

**REGIONAL TRANSIT AUTHORITY ACT (EXCERPT)**  
**Act 387 of 2012**

**124.548 Federal operating and capital assistance grants; report; coordination of services.**

Sec. 8.

(1) Beginning on the first day of the fiscal year that begins after the effective date of this act, an authority shall be the designated recipient for its public transit region for purposes of applying for federal operating and capital assistance grants under the moving ahead for progress in the 21st century act, Public Law 112-141, and the regulations promulgated under that act. As the designated recipient of federal transit funds, an authority has the following powers and responsibilities:

(a) Make application for and receive federal transit funds for a public transit region on behalf of an authority or on behalf of 1 or more public transportation providers in the public transit region.

(b) Review an application for planning, operating, or capital assistance for a program under the federal transit act, Public Law 88-365, prior to that application's being submitted by a public transportation provider in the public transit region. In reviewing an application under this subdivision, the authority shall consider how the projects included in the application, on their own and in combination with other applications under review by the authority, will contribute to all of the following:

(i) Effective and efficient transportation services throughout the public transit region.

(ii) Achieving and maintaining the public transit region's transit infrastructure in a state of good repair.

(iii) Coordination of transportation services among public transportation providers.

(iv) Strategic investment in a regional rolling rapid transit system.

(v) Other factors determined appropriate by the board and included in written board policies or procedures.

(c) Approve, disapprove, or request modifications to an application within 60 days after a complete application is submitted to the authority by a public transportation provider.

(2) Beginning on the first day of the fiscal year that begins after the effective date of this act, a public transportation provider in a public transit region shall not submit an application to a federal agency for operating and capital assistance grants under the moving ahead for progress in the 21st century act, Public Law 112-141, and the regulations promulgated under that act, unless the board has approved the application under subsection (1). If a public transportation provider in a public transit region submits an application to a federal agency that has not been approved by the board under subsection (1), the public transportation provider is not eligible to receive matching funds under section 10e of 1951 PA 51, MCL 247.660e, for any projects included in that application.

(3) Beginning on the first day of the fiscal year that begins after the effective date of this act, to the extent required by the moving ahead for progress in the 21st century act, Public Law 112-141, and the regulations promulgated under that act, an authority may execute a supplemental agreement conferring on a public transportation provider in a public transit region the right to receive and dispense federal grant funds for applications that have been approved by the board under subsection (1).

(4) Beginning on the first day of the fiscal year that begins after the effective date of this act, an authority has the sole authority to submit an application to the department for a public transit region for programs provided for in section 10e of 1951 PA 51, MCL 247.660e.

(5) Beginning on the first day of the fiscal year that begins after the effective date of this act, an authority shall require all public transportation providers in a public transit region to submit an annual funding request directly to the authority for each program for which the provider is eligible under section 10e of 1951 PA 51, MCL 247.660e. An authority shall evaluate all requests submitted under this subsection and prepare and submit to the department a single consolidated application for the public transit region for each state program. An application prepared under this subsection shall be submitted by the deadline established by the department. An application prepared under this subsection shall include the proposed dollar amount to be allocated to each public transportation provider for each program. In preparing a consolidated application under this subsection and determining the proposed allocation to each public transportation provider, the board shall consider how the allocations will contribute to each of the following:

(a) The ability of each public transportation provider to maintain current services and infrastructure.

(b) The effectiveness and efficiency of public transportation service throughout the public transit region.

(c) Achieving and maintaining the public transit region's transit infrastructure in a state of good repair.

(d) The matching federal aid for federal applications approved by the board.

(e) The coordination of public transportation services among public transportation providers in the public transit region.

(f) Strategic investment in a regional rolling rapid transit system.

(g) Other factors determined appropriate by the board and included in written board policies or procedures.

(6) Beginning on the first day of the fiscal year that begins after the effective date of this act, a public

transportation provider shall submit the annual funding request required by subsection (5) to an authority in accordance with written procedures adopted by the board and at least 60 days before the application deadline established by the department. A board may withhold payment on current year distributions made to a public transportation provider if that public transportation provider fails to submit a complete annual funding request to the authority at least 60 days before the application deadline established by the department.

(7) If an award of funding by the department is less than the total requested by an authority for a program, the board shall adjust the allocation to each public transportation provider proportionately.

(8) Except as provided in subsection (9), for the programs provided for in section 10e of 1951 PA 51, MCL 247.660e, the department shall only award funds to an authority. An authority shall be responsible for distribution of funds awarded by the department to public transportation providers within a public transit region based on the application approved by the department. An authority is responsible for monitoring and oversight of the use of funds distributed under this subsection by each public transportation provider in the public transit region. Upon receipt of funds from the department, an authority shall distribute the funds allocated to each public transportation provider in a timely manner.

(9) For the programs provided for in section 10e of 1951 PA 51, MCL 247.660e, if the department approves funding to match a federal award, the department may, with the concurrence of an authority, award the funds directly to the public transportation provider that is the federal award recipient.

(10) A board shall adopt procedures for the implementation of subsections (1) to (6) within 90 days after the first board meeting under section 6.

(11) In order to be eligible for a distribution under subsection (8), a public transportation provider shall annually submit a report by a date established by the board. The report shall describe and evaluate the efforts of the public transportation provider to coordinate service with other public transportation providers in that public transit region. The report shall include, but is not limited to, a description of the successful and unsuccessful efforts of the public transportation provider to do all of the following:

(a) Coordinate routes, schedules, fares, and points of transfer.

(b) Provide information or services to riders that help facilitate transfers from 1 public transportation provider to another.

(c) Eliminate or reduce service overlap and duplication.

(12) An authority shall coordinate service overlap, rates, routing, scheduling, and any other function that the authority considers necessary to implement or execute the comprehensive regional transit service plan between authorities, agencies, and owners or operators of public transportation facilities within the public transit region. An authority may issue coordination directives regarding public transportation services, including, but not limited to, routes, schedules, and fares. An authority shall provide notice of coordination directives issued under this subsection to owners and operators of public transportation facilities in the public transit region. An authority may withhold up to 5% of the allocation of state funding under this section from a public transportation provider that fails to comply with a coordination directive of the authority, as determined by the board. A coordination directive issued under this subsection preempts a city, village, or township provision or procedure to the extent that the provision or procedure is in conflict with the coordination directive.

**History:** 2012, Act 387, Imd. Eff. Dec. 19, 2012