

**SUBSTITUTE FOR  
SENATE BILL NO. 494**

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,

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 1h (MCL 247.651h), as added by 1997 PA 79.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 1h. (1) The department shall develop and implement a  
2 life-cycle cost analysis for each project for which total pavement  
3 costs exceed \$1,000,000.00 funded in whole, or in part, with state  
4 funds. The department shall design and award paving projects  
5 utilizing material having the lowest life-cycle cost. All pavement  
6 design life shall ensure that state funds are utilized as  
7 efficiently as possible.

8           (2) As used in this section, "life-cycle cost" means the total  
9 of the cost of the initial project plus all anticipated costs for  
10 subsequent maintenance, repair, or resurfacing over the life of the  
11 pavement. ~~Life-cycle~~

12           (3) **EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, LIFE-CYCLE**  
13 cost shall ~~also~~ compare equivalent designs and shall be based upon  
14 Michigan's actual historic project maintenance, repair, and  
15 resurfacing schedules and costs as recorded by the pavement  
16 management system, and shall include estimates of user costs

1 throughout the entire pavement life.

2 (4) FOR PAVEMENT PROJECTS FOR WHICH THERE ARE NO MICHIGAN  
3 ACTUAL HISTORIC PROJECT MAINTENANCE, REPAIR, AND RESURFACING  
4 SCHEDULES AND COSTS AS RECORDED BY THE PAVEMENT MANAGEMENT SYSTEM,  
5 THE DEPARTMENT MAY USE ACTUAL HISTORICAL AND COMPARABLE DATA FOR  
6 EQUIVALENT DESIGNS FROM STATES WITH SIMILAR CLIMATES, SOIL  
7 STRUCTURES, OR VEHICLE TRAFFIC.

8 Enacting section 1. The legislature intends that this  
9 amendatory act provide the department with the necessary  
10 flexibility to utilize pavement designs which have not been used in  
11 Michigan but have been used successfully in other states.