

**SUBSTITUTE FOR
SENATE BILL NO. 185**

A bill to make appropriations for the state transportation department and certain transportation purposes for the fiscal year ending September 30, 2012; to provide anticipated appropriations for the fiscal year ending September 30, 2013; to provide for the imposition of fees; 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 and local units of government; 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	FOR FISCAL Y

EAR 2011-2012

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the state transportation department and certain state purposes designated in this act for the fiscal year ending September 30, 2012, from the funds indicated in this part. The following is a summary of the appropriations in this part:

STATE TRANSPORTATION DEPARTMENT

APPROPRIATION SUMMARY

Full-time equated unclassified positions..... 6.0

Full-time equated classified positions..... 3,043.3

GROSS APPROPRIATION..... \$ 3,327,770,700

Total interdepartmental grants and intradepartmental

transfers 3,451,500

ADJUSTED GROSS APPROPRIATION..... \$ 3,324,319,200

Federal revenues:

DOT, federal transit administration..... 61,985,000

DOT-FHWA, highway research, planning, and construction 1,082,019,600

DOT-FRA, local rail service assistance..... 100,000

DOT-FRA, rail passenger/HSGT..... 3,000,000

DOT, federal aviation administration..... 94,090,600

Total federal revenues..... 1,241,195,200

Special revenue funds:

Local revenues..... 53,968,500

Total local and private revenues..... 53,968,500

Blue Water Bridge fund..... 16,980,700

Comprehensive transportation fund..... 239,494,100

1	Economic development fund.....	41,819,000
2	IRS debt service rebate.....	7,523,500
3	Intercity bus equipment fund.....	200,000
4	Local bridge fund.....	30,514,300
5	Michigan transportation fund.....	974,103,300
6	Rail freight fund.....	2,000,000
7	State aeronautics fund.....	14,537,700
8	State trunkline fund.....	701,982,900
9	Total other state restricted revenues.....	2,029,155,500
10	State general fund/general purpose.....	\$ 0
11	Sec. 102. DEBT SERVICE	
12	State trunkline.....	\$ 247,449,700
13	Economic development.....	9,174,600
14	Local bridge fund.....	3,261,800
15	Blue Water Bridge fund.....	4,115,000
16	Airport safety and protection plan.....	3,473,500
17	Comprehensive transportation.....	<u>19,998,800</u>
18	GROSS APPROPRIATION.....	\$ 287,473,400
19	Appropriated from:	
20	Federal revenues:	
21	DOT-FHWA, highway research, planning, and construction	53,434,300
22	Special revenue funds:	
23	Blue Water Bridge fund.....	4,115,000
24	Comprehensive transportation fund.....	19,998,800
25	Economic development fund.....	9,174,600
26	Local bridge fund.....	3,261,800
27	IRS debt service rebate.....	7,523,500

1	State aeronautics fund.....	3,473,500
2	State trunkline fund.....	186,491,900
3	State general fund/general purpose.....	\$ 0
4	Sec. 103. COLLECTION, ENFORCEMENT, AND OTHER AGENCY	
5	SUPPORT SERVICES	
6	MTF grant to department of natural resources and	
7	environment	\$ 1,165,900
8	MTF grant to department of state for collection of	
9	revenue and fees	20,000,000
10	MTF grant to department of treasury.....	8,379,000
11	MTF grant to legislative auditor general.....	204,300
12	STF grant to department of attorney general.....	2,817,500
13	STF grant to civil service commission.....	5,697,000
14	STF grant to department of technology, management, and	
15	budget	1,388,000
16	STF grant to department of state police.....	10,586,900
17	STF grant to department of treasury.....	131,600
18	STF grant to legislative auditor general.....	474,600
19	SAF grant to department of attorney general.....	165,900
20	SAF grant to civil service commission.....	150,000
21	SAF grant to department of technology, management, and	
22	budget	40,100
23	SAF grant to department of treasury.....	74,500
24	SAF grant to legislative auditor general.....	19,600
25	CTF grant to department of attorney general.....	177,200
26	CTF grant to civil service commission.....	200,000
27	CTF grant to department of technology, management, and	

1	budget	44,000
2	CTF grant to department of treasury.....	7,600
3	CTF grant to legislative auditor general	<u>25,200</u>
4	GROSS APPROPRIATION.....	\$ 51,748,900
5	Appropriated from:	
6	Special revenue funds:	
7	Comprehensive transportation fund.....	454,000
8	Michigan transportation fund.....	29,749,200
9	State aeronautics fund.....	450,100
10	State trunkline fund.....	21,095,600
11	State general fund/general purpose	\$ 0
12	Sec. 104. EXECUTIVE DIRECTION	
13	Full-time equated unclassified positions..... 6.0	
14	Full-time equated classified positions..... 31.3	
15	Unclassified salaries.....	\$ 602,800
16	Asset management council.....	1,626,400
17	Commission audit--31.3 FTE positions	<u>2,971,800</u>
18	GROSS APPROPRIATION.....	\$ 5,201,000
19	Appropriated from:	
20	Special revenue funds:	
21	Michigan transportation fund.....	1,626,400
22	State trunkline fund.....	3,574,600
23	State general fund/general purpose	\$ 0
24	Sec. 105. BUSINESS SUPPORT	
25	Full-time equated classified positions..... 58.0	
26	Business support services--49.0 FTE positions	\$ 6,215,900
27	Economic development and enhancement programs--9.0 FTE	

1	positions	1,219,800
2	Property management.....	7,915,000
3	Worker's compensation.....	<u>1,760,600</u>
4	GROSS APPROPRIATION.....	\$ 17,111,300
5	Appropriated from:	
6	Special revenue funds:	
7	Comprehensive transportation fund.....	1,590,300
8	Economic development fund.....	381,000
9	Michigan transportation fund.....	213,700
10	State aeronautics fund.....	603,900
11	State trunkline fund.....	14,322,400
12	State general fund/general purpose.....	\$ 0
13	Sec. 106. INFORMATION TECHNOLOGY	
14	Information technology services and projects	\$ <u>28,335,000</u>
15	GROSS APPROPRIATION.....	\$ 28,335,000
16	Appropriated from:	
17	Federal revenues:	
18	DOT-FHWA, highway research, planning, and construction	520,500
19	Special revenue funds:	
20	Blue Water Bridge fund.....	48,400
21	Comprehensive transportation fund.....	195,900
22	Economic development fund.....	37,200
23	Michigan transportation fund.....	258,800
24	State aeronautics fund.....	152,900
25	State trunkline fund.....	27,121,300
26	State general fund/general purpose.....	\$ 0
27	Sec. 107. FINANCE, CONTRACTS, AND SUPPORT SERVICES	

1	Full-time equated classified positions.....	277.5	
2	Financial operations--114.0 FTE positions.....		\$ 10,874,500
3	Contract services--53.6 FTE positions.....		4,853,600
4	Department services--41.9 FTE positions.....		5,098,500
5	Performance excellence--13.0 FTE positions.....		1,427,400
6	Welcome center operations--55.0 FTE positions.....		<u>3,959,400</u>
7	GROSS APPROPRIATION.....		\$ 26,213,400
8	Appropriated from:		
9	Interdepartmental grant revenues:		
10	IDG for accounting service center user charges.....		3,451,500
11	Special revenue funds:		
12	Michigan transportation fund.....		1,976,900
13	State trunkline fund.....		20,785,000
14	State general fund/general purpose.....		\$ 0
15	Sec. 108. TRANSPORTATION PLANNING		
16	Full-time equated classified positions.....	176.0	
17	Statewide planning services--124.0 FTE positions.....		\$ 14,533,700
18	Data collection services--52.0 FTE positions.....		6,887,700
19	Specialized planning services and local studies.....		16,504,800
20	Grants to regional planning councils.....		<u>488,800</u>
21	GROSS APPROPRIATION.....		\$ 38,415,000
22	Appropriated from:		
23	Federal revenues:		
24	DOT-FHWA, highway research, planning, and construction		22,000,000
25	Special revenue funds:		
26	Comprehensive transportation fund.....		960,300
27	Michigan transportation fund.....		6,304,500

1	State aeronautics fund.....	15,000
2	State trunkline fund.....	9,135,200
3	State general fund/general purpose.....	\$ 0
4	Sec. 109. DESIGN AND ENGINEERING SERVICES	
5	Full-time equated classified positions.....	1,491.8
6	Engineering services--799.1 FTE positions.....	\$ 66,623,300
7	Program services--680.7 FTE positions.....	39,482,700
8	Intelligent transportation systems operations--12.0	
9	FTE positions	<u>10,579,200</u>
10	GROSS APPROPRIATION.....	\$ 116,685,200
11	Appropriated from:	
12	Federal revenues:	
13	DOT-FHWA, highway research, planning, and construction	23,529,800
14	Special revenue funds:	
15	Michigan transportation fund.....	6,828,400
16	State trunkline fund.....	86,327,000
17	State general fund/general purpose.....	\$ 0
18	Sec. 110. HIGHWAY MAINTENANCE	
19	Full-time equated classified positions.....	837.7
20	State trunkline operations--837.7 FTE positions	\$ <u>267,017,700</u>
21	GROSS APPROPRIATION.....	\$ 267,017,700
22	Appropriated from:	
23	Special revenue funds:	
24	State trunkline fund.....	267,017,700
25	State general fund/general purpose.....	\$ 0
26	Sec. 111. ROAD AND BRIDGE PROGRAMS	
27	State trunkline federal aid and road and bridge	

1	construction	\$	842,310,000
2	Local federal aid and road and bridge construction...		240,443,000
3	Grants to local programs.....		33,000,000
4	Rail grade crossing.....		3,000,000
5	Local bridge program.....		27,252,500
6	County road commissions.....		570,598,400
7	Cities and villages.....		<u>318,134,200</u>
8	GROSS APPROPRIATION.....	\$	2,034,738,100
9	Appropriated from:		
10	Federal revenues:		
11	DOT-FHWA, highway research, planning, and construction		982,535,000
12	Special revenue funds:		
13	Local funds.....		30,000,000
14	Blue Water Bridge fund.....		7,107,300
15	Local bridge fund.....		27,252,500
16	Michigan transportation fund.....		924,732,600
17	State trunkline fund.....		63,110,700
18	State general fund/general purpose.....	\$	0
19	Sec. 112. BLUE WATER BRIDGE		
20	Full-time equated classified positions..... 41.0		
21	Blue Water Bridge operations--41.0 FTE positions	\$	<u>5,710,000</u>
22	GROSS APPROPRIATION.....	\$	5,710,000
23	Appropriated from:		
24	Special revenue funds:		
25	Blue Water Bridge fund.....		5,710,000
26	State general fund/general purpose.....	\$	0
27	Sec. 113. TRANSPORTATION ECONOMIC DEVELOPMENT		

1	Forest roads.....	\$	5,000,000
2	Rural county urban system.....		2,500,000
3	Target industries/economic redevelopment		8,113,200
4	Urban county congestion.....		8,306,500
5	Rural county primary.....		<u>8,306,500</u>
6	GROSS APPROPRIATION.....	\$	32,226,200
7	Appropriated from:		
8	Special revenue funds:		
9	Economic development fund.....		32,226,200
10	State general fund/general purpose.....	\$	0
11	Sec. 114. AERONAUTICS AND FREIGHT SERVICES		
12	Full-time equated classified positions..... 84.0		
13	Airport improvement services--30.0 FTE positions	\$	3,021,900
14	Aviation services--26.0 FTE positions		4,193,900
15	Freight and safety services--28.0 FTE positions		3,853,900
16	Air service program.....		<u>100,000</u>
17	GROSS APPROPRIATION.....	\$	11,169,700
18	Appropriated from:		
19	Special revenue funds:		
20	Comprehensive transportation fund.....		1,667,400
21	Michigan transportation fund.....		2,186,500
22	State aeronautics fund.....		7,315,800
23	State general fund/general purpose.....	\$	0
24	Sec. 115. PUBLIC TRANSPORTATION SERVICES		
25	Full-time equated classified positions..... 46.0		
26	Passenger transportation services--46.0 FTE positions	\$	<u>6,093,400</u>
27	GROSS APPROPRIATION.....	\$	6,093,400

1	Appropriated from:	
2	Federal revenues:	
3	DOT, federal transit administration.....	862,100
4	Special revenue funds:	
5	Comprehensive transportation fund.....	5,005,000
6	Michigan transportation fund.....	226,300
7	State general fund/general purpose.....	\$ 0
8	Sec. 116. BUS TRANSIT DIVISION: STATUTORY OPERATING	
9	Local bus operating.....	\$ 166,624,000
10	Nonurban operating/capital.....	<u>22,787,900</u>
11	GROSS APPROPRIATION.....	\$ 189,411,900
12	Appropriated from:	
13	Federal revenues:	
14	DOT, federal transit administration.....	21,987,900
15	Special revenue funds:	
16	Comprehensive transportation fund.....	166,624,000
17	Local funds.....	800,000
18	State general fund/general purpose.....	\$ 0
19	Sec. 117. INTERCITY PASSENGER AND FREIGHT	
20	Freight property management.....	\$ 1,000,000
21	Detroit/Wayne County port authority.....	468,200
22	Intercity services.....	6,100,000
23	Rail passenger service.....	11,667,000
24	Freight preservation and development.....	5,100,000
25	Marine passenger service.....	400,000
26	Terminal development.....	<u>461,000</u>
27	GROSS APPROPRIATION.....	\$ 25,196,200

1	Appropriated from:		
2	Federal revenues:		
3	DOT, federal transit administration.....	4,500,000	
4	DOT-FRA, local rail service assistance.....	100,000	
5	DOT-FRA, rail passenger/HSGT.....	3,000,000	
6	Special revenue funds:		
7	Local funds.....	50,000	
8	Comprehensive transportation fund.....	15,346,200	
9	Intercity bus equipment fund.....	200,000	
10	Rail freight fund.....	2,000,000	
11	State general fund/general purpose.....	\$ 0	
12	Sec. 118. PUBLIC TRANSPORTATION DEVELOPMENT		
13	Specialized services.....	\$ 8,913,800	
14	Municipal credit program.....	2,000,000	
15	Transit capital.....	50,048,400	
16	Van pooling.....	195,000	
17	Service initiatives.....	1,415,000	
18	Transportation to work.....	<u>9,700,000</u>	
19	GROSS APPROPRIATION.....	\$ 72,272,200	
20	Appropriated from:		
21	Federal revenues:		
22	DOT, federal transit administration.....	34,635,000	
23	Special revenue funds:		
24	Local funds.....	9,985,000	
25	Comprehensive transportation fund.....	27,652,200	
26	State general fund/general purpose.....	\$ 0	
27	Sec. 119. CAPITAL OUTLAY		

1 (1) BUILDINGS AND FACILITIES

2	Special maintenance, remodeling, and additions	\$	3,001,500
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3	GROSS APPROPRIATION.....	3,001,500
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4 Appropriated from:

5	State trunkline fund.....	3,001,500
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6	State general fund/general purpose	\$	0
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7 (2) AIRPORT IMPROVEMENT PROGRAMS

8	Airport safety, protection, and improvement program ..	\$	109,750,600
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9	GROSS APPROPRIATION.....	109,750,600
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10 Appropriated from:

11 Federal revenues:

12	DOT, federal aviation administration.....	94,090,600
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13 Special revenue funds:

14	Local funds.....	13,133,500
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15	State aeronautics fund.....	2,526,500
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16	State general fund/general purpose	\$	0
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17 PART 2

18 PROVISIONS CONCERNING APPROPRIATIONS

19 FOR FISCAL YEAR 2011-2012

20 GENERAL SECTIONS

21 Sec. 201. Pursuant to section 30 of article IX of the state
22 constitution of 1963, total state spending from state resources
23 under part 1 for fiscal year 2011-2012 is \$2,029,155,500.00 and
24 state spending from state resources to be paid to local units of
25 government for fiscal year 2011-2012 is \$1,182,737,000.00. The

itemized statement below identifies appropriations from which
 spending to units of local government will occur:

DEPARTMENT OF TRANSPORTATION

Grants to regional planning councils.....	\$	488,800
Grants to local programs.....		33,000,000
Rail grade crossing.....		3,000,000
Local bridge program.....		27,252,500
Grants to county road commissions.....		570,598,400
Grants to cities and villages.....		318,134,200
Economic development fund.....		32,226,200
Air service program.....		100,000
Local bus operating.....		166,624,000
Detroit/Wayne County port authority.....		468,200
Marine passenger service.....		400,000
Terminal development.....		461,000
Specialized services.....		3,943,800
Municipal credit program.....		2,000,000
Transit capital.....		16,748,400
Service initiatives.....		65,000
Transportation to work.....		4,700,000
Airport safety, protection, and improvement program.....		<u>2,526,500</u>
Total payments to local units of government.....	\$	1,182,737,000

Sec. 202. The appropriations authorized under this act are
 subject to the management and budget act, 1984 PA 431, MCL 18.1101
 to 18.1594.

Sec. 203. As used in this act:

1 (a) "AASHTO" means the American association of state highway
2 and transportation officials.

3 (b) "ASTM" means the American society for testing and
4 materials.

5 (c) "CTF" means comprehensive transportation fund.

6 (d) "Department" means the department of transportation.

7 (e) "DOT" means the United States department of
8 transportation.

9 (f) "DOT-FHWA" means DOT, federal highway administration.

10 (g) "DOT-FRA" means DOT, federal railroad administration.

11 (h) "DOT-FRA, rail passenger/HSGT" means DOT, federal railroad
12 administration, high-speed ground transportation.

13 (i) "EDF" means economic development fund.

14 (j) "FTE" means full-time equated.

15 (k) "IRS" means the internal revenue service.

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

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

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

19 (o) "STF" means state trunkline fund.

20 Sec. 204. The civil service commission shall bill the
21 departments and agencies at the end of the first fiscal quarter for
22 the 1% charge authorized by section 5 of article XI of the state
23 constitution of 1963. Payments shall be made for the total amount
24 of the billing by the end of the second fiscal quarter.

25 Sec. 206. (1) In addition to the funds appropriated in part 1,
26 there is appropriated an amount not to exceed \$200,000,000.00 for
27 federal contingency funds. These funds are not available for

1 expenditure until they have been transferred to another line item
2 in this act pursuant to section 393(2) of the management and budget
3 act, 1984 PA 431, MCL 18.1393.

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

10 (3) In addition to the funds appropriated in part 1, there is
11 appropriated an amount not to exceed \$1,000,000.00 for local
12 contingency funds. These funds are not available for expenditure
13 until they have been transferred to another line item in this act
14 pursuant to section 393(2) of the management and budget act, 1984
15 PA 431, MCL 18.1393.

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

22 Sec. 207. (1) The department shall maintain a searchable
23 website accessible by the public at no cost that includes, but is
24 not limited to, all of the following:

25 (a) Fiscal year-to-date expenditures by category.

26 (b) Fiscal year-to-date expenditures by appropriation unit.

27 (c) Fiscal year-to-date payments to a selected vendor,

1 including the vendor name, payment date, payment amount, and
2 payment description.

3 (d) The number of active department employees by job
4 classification.

5 (e) Job specifications and wage rates.

6 (2) The department may develop and operate its own website to
7 provide this information or may reference the state's central
8 transparency website as the source for this information.

9 Sec. 208. Unless otherwise specified, the department shall use
10 the Internet to fulfill the reporting requirements of this act.
11 This requirement may include transmission of reports via electronic
12 mail to the recipients identified for each reporting requirement or
13 it may include placement of reports on an Internet or Intranet
14 site.

15 Sec. 209. Funds appropriated in part 1 shall not be used for
16 the purchase of foreign goods or services, or both, if
17 competitively priced and of comparable quality American goods or
18 services, or both, are available. Preference shall be given to
19 goods or services, or both, manufactured or provided by Michigan
20 businesses, if they are competitively priced and of comparable
21 quality. In addition, preference shall be given to goods or
22 services, or both, that are manufactured or provided by Michigan
23 businesses owned and operated by veterans, if they are
24 competitively priced and of comparable quality.

25 Sec. 211. Amounts appropriated in part 1 for information
26 technology may be designated as work projects and carried forward
27 to support technology projects under the direction of the

1 department of technology, management, and budget. Funds designated
2 in this manner are not available for expenditure until approved as
3 work projects under section 451a of the management and budget act,
4 1984 PA 431, MCL 18.1451a.

5 Sec. 212. The department and agencies receiving appropriations
6 in part 1 shall receive and retain copies of all reports funded
7 from appropriations in part 1. Federal and state guidelines for
8 short-term and long-term retention of records shall be followed.
9 The department may electronically retain copies of reports unless
10 otherwise required by federal and state guidelines.

11 Sec. 214. From the funds appropriated in part 1 for
12 information technology, the department shall pay user fees to the
13 department of technology, management, and budget for technology-
14 related services and projects. The user fees shall be subject to
15 provisions of an interagency agreement between the department and
16 the department of technology, management, and budget.

17 Sec. 215. A department shall not take disciplinary action
18 against an employee for communicating with a member of the
19 legislature or his or her staff.

20 Sec. 216. When beginning any effort to privatize, the
21 department shall submit a complete project plan to the house of
22 representatives and senate appropriations subcommittees on
23 transportation, the state budget office, and the house and senate
24 fiscal agencies. The plan shall include the rationale for
25 privatization, including a cost-benefit analysis if appropriate.
26 The evaluation shall be completed and submitted to the appropriate
27 senate and house of representatives appropriations subcommittees

1 and the senate and house fiscal agencies. As used in this section,
2 "privatize" or "privatization" means the transfer of state highway
3 maintenance or activities currently performed by department forces,
4 or by boards of county road commissioners, county boards of
5 commissioners, or local units of government under contract with the
6 department, to private contractors.

7 Sec. 228. Not later than November 15, the department shall
8 prepare and transmit a report that provides for estimates of the
9 total general fund/general purpose appropriation lapses at the
10 close of the fiscal year. This report shall summarize the projected
11 year-end general fund/general purpose appropriation lapses by major
12 departmental program or program areas. The report shall be
13 transmitted to the office of the state budget, the chairpersons of
14 the senate and house of representatives standing committees on
15 appropriations, and the senate and house fiscal agencies.

16 Sec. 229. Within 14 days after the release of the executive
17 budget recommendation, the department shall provide the state
18 budget director, the senate and house appropriations chairs, the
19 senate and house appropriations subcommittees on transportation,
20 respectively, and the senate and house fiscal agencies with an
21 annual report on estimated state restricted fund balances, state
22 restricted fund projected revenues, and state restricted fund
23 expenditures for the fiscal years ending September 30, 2011 and
24 September 30, 2012.

25 Sec. 260. (1) Due to the current budgetary problems in this
26 state, out-of-state travel shall be limited to situations in which
27 1 or more of the following conditions apply:

1 (a) The travel is required by legal mandate or court order or
2 for law enforcement purposes.

3 (b) The travel is necessary to protect the health or safety of
4 Michigan citizens or visitors or to assist other states in similar
5 circumstances.

6 (c) The travel is necessary to produce budgetary savings or to
7 increase state revenues, including protecting existing federal
8 funds or securing additional federal funds.

9 (d) The travel is necessary to comply with federal
10 requirements.

11 (e) The travel is necessary to secure specialized training for
12 staff that is not available within this state.

13 (f) The travel is financed entirely by federal or nonstate
14 funds.

15 (2) If out-of-state travel is necessary but does not meet 1 or
16 more of the conditions in subsection (1), the state budget director
17 may grant an exception to allow the travel. Any exceptions granted
18 by the state budget director shall be reported on a monthly basis
19 to the house and senate appropriations committees.

20 (3) Not later than January 1 of each year, each department
21 shall prepare a travel report listing all travel by classified and
22 unclassified employees outside this state in the immediately
23 preceding fiscal year that was funded in whole or in part with
24 funds appropriated in the department's budget. The report shall be
25 submitted to the chairs and members of the house and senate
26 appropriations committees, the fiscal agencies, and the state
27 budget director. The report shall include the following

1 information:

2 (a) The name of each person receiving reimbursement for travel
3 outside this state or whose travel costs were paid by this state.

4 (b) The destination of each travel occurrence.

5 (c) The dates of each travel occurrence.

6 (d) A brief statement of the reason for each travel
7 occurrence.

8 (e) The transportation and related costs of each travel
9 occurrence, including the proportion funded with state general
10 fund/general purpose revenues, the proportion funded with state
11 restricted revenues, the proportion funded with federal revenues,
12 and the proportion funded with other revenues.

13 (f) A total of all out-of-state travel funded for the
14 immediately preceding fiscal year.

15 Sec. 262. Funds appropriated in part 1 shall not be used by a
16 principal executive department, state agency, or authority to hire
17 a person to provide legal services that are the responsibility of
18 the attorney general. This prohibition does not apply to legal
19 services for bonding activities and for those activities that the
20 attorney general authorizes.

21 Sec. 263. (1) The department shall report no later than April
22 1, 2012 on each specific policy change made to implement a public
23 act affecting the department that took effect during the prior
24 calendar year to the house and senate appropriations subcommittees
25 on the budget for the department, the joint committee on
26 administrative rules, and the senate and house fiscal agencies.

27 (2) Funds appropriated in part 1 shall not be used by the

1 department to adopt a rule that will apply to a small business and
2 that will have a disproportionate economic impact on small
3 businesses because of the size of those businesses if the
4 department fails to reduce the disproportionate economic impact of
5 the rule on small businesses as provided under section 40 of the
6 administrative procedures act of 1969, 1969 PA 306, MCL 24.240.

7 (3) As used in this section:

8 (a) "Rule" means that term as defined under section 7 of the
9 administrative procedures act of 1969, 1969 PA 306, MCL 24.207.

10 (b) "Small business" means that term as defined under section
11 7a of the administrative procedures act of 1969, 1969 PA 306, MCL
12 24.207a.

13 Sec. 270. In order to reduce costs and maintain quality, it is
14 the intent of the legislature that, excluding the fleet of motor
15 vehicles for the department of state police, the department will
16 prioritize the utilization of remanufactured parts as the primary
17 means of maintenance and repair for the state of Michigan's fleet
18 of motor vehicles.

19 **DEPARTMENTAL SECTIONS**

20 Sec. 301. (1) The department may establish a fee schedule and
21 collect fees sufficient to cover the costs to issue the permits
22 that the department is authorized by law to issue upon request,
23 unless otherwise stipulated by law. All permit fees are
24 nonrefundable application fees and shall be credited to the
25 appropriate fund to recover the direct and indirect costs of
26 receiving, reviewing, and processing the requests.

1 (2) A bridge authority shall hold 3 public hearings on an
2 increase in any toll charged by the authority at least 30 days
3 before the toll change will become effective. Two of the hearings
4 shall be held within 5 miles of the bridge over which the bridge
5 authority has jurisdiction. One hearing shall be held in Lansing.
6 Public hearings held under this section shall be conducted in
7 accordance with the open meetings act, 1976 PA 267, MCL 15.261 to
8 15.275, and shall be conducted so as to provide a reasonable
9 opportunity for public comment, including both spoken and written
10 comments.

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

16 Sec. 304. If, as a requirement of bidding on a highway
17 project, the department requires a contractor to submit financial
18 or proprietary documentation as to how the bid was calculated, that
19 bid documentation shall be kept confidential and shall not be
20 disclosed other than to a department representative without the
21 contractor's written consent. The department may disclose the bid
22 documentation if necessary to address or defend a claim by a
23 contractor.

24 Sec. 305. The department shall permit space on public
25 passenger transportation properties to be occupied by public or
26 private tenants on a competitive market rate basis. The department
27 shall require that revenue from the tenants be placed in an account

1 to be used to pay the costs to maintain and improve the property.

2 Sec. 306. (1) The amounts appropriated in section 103 to
3 support tax and fee collection, law enforcement, and other program
4 services provided to the department and to transportation funds by
5 other state departments shall be expended from transportation funds
6 pursuant to annual contracts between the department and those other
7 state departments. The contracts shall be executed prior to the
8 expenditure or obligation of those funds. The contracts shall
9 provide, but are not limited to, the following data applicable to
10 each state department:

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

12 (b) Description of services provided to the department and/or
13 transportation funds and financed with transportation funds.

14 (c) Detailed cost allocation methods appropriate to the type
15 of services being provided and the activities financed with
16 transportation funds.

17 (2) Not later than 2 months after publication of the state of
18 Michigan comprehensive annual financial report, each state
19 department receiving funding pursuant to an interdepartment
20 contract with the department shall submit a written report to the
21 department, the state budget director, and the house and senate
22 fiscal agencies stating by spending authorization account the
23 amount of estimated funds contracted with the department, the
24 amount of funds expended, the amount of funds returned to the
25 transportation funds, and any unreimbursed transportation-related
26 costs incurred but not billed to transportation funds. A copy of
27 the report shall be submitted to the auditor general, and the

1 report shall be subject to audit by the auditor general as provided
2 in subsection (3).

3 (3) In addition to the requirements of subsection (2), the
4 state treasurer shall develop a cost allocation plan to identify
5 the actual costs of work based on time and effort performed by the
6 department of treasury for state-restricted transportation funds.
7 The cost allocation plan shall specifically identify the costs of
8 collecting constitutionally restricted motor fuel taxes. The cost
9 allocation plan shall be submitted to the senate and house of
10 representatives standing committees on appropriations subcommittees
11 on general government, the senate and house fiscal agencies, the
12 auditor general, and the state budget director by November 1. The
13 cost allocation plan shall be subject to audit by the auditor
14 general.

15 (4) Biennially, in each even-numbered fiscal year, the auditor
16 general shall conduct an audit of charges to transportation funds
17 by state departments for the 2 preceding fiscal years. The audit
18 shall include both charges governed by interdepartmental contracts
19 as well as miscellaneous charges from other state departments not
20 governed by contracts. The auditor general shall prepare a detailed
21 report, with recommendations and conclusions, including a summary
22 of charges and related services to transportation funds by
23 department, the appropriateness of those charges, the cost
24 allocation methodologies used in determining the level of funding,
25 and any unreimbursed transportation-related costs, if any. The
26 report shall be provided to the senate and house of representatives
27 committees on appropriations, the senate and house fiscal agencies,

1 and the state budget director 9 months after publication of the
2 state of Michigan comprehensive annual financial report.

3 Sec. 307. Before March 1 of each year, the department will
4 provide to the legislature, the state budget office, and the house
5 and senate fiscal agencies its rolling 5-year plan listing by
6 county or by county road commission all highway construction
7 projects for the fiscal year and all expected projects for the
8 ensuing fiscal years.

9 Sec. 308. (1) The department and local road agencies that
10 receive appropriations under this act shall pursue compliance with
11 contract specifications for construction and maintenance of state
12 highways and local roads and streets. Work shall not be accepted
13 and paid for until it complies with contract requirements.
14 Contractors with unsatisfactory performance ratings shall be
15 restricted from future bidding through the prequalification process
16 established by the department or a local road agency. The
17 department, county road commissions, and cities and villages shall
18 report to the house of representatives and senate appropriations
19 subcommittees on transportation, the senate and house fiscal
20 agencies, and the state budget director on their respective
21 activities under this section.

22 (2) A contractor's prequalification rating shall not be
23 reduced or restricted until all administrative appeals have been
24 completed. The department can take immediate action regarding a
25 contractor's prequalification rating for public safety reasons or
26 to prevent fraud and malfeasance of public funds.

27 Sec. 309. The department shall continue its efforts to reduce

1 administrative costs and provide the maximum funding possible for
2 construction projects.

3 Sec. 310. The department shall provide in a timely manner
4 copies of the agenda and approved minutes of monthly transportation
5 commission meetings to the members of the house and senate
6 appropriations subcommittees on transportation, the house and
7 senate fiscal agencies, and the state budget director.

8 Sec. 312. At the close of the fiscal year, any unencumbered
9 and unexpended balance in the state trunkline fund shall remain in
10 the state trunkline fund and shall carry forward and is
11 appropriated for federal aid road and bridge programs for projects
12 contained in the annual state transportation program.

13 Sec. 313. (1) From funds appropriated in part 1, the
14 department may increase a state infrastructure bank program and
15 grant or loan funds in accordance with regulations of the state
16 infrastructure bank program of the United States department of
17 transportation. The state infrastructure bank is to be administered
18 by the department for the purpose of providing a revolving, self-
19 sustaining resource for financing transportation infrastructure
20 projects.

21 (2) In addition to funds provided in subsection (1), money
22 received by the state as federal grants, repayment of state
23 infrastructure bank loans, or other reimbursement or revenue
24 received by the state as a result of projects funded by the program
25 and interest earned on that money shall be deposited in the
26 revolving state infrastructure bank fund and shall be available for
27 transportation infrastructure projects. At the close of the fiscal

1 year, any unencumbered funds remaining in the state infrastructure
2 bank fund shall remain in the fund and be carried forward into the
3 succeeding fiscal year.

4 Sec. 319. The department shall post signs at each rest area to
5 identify the agency or contractor responsible for maintenance of
6 the rest area. The signs shall include a department telephone
7 number and shall indicate that unsafe or unclean conditions at the
8 rest area may be reported to that telephone number.

9 Sec. 353. The department shall review its contractor payment
10 process and ensure that all prime contractors are paid promptly.
11 The department shall ensure that prime contractors are in
12 compliance with special provision 109.10 regarding the prompt
13 payment of subcontractors.

14 Sec. 354. On or before March 1, 2012, the department shall
15 solicit and evaluate proposals for services related to the audit of
16 vendor and contract payments and the recovery of overpayments and
17 duplicate payments. The department shall report to the house and
18 senate committees on appropriations and the house and senate fiscal
19 agencies on the results of the proposal solicitation and results of
20 the subsequent payment audits.

21 Sec. 357. When presented with complete local federal aid
22 project submittals, the department shall complete all necessary
23 reviews and inspections required to let local federal aid projects
24 within 120 days of receipt. The department shall implement a system
25 for monitoring the local federal aid project review process.

26 Sec. 375. The department is prohibited from reimbursing
27 contractors or consultants for costs associated with groundbreaking

1 ceremonies, receptions, open houses, or press conferences related
2 to transportation projects funded, in whole or in part, by revenue
3 appropriated in part 1.

4 Sec. 382. The department and the state budget office shall
5 provide for an independent study of the state government needs for
6 a state aircraft fleet. The department and the state budget office
7 shall review the findings of that study and the costs associated
8 with the current fleet or other arrangements for air travel. The
9 department and the state budget office shall report the findings to
10 the legislature no later than March 30, 2012, and shall consider
11 those findings in any decision to sell airplanes.

12 Sec. 383. (1) The department shall prepare an annual report on
13 all travel by executive branch employees, and others including
14 local public officials, university employees, and other public
15 employees on department-owned aircraft. The report shall include,
16 by department, the name of the traveler, the travel origination
17 location, the travel destination location, type of aircraft, and
18 the total estimated costs associated with the air travel.

19 (2) The report shall be submitted to the senate and house
20 appropriations subcommittees on transportation and the house and
21 senate fiscal agencies no later than July 1.

22 (3) From the funds appropriated in part 1, the department is
23 prohibited from transporting legislators or legislative staff on
24 state-owned aircraft without prior approval from the senate
25 majority leader or the speaker of the house of representatives and
26 only when the aircraft is already scheduled by state employees on
27 related official state business.

1 (4) The department shall maintain a system for recovering the
2 cost of operating department-owned aircraft through charges to
3 aircraft users.

4 Sec. 384. (1) The department shall not expend any state
5 transportation revenue for construction planning or construction of
6 the Detroit River International Crossing or a renamed successor. In
7 addition, except as provided in subsection (3), the department
8 shall not commit the state to any new contract related to the
9 construction planning or construction of the Detroit River
10 International Crossing or a renamed successor unless the
11 legislature has enacted specific enabling legislation to allow for
12 the construction of the Detroit River International Crossing or a
13 renamed successor.

14 (2) On or before March 31, 2012, the department shall report
15 to the state budget director, the house and senate appropriations
16 subcommittees on transportation, and the house and senate fiscal
17 agencies on department activities related to the Detroit River
18 International Crossing or a renamed successor.

19 3) If the legislature enacts specific enabling legislation for
20 the construction of the Detroit River International Crossing or a
21 renamed successor, subsection (1) does not apply once the enabling
22 legislation goes into effect.

23 Sec. 385. (1) The department shall use all available toll
24 credits, as provided by private toll facilities in this state and
25 certified by the federal highway administration, to match available
26 federal aid highway funds.

27 (2) The department shall not use toll credits generated by a

1 private tolled bridge crossing to finance, design, plan, construct,
2 operate, or maintain any international bridge crossing within 5
3 miles of that privately tolled bridge.

4 Sec. 393. The department shall promote best practices for
5 public transportation services in this state, including, but not
6 limited to, the following:

7 (a) Transit vehicle rehabilitation to reduce life-cycle cost
8 of public transportation through mid-life rehabilitation of transit
9 buses.

10 (b) Cooperation between entities using transit, including
11 school districts, cities, townships, and counties with a view to
12 promoting cost savings through joint purchasing of fuel and other
13 procurements.

14 (c) Coordination of transportation dollars among state
15 departments which provide transit-related services, including the
16 department of human services and the department of community
17 health. Priority should be given to use of public transportation
18 services where available.

19 (d) Promotion of intelligent transportation services for buses
20 that incorporate computer and navigation technology to make
21 transit systems more efficient, including stoplight coordinating,
22 vehicle tracking, data tracking, and computerized scheduling.

23 Sec. 398. For the fiscal year ending September 30, 2012, the
24 appropriation to a street railway pursuant to section 10e(22) of
25 1951 PA 51, MCL 247.660e, is \$0.

26 **FEDERAL**

1 Sec. 401. Within 30 days of receiving the applicable fiscal
2 year authorization from the federal government to commit
3 transportation funds, the department shall notify local agency
4 representatives, the senate and house of representatives
5 appropriations transportation subcommittees, the senate and house
6 fiscal agencies, and the state budget director regarding the amount
7 of federal aid for categorical allocations to state and local
8 agency programs not specifically allocated in either federal or
9 state law.

10 Sec. 402. A portion of the federal DOT-FHWA highway research,
11 planning, and construction funds made available to the state shall
12 be allocated to transportation programs administered by local
13 jurisdictions in accordance with section 10o of 1951 PA 51, MCL
14 247.660o. A local road agency, with respect to a project approved
15 for federal aid funding in a state transportation improvement
16 program, may enter into a voluntary buyout agreement with the
17 department or with another local road agency to exchange the
18 federal aid with state restricted transportation funds as agreed to
19 by the respective parties. The state restricted transportation
20 funds received in exchange for federal aid funds shall be used for
21 the same purpose as the federal aid funds were originally intended.

22 **MICHIGAN TRANSPORTATION FUND**

23 Sec. 501. The money received under the motor carrier act, 1933
24 PA 254, MCL 475.1 to 479.43, and not appropriated to the department
25 of energy, labor, and economic growth or the department of state
26 police is deposited in the Michigan transportation fund.

1 Sec. 503. (1) The funds appropriated in part 1 for the
2 economic development and local bridge programs shall not lapse at
3 the end of the fiscal year but shall carry forward each fiscal year
4 for the purposes for which appropriated in accordance with 1987 PA
5 231, MCL 247.901 to 247.913, and section 10(5) of 1951 PA 51, MCL
6 247.660.

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

11 (3) In addition to the funds appropriated in part 1, the
12 department of transportation economic development fund and local
13 bridge fund may receive federal, local, or private funds or
14 restricted source funds such as interest earnings. These funds are
15 appropriated for projects that are consistent with the purposes of
16 the respective funds.

17 (4) None of the funds statutorily dedicated to the
18 transportation economic development fund and local bridge fund
19 shall be diverted to other projects.

20 Sec. 504. Funds from the Michigan transportation fund (MTF)
21 shall be distributed to the comprehensive transportation fund
22 (CTF), the economic development fund (EDF), the recreation
23 improvement fund (RIF), and the state trunkline fund (STF), in
24 accordance with this act and part 711 of the natural resources and
25 environmental protection act, 1994 PA 451, MCL 324.71101 to
26 324.71108, and may only be used as specified in this act, 1951 PA
27 51, MCL 247.651 to 247.675, and part 711 of the natural resources

1 and environmental protection act, 1994 PA 451, MCL 324.71101 to
2 324.71108.

3 **STATE TRUNKLINE FUND**

4 Sec. 601. The department shall work with the road construction
5 industry and engineering consulting community to develop
6 performance and road construction warranties for construction
7 contracts. The development of warranties shall include warranties
8 on materials, workmanship, performance criteria, and design/build
9 projects. The department will report by September 30 of each
10 calendar year to the house of representatives and senate
11 appropriations subcommittees on transportation, the state budget
12 director, and the house and senate fiscal agencies on the status of
13 efforts to develop performance and road construction warranties.

14 Sec. 602. If the department uses manufactured pipe for road
15 construction drainage, the department shall require that pipe used
16 under certain load-bearing conditions beneath the roadway meets the
17 standards established by the American society for testing and
18 materials (ASTM) or American association of state highway and
19 transportation officials (AASHTO). The department may also use the
20 mandrel test for manufactured pipe 60 days after installation and
21 provide a summary of the results of these inspections to the house
22 of representatives and senate appropriations subcommittees on
23 transportation and house and senate fiscal agencies.

24 Sec. 603. The department shall use traffic congestion as 1 of
25 the criteria in determining the priorities for designating which
26 roads shall be remediated in its 5-year road plan, which must be

1 submitted on or before March 1 of each year. Criteria for
2 evaluating traffic congestion shall include, but not be limited to,
3 coordination with local, county, and regional planning, improvement
4 in traffic operations, improvement in physical roadway conditions,
5 accident reduction, and coordination with area public
6 transportation planning.

7 Sec. 610. It is the intent of the legislature that the
8 department have as a priority the removal of dead deer and other
9 large animal remains from the traveled portion and shoulder of
10 state highways. The department, and counties that perform state
11 highway maintenance under contract, shall remove animal remains,
12 wherever practicable, away from the traveled portion and shoulder
13 of state highways.

14 Sec. 612. The department shall establish guidelines governing
15 incentives and disincentives provided under contracts for state
16 trunkline projects. The guidelines shall include specific financial
17 information concerning incentives and disincentives. On or before
18 January 1 of each year, the department shall prepare a report for
19 the immediately preceding fiscal year regarding contract incentives
20 and disincentives. This report shall include a list, by project, of
21 the contractors that received contract incentives and/or
22 disincentives, the amount of the incentives and/or disincentives,
23 and the number of days that each project was completed either ahead
24 or past the contracted completion date. This report shall be
25 provided to the senate and house appropriations subcommittees on
26 transportation, the senate and house standing committees on
27 transportation, and the senate and house fiscal agencies.

1 Sec. 660. (1) The legislature encourages the department to
2 examine the use of alternative road surface materials, including
3 recycled materials, and to develop criteria and specifications for
4 their use in both department-managed and contracted projects.

5 (2) The department shall evaluate the use of a bituminous mix
6 which incorporates crumb rubber from scrap tires.

7 Sec. 664. It is the intent of the legislature that if actual
8 state-restricted revenue deposited to the Michigan transportation
9 fund exceeds the revenue estimates upon which the appropriations in
10 part 1 of this act were based, the department shall give priority
11 to reinstating delayed and deferred projects.

12 COMPREHENSIVE TRANSPORTATION FUND

13 Sec. 701. Money that is received by the state as a lease
14 payment for state-owned intercity bus equipment is not money to be
15 deposited in the comprehensive transportation fund under section
16 10b of 1951 PA 51, MCL 247.660b, but is money that is deposited in
17 an intercity bus equipment fund for appropriation for the purchase
18 and repair of intercity bus equipment. Proceeds received by the
19 state from the sale of intercity bus equipment are deposited in an
20 intercity bus equipment fund for appropriation for the purchase and
21 repair of intercity bus equipment. Security deposits from the lease
22 of state-owned intercity bus equipment not returned to the lessee
23 of the equipment under terms of the lease agreement are deposited
24 in an intercity bus equipment fund for appropriation for the repair
25 of intercity bus equipment. At the close of the fiscal year, any
26 funds remaining in the intercity bus equipment fund shall remain in

1 the fund and be carried forward into the succeeding fiscal year.

2 Sec. 702. Money that is received by the state as repayment for
3 loans made for rail or water freight capital projects, and as a
4 result of the sale of property or equipment used or projected to be
5 used for rail or water freight projects shall be deposited in the
6 fund created by section 17 of the state transportation preservation
7 act of 1976, 1976 PA 295, MCL 474.67. At the close of the fiscal
8 year, any funds remaining in the rail freight fund shall remain in
9 the fund and be carried forward into the succeeding fiscal year.

10 Sec. 703. After receiving notification from a railroad company
11 pursuant to section 8 of the state transportation preservation act
12 of 1976, 1976 PA 295, MCL 474.58, the department shall immediately
13 notify the house of representatives and senate appropriations
14 subcommittees on transportation and the state budget office that
15 the railroad company has filed with the appropriate governmental
16 agencies for abandonment of a line.

17 Sec. 706. The Detroit/Wayne County port authority shall issue
18 a complete operations assessment and a financial disclosure
19 statement. The operations assessment shall include operational
20 goals for the next 5 years and recommendations to improve land
21 acquisition and development efficiency. The report shall be
22 completed and submitted to the house of representatives and senate
23 appropriations subcommittees on transportation, the state budget
24 director, and the house and senate fiscal agencies by February 15
25 of each fiscal year for the prior fiscal year.

26 Sec. 708. If funds appropriated in part 1 are used to provide
27 state-owned or state-leased buses to private intercity bus

1 carriers, the department shall charge not less than \$1,000.00 per
2 bus per year for their use.

3 Sec. 711. (1) From the funds appropriated in part 1 from the
4 comprehensive transportation fund for rail passenger service, the
5 department shall negotiate with a rail carrier to provide rail
6 service between Grand Rapids and Chicago and between Port Huron and
7 Chicago, consistent with the other provisions of this section.

8 (2) The rail carrier shall, as a condition to receiving a
9 state operating subsidy, maintain a system to monitor, collect, and
10 resolve customer complaints and shall make the information
11 available to the department, the house and senate appropriations
12 subcommittees on transportation, and the house and senate fiscal
13 agencies.

14 (3) Future state support for the service between Grand Rapids
15 and Chicago and Port Huron and Chicago is dependent on the
16 department's ability to provide a plan and a contract for services
17 that increase ridership and revenue, reduce operating costs, and
18 improve on-time performance.

19 (4) No state subsidy shall be provided from the funds
20 appropriated in part 1 if the chosen rail carrier is Amtrak and
21 Amtrak discontinued service or any portion of the service between
22 Port Huron and Chicago or Grand Rapids and Chicago during the
23 preceding fiscal year, unless the discontinuance of service was for
24 track maintenance or was caused by acts of God.

25 (5) For rail passenger service supported in any part through
26 capital or operating assistance from funds appropriated in this
27 act, the department shall work with the rail carrier to identify

1 ways in which reasonable transport of bicycles by passengers can be
2 accommodated.

3 (6) The department shall report to the house and senate
4 appropriations subcommittees on transportation, and the house and
5 senate fiscal agencies, not later than July 1, 2012, on the status
6 of capital grants related to rail passenger service in Michigan.
7 The report shall identify, and describe the status of, capital
8 improvement projects related to higher train speeds, reduced travel
9 time, station renovations, and other service improvements. The
10 report shall also identify actual or anticipated costs of these
11 projects, funding sources, and anticipated costs and funding
12 sources required to maintain the improvements.

13 Sec. 714. The department, in cooperation with local transit
14 agencies, shall work to ensure that demand-response services are
15 provided throughout Michigan. The department shall continue to work
16 with local units of government to address the unmet transit needs
17 in Michigan.

18 Sec. 731. The department shall charge public transit agencies
19 and intercity bus carriers equal rates per square foot for leasing
20 space in state-owned intermodal facilities.

21 Sec. 734. (1) The department shall ensure that all public
22 transit agencies provide the highest quality public transit service
23 by moving people in a cost-effective, safe, and user-friendly
24 manner that maintains and attracts residents and businesses.

25 (2) Public transit agencies receiving funds under part 1 shall
26 do all of the following:

27 (a) Provide efficient, cost-effective, safe, well-maintained,

1 reliable, customer-driven transportation services.

2 (b) Provide a quality work environment that has and fulfills
3 employee performance, productivity, and development standards.

4 (c) Identify and capture all available funding or create cost-
5 effective programs to eliminate debt and have a balanced budget.

6 (d) Maintain sufficient local and community funding.

7 (e) Support business development by providing transportation
8 to areas of employment and commerce, emerging or established
9 businesses, and health care facilities.

10 Sec. 740. The department shall report by March 1 of each year
11 to the house of representatives and senate appropriations
12 subcommittees on transportation, the house and senate fiscal
13 agencies, and the state budget director the encumbered and
14 unencumbered balances of the comprehensive transportation fund.

15 **AERONAUTICS FUND**

16 Sec. 801. Except as otherwise provided in section 903 for
17 capital outlay, at the close of the fiscal year, any unobligated
18 and unexpended balance in the state aeronautics fund created in the
19 aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.1
20 to 259.208, shall lapse to the state aeronautics fund and be
21 appropriated by the legislature in the immediately succeeding
22 fiscal year.

23 **CAPITAL OUTLAY**

24 Sec. 901. (1) From federal-state-local project appropriations
25 contained in part 1 for the purpose of assisting political entities

1 and subdivisions of this state in the construction and improvement
2 of publicly used airports and landing fields within this state, the
3 state transportation department may permit the award of contracts
4 on behalf of units of local government for the authorized locations
5 not to exceed the indicated amounts, of which the state allocated
6 portion shall not exceed the amount appropriated in part 1.

7 (2) Political entities and subdivisions shall provide not less
8 than 2.5% of the cost of any project under this section, unless a
9 total nonfederal share greater than 5% is otherwise specified in
10 federal law. State money shall not be allocated until local money
11 is allocated. State money for any 1 project shall not exceed 1/3 of
12 the total appropriation in part 1 from state funds for airport
13 improvement programs.

14 (3) The Michigan aeronautics commission may take those steps
15 necessary to match federal money available for airport construction
16 and improvement within this state and to meet the matching
17 requirements of the federal government. Whether acting alone or
18 jointly with another political subdivision or public agency or with
19 this state, a political subdivision or public agency of this state
20 shall not submit to any agency of the federal government a project
21 application for airport planning or development unless it is
22 authorized in this act and the project application is approved by
23 the governing body of each political subdivision or public agency
24 making the application and by the Michigan aeronautics commission.

25 Sec. 902. Before the end of each fiscal year, the state
26 transportation department shall report to the house and senate
27 appropriations subcommittees on transportation the status of

1 airport improvement projects funded in part 1 with the estimated
2 dollars allocated for each project. If there has to be a delay in
3 reporting, the state transportation department shall notify the
4 house and senate appropriations subcommittees on transportation in
5 writing of the date the report will be received.

6 Sec. 903. The appropriations in part 1 for capital outlay
7 shall be carried forward at the end of the fiscal year consistent
8 with the provisions of section 248 of the management and budget
9 act, 1984 PA 431, MCL 18.1248.

10 Sec. 904. (1) The director shall allocate lump-sum
11 appropriations made in this act consistent with statutory
12 provisions and the purposes for which funds were appropriated.
13 Lump-sum allocations shall address priority program or facility
14 needs and may include, but are not limited to, design,
15 construction, remodeling and addition, special maintenance, major
16 special maintenance, energy conservation, and demolition.

17 (2) The state budget director may authorize that funds
18 appropriated for lump-sum appropriations and designated as work
19 project appropriations shall be available for no more than 3 fiscal
20 years following the fiscal year in which the original appropriation
21 was made. Any remaining balance from allocations made in this
22 section shall lapse to the fund from which it was appropriated
23 pursuant to the lapsing of funds as provided in the management and
24 budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

25 **ONE-TIME BASIS ONLY**

26 Sec. 1001. For the state fiscal year ending September 30,

1 2012, there is appropriated from general fund/general purpose
 2 revenue, on a 1-time basis only, \$500,000.00 for the following
 3 purpose:

4 Maintenance of 2 swing bridges..... \$ 500,000

5 PART 2A
 6 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS
 7 FOR FISCAL YEAR 2012-2013

8 **GENERAL SECTIONS**

9 Sec. 1201. It is the intent of the legislature to provide
 10 appropriations for the fiscal year ending on September 30, 2013 for
 11 the line items listed in part 1. The fiscal year 2012-2013
 12 appropriations are anticipated to be the same as those for fiscal
 13 year 2011-2012, except that the line items will be adjusted for
 14 changes in caseload and related costs, federal fund match rates,
 15 economic factors, and available revenue. These adjustments will be
 16 determined after the January 2012 consensus revenue estimating
 17 conference.