-volume local road project unless they were approved by the township board.

Proposed MCL 224.19c

Legislative Analyst: Julie Cassidy

FISCAL IMPACT

The bill would have no fiscal impact on the State.

Townships and county road commissions could potentially realize cost savings due to competitive bidding. The amount of savings is indeterminate and would depend on the actual bid for projects that would result from the proposed legislation.

Date Completed: 6-13-12

Fiscal Analyst: Joe Carrasco