

**SUBSTITUTE FOR
HOUSE BILL NO. 5318**

A bill 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 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, critical 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 the title and section 11b (MCL 247.661b), the title as amended by 1997 PA 79 and section 11b as amended by 1992 PA 223.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 TITLE

2 An act to provide for the classification of all public
 3 roads, streets, and highways in this state, and for the revision
 4 of that classification and for additions to and deletions from
 5 each classification; to set up and establish the Michigan
 6 transportation fund; to provide for the deposits in the Michigan
 7 transportation fund of specific taxes on motor vehicles and motor
 8 vehicle fuels; to provide for the allocation of funds from the
 9 Michigan transportation fund and the use and administration of
 10 the fund for transportation purposes; to set up and establish the
 11 truck safety fund; to provide for the allocation of funds from
 12 the truck safety fund and administration of the fund for truck
 13 safety purposes; to set up and establish the Michigan truck
 14 safety commission; to establish certain standards for road

1 contracts for certain businesses; to provide for the continuing
2 review of transportation needs within the state; to authorize the
3 state transportation commission, counties, cities, and villages
4 to borrow money, issue bonds, and make pledges of funds for
5 transportation purposes; to authorize counties to advance funds
6 for the payment of deficiencies necessary for the payment of
7 bonds issued under this act; to provide for the limitations,
8 payment, retirement, and security of the bonds and pledges; to
9 provide for appropriations and tax levies by counties and
10 townships for county roads; to authorize contributions by
11 townships for county roads; to provide for the establishment and
12 administration of the state trunk line fund, ~~critical~~ **local**
13 bridge fund, comprehensive transportation fund, and certain other
14 funds; to provide for the deposits in the state trunk line fund,
15 ~~critical~~ **local** bridge fund, comprehensive transportation fund,
16 and certain other funds of money raised by specific taxes and
17 fees; to provide for definitions of public transportation
18 functions and criteria; to define the purposes for which Michigan
19 transportation funds may be allocated; to provide for Michigan
20 transportation fund grants; to provide for review and approval of
21 transportation programs; to provide for submission of annual
22 legislative requests and reports; to provide for the
23 establishment and functions of certain advisory entities; to
24 provide for conditions for grants; to provide for the issuance of
25 bonds and notes for transportation purposes; to provide for the
26 powers and duties of certain state and local agencies and
27 officials; to provide for the making of loans for transportation

1 purposes by the state transportation department and for the
2 receipt and repayment by local units and agencies of those loans
3 from certain specified sources; and to repeal acts and parts of
4 acts.

5 Sec. 11b. (1) ~~During each April, there is appropriated to~~
6 ~~a critical bridge fund from the Michigan transportation fund,~~
7 ~~\$5,000,000.00.~~ **A fund to be known as the local bridge fund is**
8 **established and is set up and maintained in the state treasury as**
9 **a separate fund.** The money appropriated to ~~a critical~~ **the local**
10 bridge fund and the interest accruing to that fund shall be
11 expended for a ~~critical~~ **local** bridge program to be administered
12 by the department to provide financial assistance to highway
13 authorities for the **preservation**, improvement, or reconstruction
14 of existing bridges or for the construction of bridges to replace
15 existing bridges in whole or in part. This section is not
16 subject to section 12(15) or section 13(5).

17 (2) The state transportation commission shall borrow money
18 and issue notes or bonds in an amount of not less than
19 \$30,000,000.00 to supplement the funding provided for the local
20 bridge program under subsection (1). The bonds or notes issued
21 pursuant to this subsection may be issued by the commission for
22 any purpose for which other ~~critical~~ **local** bridge funds may be
23 used under this section. The bonds or notes authorized by this
24 subsection shall be issued by resolution of the state
25 transportation commission consistent with the requirements of
26 section 18b.

27 (3) The state transportation department shall promulgate

1 rules pursuant to ~~Act No. 306 of the Public Acts of 1969, as~~
2 ~~amended, being sections 24.201 to 24.328 of the Michigan Compiled~~
3 ~~Laws~~ **the administrative procedures act of 1969, 1969 PA 306, MCL**
4 **24.201 to 24.328**, governing the administration of the ~~critical~~
5 **local** bridge program. The rules shall set forth the eligibility
6 criteria for financial assistance under the program and other
7 matters related to the program ~~as~~ **that** the department considers
8 necessary and desirable. The department shall take into
9 consideration the availability of federal aid and other financial
10 resources of the highway authority responsible for the bridge,
11 the importance of the bridge to the highway, road, or street
12 network, and the condition of the existing bridge. ~~The~~
13 ~~department shall not receive more than 38.4% of the critical~~
14 ~~bridge funds available during a 5-year period for expenditures on~~
15 ~~the state trunk line system.~~

16 **(4) Beginning October 1, 2004, the revenue appropriated to**
17 **the local bridge fund pursuant to section 10(1)(d) shall be**
18 **distributed only to cities, villages, and county road**
19 **commissions.**

20 Enacting section 1. This amendatory act does not take
21 effect unless House Bill No. 5319 of the 92nd Legislature is
22 enacted into law.