

Act No. 301
Public Acts of 2014
Approved by the Governor
October 9, 2014
Filed with the Secretary of State
October 9, 2014
EFFECTIVE DATE: October 9, 2014

**STATE OF MICHIGAN
97TH LEGISLATURE
REGULAR SESSION OF 2014**

Introduced by Senator Casperson

ENROLLED SENATE BILL No. 882

AN ACT 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 promote safe and efficient travel for motor vehicle drivers, bicyclists, pedestrians, and other legal users of roads, streets, and highways; 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 18j (MCL 247.668j), as added by 2012 PA 506.

The People of the State of Michigan enact:

Sec. 18j. (1) Beginning September 30, 2015, each local road agency shall annually certify to the department that it satisfies 1 of the following conditions with respect to employees:

(a) The local road agency has developed and publicized an employee compensation plan that the local road agency intends to implement with any new, modified, or extended contract or employment agreements for employees not

covered under contract or employment agreement. The employee compensation plan that each local road agency plans to achieve shall be posted on a publicly accessible internet site and shall be submitted to the department. At a minimum, the employee compensation plan shall include all of the following:

(i) New employee hires who are eligible for retirement plans are placed on retirement plans that cap annual employer contributions at 10% of base salary for employees who are eligible for social security benefits. For employees who are not eligible for social security benefits, the annual employer contribution is capped at 16.2% of base salary.

(ii) For defined benefit pension plans, a maximum multiplier of 1.5% for all employees who are eligible for social security benefits, except, if postemployment health care is not provided, the maximum multiplier shall be 2.25%. For all employees who are not eligible for social security benefits, a maximum multiplier of 2.25%, except, if postemployment health care is not provided, the maximum multiplier shall be 3.0%. This subparagraph does not apply to years of service accrued prior to September 30, 2013, or to contracts entered into prior to September 30, 2013.

(iii) For defined benefit pension plans, final average compensation for all employees is calculated using a minimum of 3 years of compensation and shall not include more than a total of 240 hours of paid leave. Overtime hours shall not be used in computing the final average compensation for an employee. This subparagraph does not apply to years of service accrued prior to September 30, 2013, or to contracts entered into prior to September 30, 2013.

(iv) Health care premium costs for new employee hires shall include a minimum employee share of 20%; or, an employer's share of the local health care plan costs shall be cost competitive with the new state preferred provider organization health plan, on a per-employee basis.

(b) The local road agency complies with 1 of the following:

(i) A local road agency that offers medical benefits to its employees or elected public officials shall certify to the department by September 30, 2015 that it is in compliance with the publicly funded health insurance contribution act, 2011 PA 152, MCL 15.561 to 15.569. For purposes of this subparagraph, dental and vision coverages are not considered medical benefits. The department shall develop a certification process and method for local road agencies to follow. A local road agency shall indicate in a certification under this subparagraph whether it has exempted itself from the publicly funded health insurance contribution act, 2011 PA 152, MCL 15.561 to 15.569, as provided in section 8 of the publicly funded health insurance contribution act, 2011 PA 152, MCL 15.568.

(ii) A local road agency that does not offer medical benefits to its employees or elected public officials shall certify to the department by September 30, 2015 that it does not offer medical benefits to its employees or elected public officials. For purposes of this subparagraph, dental and vision coverages are not considered medical benefits. The department shall develop a certification process and method for local road agencies to follow.

(2) If a local road agency does not make the certification required under subsection (1), the department may withhold all or part of the distributions to the local road agency from the Michigan transportation fund under this act. A withholding under this subsection shall continue for the period of noncompliance with subsection (1) by the local road agency.

(3) A county road commission shall maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following:

(a) Current fiscal year budget.

(b) The number of active employees of the county road commission by job classification and wage rate.

(c) A financial performance dashboard that contains information on revenues, expenditures, and unfunded liabilities. The county road commission may link to financial information provided by the Michigan transportation asset management council.

(d) The names and contact information for the governing body of the county road commission.

(e) A copy of the certification required by subsection (1).

(4) The department shall maintain a searchable website accessible by the public at no cost. A website maintained by the department under this subsection shall include, but is not limited to, the following:

(a) Current fiscal year budget.

(b) The number of active employees of the department by job classification and wage rate.

(c) A financial performance dashboard that contains information on revenues, expenditures, and unfunded liabilities. The department may link to financial information provided by the Michigan transportation asset management council.

(d) The names and contact information for the governing body of the department.

(5) A county road commission may develop and operate its own website to provide the information required under subsection (3), or the county road commission may reference this state's central transparency website as the source for the information required under subsection (3). If a county road commission does not have a website, the county road commission may post the information required under subsection (3) on the website for the county within which the county road commission is located or on the website of a statewide road association of which the county road commission is a member.

This act is ordered to take immediate effect.

Carol Morey Viventi

Secretary of the Senate

Gay E. Randall

Clerk of the House of Representatives

Approved

.....
Governor