



Senate Fiscal Agency
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BILL ANALYSIS



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House Bill 4610 (Substitute S-1 as reported)
House Bill 4611 (Substitute S-1 as reported)
Sponsor: Representative Aaron Miller (H.B. 4610)
Representative Edward Canfield (H.B. 4611)
House Committee: Roads and Economic Development
Senate Committee: Government Operations

CONTENT

House Bill 4610 (S-1) would amend Chapter IV of Public Act 283 of 1909 (the county road law) to do the following:

- Specify that if a single township, or multiple townships in combination, contributed 50% or more to the cost of a road project and met other conditions, the township board or boards could require the county road commission to use competitive bidding to contract for the work on that project.
- Require a county road commission, if required to contract for work on a project through competitive bidding, to use the responsive and reasonable best value bidder process, and award the contract to a responsive and reasonable best value bidder.
- Specify that if a township, or townships, contributed 50% or more to the cost of a "very low-volume local road project", the work would have to comply with the standards adopted by the American Association of State Highway and Transportation Officials for very low-volume local road projects.

The provisions of the bill that would allow township boards to require competitive bidding by county road commissions would apply only to a road project involving unpaved roads with an estimated cost of more than \$25,000, or a road project involving paved roads with an estimated cost of more than \$50,000.

House Bill 4611 (S-1) would amend Public Act 51 of 1951 (the Michigan Transportation Fund law) to require competitive bidding on all local road agency projects for construction or preservation, except maintenance, costing more than \$100,000, unless an agency found that some other method was in the public interest; and require an agency to report its findings before work was begun.

The bills are tie-barred and would take effect on October 1, 2015.

Proposed MCL 224.19c (H.B. 4610)
MCL 247.661c (H.B. 4611)

FISCAL IMPACT

The bills would have no fiscal impact on the State and an indeterminate fiscal impact on local road agencies and townships. While mandatory competitive bidding could result in savings on some road projects, it also could result in increased administrative costs.

Date Completed: 7-1-15

Fiscal Analyst: Glenn Steffens

[Floor/hb4610](#)

Bill Analysis @ www.senate.michigan.gov/sfa

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.