

HOUSE BILL No. 5306

January 26, 2012, Introduced by Rep. Daley and referred to the Committee on Transportation.

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 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 sections 10b, 10c, 10e, and 10h (MCL 247.660b, 247.660c, 247.660e, and 247.660h), section 10b as amended by 1982 PA 438, section 10c as amended by 2010 PA 257, section 10e as amended by 2008 PA 487, and section 10h as amended by 2002 PA 498; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 10b. (1) A fund to be known as the comprehensive
2 transportation fund is established and shall be set up and
3 maintained in the state treasury as a separate fund. In addition to
4 the money distributed to the comprehensive transportation fund
5 pursuant to this act, the money authorized to be credited to the
6 comprehensive transportation fund pursuant to section 25 of the
7 general sales tax act, ~~Act No. 167 of the Public Acts of 1933, as~~
8 ~~amended, being section 205.75 of the Michigan Compiled Laws, 1933~~
9 **PA 167, MCL 205.75**, shall be deposited in the comprehensive
10 transportation fund and is appropriated to the ~~state transportation~~
11 department for the purposes described in section 10e.

12 (2) The comprehensive transportation fund shall be

1 administered by the ~~state transportation~~ department in accordance
2 with this act.

3 (3) The general functions of the ~~state transportation~~
4 department in the administration of funds for comprehensive
5 transportation services shall include the following:

6 (a) Establishing public transportation procedures and
7 administrative practices for which there is a clear requirement for
8 uniformity statewide.

9 (b) Planning and providing for the current and long-range
10 development of a system of public transportation in **COORDINATION**
11 **WITH** areas for which **THERE IS** an eligible authority or eligible
12 governmental agency. ~~does not exist.~~

13 (c) Investigating public transportation conditions and making
14 recommendations for improvement to the state transportation
15 commission for forwarding to the legislature.

16 (d) Encouraging, coordinating, and administering grants for
17 research and demonstration projects to develop the application of
18 new ideas and concepts in public transportation facilities and
19 services as applied to state as opposed to nationwide problems.

20 (e) Performing each function necessary to comply fully with
21 present or future federal transportation acts.

22 (f) Administering and distributing money from the
23 comprehensive transportation fund and the proceeds of notes and
24 bonds sold for public transportation purposes. ~~If money is raised~~
25 ~~by an eligible authority or an eligible governmental agency for a~~
26 ~~public transportation capital outlay project funded pursuant to~~
27 ~~sections 3, 5, and 6 of the urban mass transportation act of 1964,~~

1 ~~49 U.S.C. 1602, 1604, and 1605, or federal law codified in 23~~
2 ~~U.S.C. 101 to 407, the state shall pay not less than 66 2/3% of the~~
3 ~~local match. The state shall not expend money as a local match or~~
4 ~~otherwise, and an eligible authority or eligible governmental~~
5 ~~agency shall not expend money distributed pursuant to this act, as~~
6 ~~a local match or otherwise, for the preliminary or final~~
7 ~~construction engineering plans or the construction of a subway~~
8 ~~system within the area of the southeastern Michigan transportation~~
9 ~~authority until that expenditure is approved by concurrent~~
10 ~~resolution of the legislature. The concurrent resolution shall be~~
11 ~~approved on a record roll call vote of each house. The state shall~~
12 ~~not expend money for the construction, operation, or maintenance of~~
13 ~~a commuter boat service system within a county which is a member of~~
14 ~~the southeastern Michigan transportation authority until approved~~
15 ~~by concurrent resolution of the legislature. The concurrent~~
16 ~~resolution shall be approved on a record roll call vote of each~~
17 ~~house.~~

18 (g) Applying for, receiving, and accepting any grant, gift,
19 contribution, loan, or other assistance in the form of money,
20 property, labor, ~~and~~ OR any other form from a public or private
21 source, including assistance from an agency or instrumentality of
22 the United States and doing each thing ~~as is~~ necessary to apply
23 for, receive, and administer that assistance in accordance with the
24 laws of this state.

25 (h) Promulgating rules for the implementation and
26 administration of the comprehensive transportation fund, pursuant
27 to the administrative procedures act of 1969, Act No. ~~306~~ of the

1 ~~Public Acts of 1969, as amended, being sections 1969 PA 306, MCL~~
 2 ~~24.201 to 24.315 of the Michigan Compiled Laws.~~ **24.328.**

3 (i) Issuing bonds or notes for public transportation purposes
 4 in accordance with this act.

5 (j) Making direct expenditures, loans, grants, or guaranteeing
 6 lease costs to public and private corporations for public
 7 transportation purposes using the comprehensive transportation fund
 8 or using as appropriate, the proceeds of notes and bonds authorized
 9 by section 18b.

10 Sec. 10c. As used in this act:

11 (a) "Urban or rural area" means a contiguous developed area,
 12 including the immediate surrounding area, where transportation
 13 services should reasonably be provided presently or in the future;
 14 the area within the jurisdiction of an eligible authority; or for
 15 the purpose of receiving funds for public transportation, a
 16 contiguous developed area having a population of less than 50,000
 17 that has an urban public transportation program approved by the
 18 ~~state transportation department~~ and for which the state
 19 transportation commission determines that public transportation
 20 services should reasonably be provided presently or in the future.

21 (b) "Eligible authority **OR AGENCY**" means ~~an authority~~ **A**
 22 **COUNTY, CITY, OR VILLAGE, OR AN AUTHORITY CREATED OR** organized
 23 under the metropolitan transportation authorities act of 1967, 1967
 24 PA 204, MCL 124.401 to 124.426; -

25 ~~— (c) "Eligible governmental agency" means a county, city, or~~
 26 ~~village or an authority created under 1963 PA 55, MCL 124.351 to~~
 27 124.359; the urban cooperation act of 1967, 1967 (Ex Sess) PA 7,

1 MCL 124.501 to 124.512; 1967 (Ex Sess) PA 8, MCL 124.531 to
2 124.536; 1951 PA 35, MCL 124.1 to 124.13; the public transportation
3 authority act, 1986 PA 196, MCL 124.451 to 124.479; or the revenue
4 bond act of 1933, 1933 PA 94, MCL 141.101 to 141.140, **OR A REGIONAL**
5 **TRANSIT AUTHORITY CREATED UNDER STATE LAW ENACTED AFTER OCTOBER 1,**
6 **2011.**

7 (C) ~~(d)~~—"Transit vehicle" means a bus, rapid transit vehicle,
8 railroad car, street railway car, water vehicle, taxicab, or other
9 type of public transportation vehicle or individual unit, whether
10 operated singly or in a group which provides public transportation.

11 (D) ~~(e)~~—"Transit vehicle mile" means a transit vehicle
12 operated for 1 mile in public transportation service including
13 demand actuated and line-haul vehicle miles.

14 (E) ~~(f)~~—"Demand actuated vehicle" means a bus or smaller
15 transit vehicle operated for providing group rides to members of
16 the general public paying fares individually, and on demand rather
17 than in regularly scheduled route service.

18 (F) ~~(g)~~—"Demand actuated vehicle mile" means a demand actuated
19 vehicle operated for 1 mile in service to the general public.

20 (G) ~~(h)~~—"Public transportation", "comprehensive
21 transportation", "public transportation service", "comprehensive
22 transportation service", "public transportation purpose", or
23 "comprehensive transportation purpose" means the movement of people
24 and goods by publicly or privately owned water vehicle, bus,
25 railroad car, street railway, ~~aircraft~~, rapid transit vehicle,
26 taxicab, or other conveyance which provides general or special
27 service to the public, but not including charter or sightseeing

1 service or transportation which is exclusively for school purposes.
2 Public transportation, public transportation services, or public
3 transportation purposes; and comprehensive transportation,
4 comprehensive transportation services, or comprehensive
5 transportation purposes as defined in this subdivision are declared
6 by law to be transportation purposes within the meaning of section
7 9 of article IX of the state constitution of 1963.

8 (H) ~~(i)~~—"State transportation commission" means the state
9 transportation commission established in section 28 of article V of
10 the state constitution of 1963.

11 (I) ~~(j)~~—"Governmental unit" means the ~~state transportation~~
12 department, the state transportation commission, a county road
13 commission, a city, or a village.

14 (J) ~~(k)~~—"Department" or "department of transportation" means
15 the state transportation department, the principal department of
16 state government created under section 350 of the executive
17 organization act of 1965, 1965 PA 380, MCL 16.450.

18 (K) ~~(l)~~—"Preservation" means an activity undertaken to preserve
19 the integrity of the existing roadway system. Preservation does not
20 include new construction of highways, roads, streets, or bridges, a
21 project that increases the capacity of a highway facility to
22 accommodate that part of traffic having neither an origin nor
23 destination within the local area, widening of a lane width or
24 more, or adding turn lanes of more than 1/2 mile in length.
25 Preservation includes, but is not limited to, 1 or more of the
26 following:

27 (i) Maintenance.

- 1 (ii) Capital preventive treatments.
2 (iii) Safety projects.
3 (iv) Reconstruction.
4 (v) Resurfacing.
5 (vi) Restoration.
6 (vii) Rehabilitation.
7 (viii) Widening of less than the width of 1 lane.
8 (ix) Adding auxiliary weaving, climbing, or speed change lanes.
9 (x) Modernizing intersections.
10 (xi) Adding auxiliary turning lanes of 1/2 mile or less.
11 (xii) Installing traffic signs in new locations, installing

12 signal devices in new locations, and replacing existing signal
13 devices.

14 (I) ~~(m)~~—"Maintenance" means routine maintenance or preventive
15 maintenance, or both. Maintenance does not include capital
16 preventive treatments, resurfacing, reconstruction, restoration,
17 rehabilitation, safety projects, widening of less than 1 lane
18 width, adding auxiliary turn lanes of 1/2 mile or less, adding
19 auxiliary weaving, climbing, or speed-change lanes, modernizing
20 intersections, or the upgrading of aggregate surface roads to hard
21 surface roads. Maintenance of state trunk line highways does not
22 include streetlighting except for freeway lighting for traffic
23 safety purposes.

24 (M) ~~(n)~~—"Routine maintenance" means actions performed on a
25 regular or controllable basis or in response to uncontrollable
26 events upon a highway, road, street, or bridge. Routine maintenance
27 includes, but is not limited to, 1 or more of the following:

- 1 (i) Snow and ice removal.
- 2 (ii) Pothole patching.
- 3 (iii) Unplugging drain facilities.
- 4 (iv) Replacing damaged sign and pavement markings.
- 5 (v) Replacing damaged guardrails.
- 6 (vi) Repairing storm damage.
- 7 (vii) Repair or operation of traffic signs and signal systems.
- 8 (viii) Emergency environmental cleanup.
- 9 (ix) Emergency repairs.
- 10 (x) Emergency management of road closures that result from
- 11 uncontrollable events.
- 12 (xi) Cleaning streets and associated drainage.
- 13 (xii) Mowing roadside.
- 14 (xiii) Control of roadside brush and vegetation.
- 15 (xiv) Cleaning roadside.
- 16 (xv) Repairing lighting.
- 17 (xvi) Grading.
- 18 **(N)** ~~(e)~~—"Preventive maintenance" means a planned strategy of
- 19 cost-effective treatments to an existing roadway system and its
- 20 appurtenances that preserve assets by retarding deterioration and
- 21 maintaining functional condition without significantly increasing
- 22 structural capacity. Preventive maintenance includes, but is not
- 23 limited to, 1 or more of the following:
- 24 (i) Pavement crack sealing.
- 25 (ii) Micro surfacing.
- 26 (iii) Chip sealing.
- 27 (iv) Concrete joint resealing.

- 1 (v) Concrete joint repair.
- 2 (vi) Filling shallow pavement cracks.
- 3 (vii) Patching concrete.
- 4 (viii) Shoulder resurfacing.
- 5 (ix) Concrete diamond grinding.
- 6 (x) Dowel bar retrofit.
- 7 (xi) Bituminous overlays of 1-1/2 inches or less in thickness.
- 8 (xii) Restoration of drainage.
- 9 (xiii) Bridge crack sealing.
- 10 (xiv) Bridge joint repair.
- 11 (xv) Bridge seismic retrofit.
- 12 (xvi) Bridge scour countermeasures.
- 13 (xvii) Bridge painting.
- 14 (xviii) Pollution prevention.
- 15 (xix) New treatments as they may be developed.

16 (O) ~~(p)~~—"County road commission" means the board of county
17 road commissioners elected or appointed pursuant to section 6 of
18 chapter IV of 1909 PA 283, MCL 224.6, or, in the case of a charter
19 county with a population of 750,000 or more with an elected county
20 executive that does not have a board of county road commissioners,
21 the county executive for ministerial functions and the county
22 commission provided for in section 14(1)(d) of 1966 PA 293, MCL
23 45.514, for legislative functions.

24 (P) ~~(q)~~—"Capital preventive treatments" means any preventive
25 maintenance category project on state trunk line highways that
26 qualifies under the department's capital preventive maintenance
27 program.

1 Sec. 10e. (1) The comprehensive transportation fund is
2 appropriated for each fiscal year in the following order of
3 priority.

4 (2) The first priority is to pay, but only from money
5 restricted as to use by section 9 of article IX of the state
6 constitution of 1963, the principal and interest on bonds or notes
7 issued under section 18b for comprehensive transportation purposes
8 as defined by law. A sufficient portion of the comprehensive
9 transportation fund is irrevocably appropriated to pay, when due,
10 the principal and interest on those bonds and notes.

11 (3) After making or setting aside payments required by
12 subsection (2), the second priority of the comprehensive
13 transportation fund is the payment of the department's cost in
14 administering the comprehensive transportation fund. ~~The amount to~~
15 ~~be expended pursuant to this subsection shall not exceed the costs~~
16 ~~appropriated for the administration of the fund in the fiscal year~~
17 ~~ending September 30, 1987, as adjusted annually on October 1, by~~
18 ~~the change for the preceding 12 months in the Detroit consumer~~
19 ~~price index for urban wage earners and shall be appropriated~~
20 ~~annually by the legislature.~~

21 (4) After making or setting aside payments required by
22 subsections (2) and (3), ~~the balance of the comprehensive~~
23 ~~transportation fund shall be expended each fiscal year as~~
24 ~~appropriated annually by the legislature pursuant to the state~~
25 ~~transportation program approved by the commission as follows~~**THIRD**
26 **PRIORITY IS THE STATEWIDE OPERATING GRANTS PROGRAM. THE STATEWIDE**
27 **OPERATING GRANTS PROGRAM IS A PROGRAM OF GRANTS TO ELIGIBLE**

1 **AUTHORITIES AND AGENCIES FOR LOCAL BUS SERVICES, SUBJECT TO THE**
 2 **FOLLOWING REQUIREMENTS:**

3 ~~(a) The third priority shall be the payment of operating~~
 4 ~~grants to eligible authorities and eligible governmental agencies~~
 5 ~~according to the following formulations and subject to the~~
 6 ~~following requirements.~~ **NOTWITHSTANDING ANY OTHER PROVISIONS OF THIS**
 7 **ACT, BEGINNING IN THE FISCAL YEAR THAT STARTS AT LEAST 12 MONTHS**
 8 **AFTER THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED**
 9 **SUBSECTION (8), IN ORDER TO RECEIVE FUNDING UNDER THE STATEWIDE**
 10 **OPERATING GRANTS PROGRAM, AN ELIGIBLE AUTHORITY OR AGENCY MUST BE**
 11 **IN COMPLIANCE WITH SUBSECTION (8) AS DETERMINED BY THE DEPARTMENT.**

12 ~~(B) (i) For the fiscal year ending September 30, 1998, and for~~
 13 ~~each fiscal year thereafter, each~~ **EACH** ~~eligible authority and~~
 14 ~~eligible governmental~~ **OR** ~~agency which~~ **THAT** ~~provides public~~
 15 ~~transportation services in urbanized areas under 49 USC 5307, with~~
 16 **AND THAT HAS** a Michigan population greater than 100,000 shall
 17 receive a grant of up to ~~50%~~ **37.5%** ~~of their~~ **ITS** ~~eligible operating~~
 18 ~~expenses as defined by the state transportation department.~~

19 ~~(C) (ii) For the fiscal year ending September 30, 1998, and~~
 20 ~~each fiscal year thereafter, each~~ **EACH** ~~eligible authority and~~
 21 ~~eligible governmental~~ **OR** ~~agency which~~ **THAT** ~~provides public~~
 22 ~~transportation services in urbanized areas~~ **UNDER 49 USC 5307** with a
 23 Michigan population less than or equal to 100,000 and nonurbanized
 24 areas under 49 USC 5311 ~~,~~ shall receive a grant of up to ~~60%~~ **45%** ~~of~~
 25 ~~their~~ **ITS** ~~eligible operating expenses as defined by the state~~
 26 ~~transportation department. For purposes of receiving a grant under~~
 27 ~~this subparagraph~~ **SUBDIVISION** in nonurbanized areas, eligible costs

1 OPERATING EXPENSES of services provided by water vehicle shall be
2 reimbursed at not less than ~~50%~~45% of the portion of the costs not
3 eligible for reimbursement by the federal government.

4 (D) THE DEPARTMENT SHALL EXCLUDE ALL OF THE FOLLOWING AS AN
5 ELIGIBLE OPERATING EXPENSE UNDER THE STATEWIDE OPERATING GRANTS
6 PROGRAM:

7 (i) EXPENSES ASSOCIATED WITH LIGHT RAIL, RAPID BUS, INTERCITY
8 BUS, INTERCITY PASSENGER RAIL, COMMUTER RAIL, AND OTHER SIMILAR
9 MODES OF TRANSPORTATION AS DEFINED BY THE DEPARTMENT.

10 (ii) EXPENSES INCURRED FOR NEW TRANSIT SERVICES STARTED AFTER
11 OCTOBER 1, 2011 IF THOSE EXPENSES ARE COVERED BY A LOCAL OR
12 REGIONAL TRANSPORTATION FEE COLLECTED UNDER STATE LAW ENACTED AFTER
13 OCTOBER 1, 2011.

14 (E) ~~(iii)~~Funds shall not be distributed to an eligible
15 authority or ~~eligible governmental agency~~ under this act unless the
16 eligible authority or ~~eligible governmental agency~~ provides or
17 agrees to provide preferential fares for public transportation
18 services to persons 65 years of age or over or persons with
19 disabilities riding in off peak periods of service. As used in this
20 section, "person with disabilities" means ~~an individual with a~~
21 ~~disability~~ A HANDICAPPED PERSON as that term is defined in ~~61 FRP~~
22 ~~56424 (November 1, 1996)~~ and 49 CFR part 27. The preferential fares
23 shall not be higher than 50% of the regular 1-way single fare.

24 ~~(iv) Eligible authorities and eligible governmental agencies~~
25 ~~shall not engage in charter service using vehicles, facilities, or~~
26 ~~equipment funded under this act except on an incidental basis as~~
27 ~~defined by 49 CFR part 604.~~

1 (F) ~~(v) Notwithstanding any other provision of this~~
2 ~~subsection, for the fiscal year ending September 30, 1998, each~~
3 ~~eligible authority and eligible governmental agency shall receive a~~
4 ~~distribution from the comprehensive transportation fund not less~~
5 ~~than the distribution received for eligible operating expenses for~~
6 ~~the fiscal year ending September 30, 1997. Beginning with the~~
7 ~~fiscal year ending September 30, 1998 and each fiscal year~~
8 ~~thereafter, each~~ **EXCEPT AS PROVIDED IN SUBDIVISION (G), EACH**
9 ~~eligible authority and eligible governmental~~ **OR** ~~agency shall~~
10 receive a distribution from the comprehensive transportation fund
11 for eligible operating expenses not less than the distribution
12 received for the fiscal year ending September 30, ~~1997-2011. As it~~
13 ~~relates to~~ **FOR PURPOSES OF** this subsection, the ratio between
14 comprehensive transportation funds and local funds in the fiscal
15 year ending September 30, 1989 shall be maintained for all fiscal
16 years by the eligible authority and ~~eligible governmental~~ **OR**
17 agency. Reductions in this ratio shall require a proportionate
18 reduction in the comprehensive transportation funds provided for
19 any fiscal year.

20 (G) **STARTING WITH THE FISCAL YEAR THAT BEGINS AT LEAST 12**
21 **MONTHS AFTER THE DATE THE AMENDATORY ACT THAT ADDED THIS**
22 **SUBDIVISION IS ENACTED, IF THERE IS MORE THAN 1 ELIGIBLE AUTHORITY**
23 **OR AGENCY IN A COUNTY, THE DEPARTMENT SHALL REDUCE THE ANNUAL**
24 **DISTRIBUTION AMOUNT FOR EACH ELIGIBLE AUTHORITY OR AGENCY IN THE**
25 **COUNTY BY 10%. A REDUCTION UNDER THIS SUBDIVISION SHALL BE TAKEN**
26 **AFTER THE ANNUAL DISTRIBUTION AMOUNT HAS BEEN CALCULATED FOR THE**
27 **ELIGIBLE AUTHORITY OR AGENCY UNDER SUBDIVISIONS (B), (C), AND (F),**

1 **IF APPLICABLE.**

2 (H) ~~(vi)~~ Each eligible authority and eligible governmental OR
3 agency receiving comprehensive transportation funds shall prepare
4 and submit to the department a quarterly report of the progress
5 made in carrying out its local transportation program within 40
6 days after the end of each fiscal year quarter. The progress report
7 shall be made on forms authorized by the United States department
8 of transportation under the provisions of the surface
9 transportation and uniform relocation assistance act of 1987,
10 Public Law 100-17. ~~, 101 Stat. 132.~~

11 (I) ~~(vii)~~ The department shall periodically adjust or
12 redistribute comprehensive transportation funds previously
13 distributed under this subdivision. **SUBSECTION.**

14 (J) **THE ANNUAL APPROPRIATION FOR THE STATEWIDE OPERATING**
15 **GRANTS PROGRAM SHALL NOT BE LESS THAN \$166,600,000.00.**

16 ~~—— (b) For the fiscal year ending September 30, 1997, and each~~
17 ~~fiscal year thereafter, not less than 10% shall be distributed by~~
18 ~~the department for intercity passenger and intercity freight~~
19 ~~transportation purposes.~~

20 ~~—— (c) For the fiscal year ending September 30, 1997, and each~~
21 ~~fiscal year thereafter, funds remaining in the fund after payment~~
22 ~~of the amounts required by subdivisions (a) and (b) shall be~~
23 ~~distributed by the department for public transportation purposes.~~
24 ~~For the fiscal year ending September 30, 1998, and each fiscal year~~
25 ~~thereafter, funds shall be made available to match all projects for~~
26 ~~eligible authorities and eligible governmental agencies that are~~
27 ~~approved for federal funding as provided by federal law and for~~

1 ~~which an approved transportation improvement program (TIP) and~~
2 ~~state transportation improvement plan (STIP) exist. Funds~~
3 ~~distributed under this subdivision shall be expended pursuant to~~
4 ~~specific line item appropriation for, but are not limited to, the~~
5 ~~following public transportation purposes:~~

6 ~~—— (i) The specialized services assistance program. The~~
7 ~~specialized services assistance program shall be funded with not~~
8 ~~less than \$3,600,100.00 from funds distributed under this~~
9 ~~subdivision. Funds shall be distributed according to guidelines~~
10 ~~developed by the department based upon the following~~
11 ~~considerations:~~

12 ~~—— (A) Proposals for coordinated specialized services assistance~~
13 ~~funding shall be developed jointly between existing eligible~~
14 ~~authorities or eligible governmental agencies that provide public~~
15 ~~transportation services and the area agencies on aging or any other~~
16 ~~organization representing specialized services interests, as~~
17 ~~defined in this subdivision. Plans shall be reviewed and approved~~
18 ~~by the bureau of urban and public transportation of the department.~~
19 ~~Upon approval, the department shall release the funds to the~~
20 ~~eligible authority or eligible governmental agency which shall then~~
21 ~~allocate the funds to the area agency on aging or any other~~
22 ~~organization representing specialized services interests, as~~
23 ~~defined in this subdivision for the purchase of services as~~
24 ~~approved in the plan by the department.~~

25 ~~—— (B) If an eligible authority or eligible governmental agency~~
26 ~~does not exist to provide public transportation service in a~~
27 ~~county, coordinated proposals for specialized services assistance~~

~~1 funding may be submitted by the area agency on aging or any other
2 organization representing specialized services interests, as
3 defined in this subdivision. The proposals shall be reviewed and
4 approved by the bureau of urban and public transportation of the
5 department. Upon approval, the department shall release the funds
6 to the area agency on aging or any other organization representing
7 specialized services interests, as defined in this subdivision for
8 the purchase of services as approved in the plan by the department.~~

~~9 (C) For the purposes of this program, "specialized services"
10 means public transportation primarily designed for persons with
11 disabilities or persons who are 65 years of age or older.~~

~~12 (ii) Local bus capital. For the fiscal year ending September
13 30, 1998 and each fiscal year thereafter, not less than
14 \$8,000,000.00 will be distributed for either matching federal funds
15 for local bus capital or 100% capital projects for eligible
16 authorities and eligible governmental agencies that are not
17 eligible to receive federal capital formula funds under section
18 5307 of the federal intermodal surface transportation efficiency
19 act, Public Law 102-240, or any successor act.~~

~~20 (iii) Local bus new services.~~

~~21 (iv) Not less than \$2,000,000.00 in each fiscal year for the
22 credit program established under section 10/.~~

~~23 (v) Public transportation development.~~

~~24 (vi) Other public transportation programs approved by the
25 commission.~~

**26 (5) AFTER MAKING OR SETTING ASIDE PAYMENTS UNDER SUBSECTIONS
27 (2) TO (4), THE COMPREHENSIVE TRANSPORTATION FUND SHALL BE**

1 APPROPRIATED FOR EACH OF THE FOLLOWING PROGRAMS:

2 (A) THE INTERCITY RAIL PROGRAM, WHICH IS A PROGRAM FOR
3 MAINTAINING, OPERATING, EXPANDING, AND ENHANCING CITY-TO-CITY
4 PASSENGER HEAVY RAIL SERVICES AND INFRASTRUCTURE. THE AMOUNT
5 APPROPRIATED FOR THIS PROGRAM EACH FISCAL YEAR SHALL BE SUFFICIENT
6 TO OPERATE AND MAINTAIN EXISTING PASSENGER RAIL SERVICES AND
7 INFRASTRUCTURE THAT ARE IN PLACE OR UNDER DEVELOPMENT ON OCTOBER 1,
8 2011 AS DETERMINED BY THE DEPARTMENT. FUNDS APPROPRIATED FOR THE
9 INTERCITY RAIL PROGRAM MAY BE USED FOR GRANTS, LOANS, LOAN
10 GUARANTEES, CONTRACTS, AND DIRECT DEPARTMENT EXPENDITURES.

11 (B) THE RURAL INTERCITY BUS PROGRAM, WHICH IS A PROGRAM FOR
12 MAINTAINING AND OPERATING RURAL INTERCITY BUS SERVICES AND
13 INFRASTRUCTURE. THE AMOUNT APPROPRIATED FOR THIS PROGRAM EACH
14 FISCAL YEAR SHALL BE SUFFICIENT TO OPERATE AND MAINTAIN SERVICE
15 LEVELS AND INFRASTRUCTURE THAT ARE IN PLACE OR UNDER CONSTRUCTION
16 ON OCTOBER 1, 2011 AS DETERMINED BY THE DEPARTMENT. FUNDS
17 APPROPRIATED FOR THE RURAL INTERCITY BUS PROGRAM MAY BE USED FOR
18 GRANTS, LOANS, LOAN GUARANTEES, CONTRACTS, AND DIRECT DEPARTMENT
19 EXPENDITURES.

20 (C) THE TRANSIT REGIONALIZATION INCENTIVES PROGRAM, WHICH IS A
21 PROGRAM TO PROVIDE BONUS PAYMENTS TO AN ELIGIBLE AUTHORITY OR
22 AGENCY THAT RECEIVES FUNDING UNDER THE STATEWIDE OPERATING GRANTS
23 PROGRAM, IF THE ELIGIBLE AUTHORITY OR AGENCY IS A REGIONAL PROVIDER
24 AS DETERMINED BY THE DEPARTMENT. THE DEPARTMENT SHALL DO ALL OF THE
25 FOLLOWING IN MAKING A BONUS PAYMENT UNDER THIS SUBDIVISION:

26 (i) PRIOR TO MAKING ANY BONUS PAYMENT UNDER THE TRANSIT
27 REGIONALIZATION INCENTIVES PROGRAM, PUBLISH A DEFINITION OF THE

1 TERM "REGIONAL PROVIDER" AND WRITTEN CRITERIA THAT WILL BE USED BY
2 THE DEPARTMENT TO DETERMINE IF AN ELIGIBLE AUTHORITY OR AGENCY
3 MEETS THE DEFINITION OF A REGIONAL PROVIDER.

4 (ii) PRIOR TO MAKING ANY BONUS PAYMENT UNDER THE TRANSIT
5 REGIONALIZATION INCENTIVES PROGRAM, ESTABLISH 2 LEVELS OF REGIONAL
6 PROVIDERS:

7 (A) A REGIONAL PROVIDER CONSISTING OF 2 COUNTIES.

8 (B) A REGIONAL PROVIDER CONSISTING OF 3 OR MORE COUNTIES.

9 (iii) FOR EACH LEVEL OF REGIONAL PROVIDER, THE DEPARTMENT SHALL
10 CALCULATE BONUS PAYMENTS ANNUALLY AS FOLLOWS:

11 (A) INDIVIDUAL BONUS PAYMENTS TO REGIONAL PROVIDERS CONSISTING
12 OF 3 OR MORE COUNTIES SHALL BE GREATER THAN INDIVIDUAL BONUS
13 PAYMENTS TO REGIONAL PROVIDERS CONSISTING OF 2 COUNTIES.

14 (B) BONUS PAYMENTS SHALL BE CALCULATED BASED ON THE AMOUNT
15 APPROPRIATED FOR THE TRANSIT REGIONALIZATION INCENTIVES PROGRAM AND
16 THE NUMBER OF ELIGIBLE REGIONAL PROVIDERS AT EACH LEVEL.

17 (C) BONUS PAYMENTS SHALL BE CALCULATED AS A PERCENTAGE OF THE
18 GRANT AMOUNT A REGIONAL PROVIDER RECEIVED UNDER THE STATEWIDE
19 OPERATING GRANTS PROGRAM IN THE MOST RECENT FISCAL YEAR FOR WHICH
20 THE DEPARTMENT HAS COMPLETED AN AUDIT-BASED RECONCILIATION.

21 (D) THE STATEWIDE CAPITAL MATCH PROGRAM, WHICH IS A PROGRAM TO
22 PROVIDE MATCHING FUNDS TO FEDERAL FORMULA AND DISCRETIONARY GRANTS
23 MADE TO THE DEPARTMENT AND ELIGIBLE AUTHORITIES OR AGENCIES. FUNDS
24 APPROPRIATED FOR THE STATEWIDE CAPITAL MATCH PROGRAM MAY BE USED
25 FOR GRANTS, LOANS, LOAN GUARANTEES, CONTRACTS, AND DIRECT
26 DEPARTMENT EXPENDITURES. THE DEPARTMENT SHALL ALLOCATE FUNDS AS
27 FOLLOWS:

1 (i) IN ALLOCATING FUNDS UNDER THE STATEWIDE CAPITAL MATCH
2 PROGRAM, THE DEPARTMENT SHALL GIVE PRIORITY TO PROVIDING 100% OF
3 THE NONFEDERAL MATCH REQUIRED TO SECURE AWARDS OF FEDERAL GRANTS
4 MADE TO THE DEPARTMENT OR AN ELIGIBLE AUTHORITY OR AGENCY FOR THE
5 REPLACEMENT OF REVENUE VEHICLES THAT, AS DETERMINED BY THE
6 DEPARTMENT, ARE PAST THEIR USEFUL LIFE AND ARE NECESSARY TO
7 MAINTAIN THE PROJECTED LEVEL OF TRANSIT SERVICE.

8 (ii) AFTER MEETING THE PRIORITY IN SUBPARAGRAPH (i), THE
9 REMAINING FUNDS APPROPRIATED FOR THE STATEWIDE CAPITAL MATCH
10 PROGRAM SHALL BE ALLOCATED BASED ON ANNUAL STATEWIDE PRIORITIES SET
11 BY THE DEPARTMENT FOR EACH FISCAL YEAR. IN ESTABLISHING ANNUAL
12 STATEWIDE PRIORITIES, THE DEPARTMENT SHALL ESTABLISH CATEGORIES OF
13 CAPITAL ITEMS AND THE PERCENTAGE OF MATCH THAT WILL BE PROVIDED FOR
14 EACH CATEGORY OF CAPITAL ITEMS.

15 (iii) FUNDS APPROPRIATED UNDER THE STATEWIDE CAPITAL MATCH
16 PROGRAM MAY BE USED TO MATCH DISCRETIONARY CAPITAL GRANTS ONLY
17 AFTER FORMULA CAPITAL GRANTS HAVE BEEN MATCHED. IN ALLOCATING FUNDS
18 FOR DISCRETIONARY CAPITAL GRANTS, THE DEPARTMENT SHALL GIVE
19 PRIORITY TO PROVIDING 100% OF THE NONFEDERAL MATCH REQUIRED TO
20 SECURE AWARDS OF FEDERAL GRANTS MADE TO THE DEPARTMENT OR AN
21 ELIGIBLE AUTHORITY OR AGENCY FOR THE REPLACEMENT OF REVENUE
22 VEHICLES THAT, AS DETERMINED BY THE DEPARTMENT, ARE PAST THEIR
23 USEFUL LIFE AND ARE NECESSARY TO MAINTAIN THE PROJECTED LEVEL OF
24 TRANSIT SERVICE.

25 (iv) THE AMOUNT APPROPRIATED FOR THE STATEWIDE CAPITAL MATCH
26 PROGRAM EACH FISCAL YEAR SHALL BE SUFFICIENT TO SECURE ALL FEDERAL
27 CAPITAL FUNDS THAT ARE EXPECTED TO BE AWARDED FOR THE REPLACEMENT

1 OF REVENUE VEHICLES THAT, AS DETERMINED BY THE DEPARTMENT, ARE PAST
2 THEIR USEFUL LIFE AND ARE NECESSARY TO MAINTAIN THE PROJECTED LEVEL
3 OF TRANSIT SERVICE.

4 (E) THE URBAN TRANSIT MODERNIZATION INVESTMENT PROGRAM, WHICH
5 IS A PROGRAM OF STATE INVESTMENT IN RAPID TRANSIT OR REGIONAL
6 TRANSIT WITHIN OR BETWEEN URBANIZED AREAS. FUNDS APPROPRIATED FOR
7 THE URBAN TRANSIT MODERNIZATION INVESTMENT PROGRAM MAY BE USED FOR
8 GRANTS, LOANS, LOAN GUARANTEES, CONTRACTS, AND DIRECT DEPARTMENT
9 EXPENDITURES. PROJECTS FUNDED UNDER THE URBAN TRANSIT MODERNIZATION
10 INVESTMENT PROGRAM MAY BE FOR OPERATING, CAPITAL, OR PLANNING AND
11 SHALL ONLY BE FOR LIGHT RAIL, RAPID BUS, COMMUTER RAIL, OR SIMILAR
12 MODES OF TRANSPORTATION AS DETERMINED BY THE DEPARTMENT. IN THE
13 DISCRETION OF THE DEPARTMENT, FUNDS APPROPRIATED FOR THE URBAN
14 TRANSIT MODERNIZATION INVESTMENT PROGRAM MAY ALSO BE USED FOR BUS
15 SERVICE THAT DIRECTLY SUPPORTS LIGHT RAIL, RAPID BUS, COMMUTER
16 RAIL, OR SIMILAR MODES OF TRANSPORTATION. THE DEPARTMENT SHALL
17 ANNUALLY PUBLISH GUIDANCE ON THE PROCESS FOR SUBMITTING AN
18 APPLICATION FOR A GRANT UNDER THE URBAN TRANSIT MODERNIZATION
19 INVESTMENT PROGRAM. IN ALLOCATING FUNDS UNDER THE URBAN TRANSIT
20 MODERNIZATION INVESTMENT PROGRAM, THE DEPARTMENT MAY GIVE
21 PREFERENCE TO ANY OF THE FOLLOWING:

22 (i) REGIONAL PROVIDERS AS DEFINED BY THE DEPARTMENT UNDER
23 SUBDIVISION (C).

24 (ii) PROJECTS THAT SERVE THIS STATE'S LARGEST URBANIZED AREAS.

25 (iii) THE USE OF STATE FUNDS TO MATCH OR LEVERAGE FEDERAL FUNDS.

26 (iv) THE USE OF STATE FUNDS TO MATCH OR LEVERAGE NEW LOCAL OR
27 REGIONAL TRANSPORTATION FEES ESTABLISHED UNDER STATE LAW ENACTED

1 AFTER OCTOBER 1, 2011.

2 (v) A STREET RAILWAY ORGANIZED UNDER THE NONPROFIT STREET
3 RAILWAY ACT, 1867 PA 35, MCL 472.1 TO 472.27.

4 (F) THE RAIL FREIGHT PROGRAM, WHICH IS A PROGRAM TO SUPPORT
5 CONTINUED RAIL FREIGHT SERVICE TO BUSINESS AND INDUSTRIES IN THIS
6 STATE, BOTH THROUGH THE MANAGEMENT OF STATE-OWNED RAIL LINES AND
7 THE AWARD OF FUNDING ASSISTANCE FOR RAIL INFRASTRUCTURE
8 IMPROVEMENTS TO RAILROADS OR RAIL USERS THROUGHOUT THIS STATE.

9 (G) OTHER TRANSIT PROGRAMS ESTABLISHED BY THE DEPARTMENT OR
10 THE STATE TRANSPORTATION COMMISSION, WHICH MAY INCLUDE, BUT ARE NOT
11 LIMITED TO, THE FOLLOWING:

12 (i) A VANPOOLING PROGRAM.

13 (ii) A SPECIALIZED SERVICES PROGRAM.

14 (iii) A SERVICE INITIATIVES PROGRAM.

15 (iv) A MARINE PASSENGER CAPITAL PROGRAM.

16 (v) A TRANSPORTATION TO WORK PROGRAM.

17 (6) ~~(d)~~—The unappropriated and unencumbered balance of the
18 comprehensive transportation fund lapses at the end of each fiscal
19 year and reverts to the comprehensive transportation fund for
20 appropriation in the following fiscal year.

21 (7) ~~(5)~~—Eligible authorities and eligible governmental OR
22 agencies shall ~~THAT~~ receive capital grants each fiscal year by the
23 annual process described in this section. Amounts received by an
24 eligible authority or eligible governmental agency pursuant to this
25 subsection shall be expended by that authority or agency **UNDER THIS**
26 **SECTION SHALL USE FUNDS** solely for capital projects which have been
27 approved by the **DEPARTMENT OR THE** state transportation commission.

1 ~~Any funds approved by distribution to an eligible authority or~~
2 ~~eligible governmental agency pursuant to this section which have~~
3 ~~not been encumbered by that agency or authority for an approved~~
4 ~~capital project by the end of the following fiscal year in which~~
5 ~~the funds were approved shall not be expended by the authority or~~
6 ~~agency and be available for distribution from the comprehensive~~
7 ~~transportation fund for the purposes described in this section.~~THE
8 **CONTRACTUAL AGREEMENT OR STANDARDIZED GRANT MEMORANDUM BETWEEN THE**
9 **DEPARTMENT AND AN ELIGIBLE AUTHORITY OR AGENCY SHALL INCLUDE**
10 **PROVISIONS THAT ALLOW THE DEPARTMENT TO REVOKE ANY FUNDS THAT HAVE**
11 **NOT BEEN ENCUMBERED BY THE ELIGIBLE AUTHORITY OR AGENCY OR**
12 **AUTHORITY FOR AN APPROVED CAPITAL PROJECT BY THE END OF FISCAL YEAR**
13 **FOLLOWING THE FISCAL YEAR DURING WHICH THE FUNDS WERE APPROVED.**

14 ~~—— (6) The department, in carrying out the policy of the state~~
15 ~~transportation commission, shall annually prepare and distribute by~~
16 ~~December 1, instructions to eligible governmental agencies,~~
17 ~~eligible authorities, and intercity carriers to enable the~~
18 ~~preparation of a local transportation program. Eligible~~
19 ~~governmental agencies, eligible authorities, and intercity carriers~~
20 ~~shall give public notice of their intent to apply for money in the~~
21 ~~comprehensive transportation fund to the residents of the counties,~~
22 ~~townships, villages, and cities affected by the local~~
23 ~~transportation program and shall make their application available~~
24 ~~for a period of 30 days. All comments received by the eligible~~
25 ~~governmental agency, eligible authority, or intercity carrier shall~~
26 ~~be transmitted to the department.~~

27 ~~—— (7) On or before March 1 of each year, each intercity carrier,~~

1 ~~eligible authority, and eligible governmental agency shall submit~~
2 ~~to the department its local transportation program for the next~~
3 ~~succeeding fiscal year. The format for each local transportation~~
4 ~~program shall be as prescribed by the federal transportation~~
5 ~~improvement program insofar as practical and shall include project~~
6 ~~descriptions, funding sources, and justification for each line~~
7 ~~item, and summary budgets based on distributions anticipated under~~
8 ~~subsection (4). The program shall contain at a minimum the~~
9 ~~contemplated routes, hours of service, estimated transit vehicle~~
10 ~~miles, costs of public transportation services, and projected~~
11 ~~capital improvements or projects as exclusively determined by the~~
12 ~~eligible authority or eligible governmental agency. The costs of~~
13 ~~service and capital improvements or projects shall be in sufficient~~
14 ~~detail to permit the state transportation department to evaluate~~
15 ~~and approve the annual public transportation program. Determination~~
16 ~~of individual projects to be included in the local transportation~~
17 ~~programs other than those provided in this subsection shall be made~~
18 ~~by the governing body of the eligible authority or eligible~~
19 ~~governmental agency.~~

20 ~~—— (8) On or before March 1 of each year, the department shall~~
21 ~~prepare and file for public inspection and review the department~~
22 ~~transportation program. The department transportation program shall~~
23 ~~be prepared on similar format to the local transportation programs,~~
24 ~~and shall include a summary description of projects, with funding~~
25 ~~sources and project justifications for each line item for the~~
26 ~~fiscal year immediately succeeding the fiscal year in which the~~
27 ~~program is submitted. In addition, the department transportation~~

1 ~~program shall include summary, nondetailed budget and project~~
2 ~~descriptions and justifications excluding projects contained in a~~
3 ~~local transportation program.~~

4 ~~—— (9) On or before April 1 of each year, the department shall~~
5 ~~prepare and file with the commission the proposed state~~
6 ~~transportation program for the next succeeding fiscal year. The~~
7 ~~proposed state transportation program shall contain the local~~
8 ~~transportation programs of each intercity carrier, eligible~~
9 ~~authority and eligible governmental agency, the department~~
10 ~~transportation program, and the programs for the expenditure of the~~
11 ~~state trunk line fund as they may have been supplemented, amended,~~
12 ~~or modified since their original filing. The state transportation~~
13 ~~program shall include the estimated amount of money in the funds~~
14 ~~described in this subsection by revenue source, project~~
15 ~~justifications, project descriptions funding sources, and budget~~
16 ~~summaries.~~

17 ~~—— (10) On or before May 1 of each year, the state transportation~~
18 ~~commission shall act on the state transportation program for the~~
19 ~~fiscal year commencing on the following October 1. In considering~~
20 ~~approval of the proposed projects of each intercity carrier,~~
21 ~~eligible authority, or eligible governmental agency, other than~~
22 ~~projects which are to be funded pursuant to subsection (5), the~~
23 ~~state transportation commission shall consider whether the projects~~
24 ~~comply with state law, are within funds allocated in this section,~~
25 ~~whether they may be funded within the approved budgets, whether~~
26 ~~there are intercity carriers, eligible authorities, and eligible~~
27 ~~governmental agencies responsible to implement the projects, and~~

1 ~~the recommendations of the department on individual projects. Upon~~
2 ~~making these determinations, the state transportation commission~~
3 ~~shall approve the projects which best meet the criteria of this~~
4 ~~subsection.~~

5 (8) NOTWITHSTANDING ANY OTHER PROVISIONS IN THIS ACT, STARTING
6 IN THE FISCAL YEAR THAT BEGINS AT LEAST 12 MONTHS AFTER THE
7 EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SUBSECTION, AN
8 ELIGIBLE AUTHORITY OR AGENCY SHALL SUBMIT ALL OF THE FOLLOWING
9 WRITTEN DOCUMENTS AS ADOPTED BY THE ELIGIBLE AUTHORITY'S OR
10 AGENCY'S GOVERNING BOARD OR CHIEF EXECUTIVE OFFICER TO THE
11 DEPARTMENT IN ORDER TO BE ELIGIBLE TO RECEIVE A GRANT UNDER THE
12 STATEWIDE OPERATING GRANTS PROGRAM:

13 (A) AN ASSET MANAGEMENT PLAN FOR ALL REVENUE VEHICLES AND
14 FACILITIES, MAJOR FACILITY COMPONENTS, AND MAJOR PIECES OF
15 EQUIPMENT AS DEFINED BY THE DEPARTMENT. AN ELIGIBLE AUTHORITY OR
16 AGENCY SHALL UPDATE THE ASSET MANAGEMENT PLAN ANNUALLY.

17 (B) THE METHOD USED BY AN ELIGIBLE AUTHORITY OR AGENCY FOR
18 DETERMINING THE PERCENTAGE OF OPERATING COSTS THAT WILL BE FUNDED
19 WITH LOCAL FUNDS AND THE PERCENTAGE THAT WILL BE FUNDED WITH FARES.
20 AN ELIGIBLE AUTHORITY OR AGENCY SHALL UPDATE THIS INFORMATION EVERY
21 3 YEARS.

22 (C) AN ASSESSMENT CONDUCTED BY AN ELIGIBLE AUTHORITY OR AGENCY
23 OF THE NEED FOR PASSENGER TRIPS THAT HAVE A DESTINATION THAT IS
24 OUTSIDE OF THE ELIGIBLE AUTHORITY OR AGENCY'S SERVICE AREA AND IN A
25 DIRECTLY ADJACENT COUNTY AND THE STRATEGY THAT THE ELIGIBLE
26 AUTHORITY OR AGENCY WILL USE TO COORDINATE WITH THE TRANSIT SYSTEM
27 IN THE ADJACENT COUNTY TO PROVIDE FOR THOSE PASSENGER TRIP NEEDS

1 WHEN FEASIBLE. THE ASSESSMENT AND STRATEGY REQUIRED BY THIS
2 SUBDIVISION SHALL BE UPDATED BY AN ELIGIBLE AUTHORITY OR AGENCY
3 EVERY 3 YEARS.

4 (D) A PLAN AND A COMMITMENT TO CONDUCT A SURVEY OF USER
5 SATISFACTION AND A SURVEY OF GENERAL PUBLIC SATISFACTION WITH THE
6 SERVICES AND PERFORMANCE OF AN ELIGIBLE AUTHORITY OR AGENCY ONCE
7 EVERY 3 YEARS. THE ELIGIBLE AUTHORITY OR AGENCY SHALL PROVIDE
8 RESULTS FOR THE MOST RECENT COMPLETED SURVEYS UNDER THIS
9 SUBDIVISION TO THE DEPARTMENT.

10 (E) DOCUMENTATION THAT AN ELIGIBLE AUTHORITY OR AGENCY HAS
11 CREATED AND PUBLISHED A DASHBOARD OF ITS PERFORMANCE THAT INCLUDES,
12 AT A MINIMUM, THE DOCUMENTS REQUIRED UNDER SUBDIVISIONS (A) THROUGH
13 (D). THE DASHBOARD SHALL ALSO INCLUDE ANNUAL PERFORMANCE INDICATORS
14 FOR THE ELIGIBLE AUTHORITY OR AGENCY THAT HAVE BEEN ESTABLISHED BY
15 THE ELIGIBLE AUTHORITY'S OR AGENCY'S GOVERNING BOARD OR CHIEF
16 EXECUTIVE OFFICER. THE DASHBOARD SHALL BE READILY AVAILABLE TO THE
17 PUBLIC, INCLUDING, AT A MINIMUM, PUBLICATION ON THE ELIGIBLE
18 AUTHORITY'S OR AGENCY'S WEBSITE. THE ELIGIBLE AUTHORITY OR AGENCY
19 SHALL UPDATE THE DASHBOARD REQUIRED BY THIS SUBDIVISION ANNUALLY.

20 (F) THE FORMAT AND CONTENT OF THE DOCUMENTS REQUIRED IN
21 SUBDIVISIONS (A) TO (E) SHALL CONFORM WITH STANDARDS SET BY THE
22 DEPARTMENT.

23 (G) FOR EACH DOCUMENT REQUIRED IN SUBDIVISIONS (A) TO (E), AN
24 ELIGIBLE AUTHORITY OR AGENCY SHALL PROVIDE AN OPPORTUNITY FOR
25 PUBLIC REVIEW AND COMMENT PRIOR TO SUBMITTING THE DOCUMENT TO THE
26 DEPARTMENT FOR APPROVAL.

27 (H) THE DEPARTMENT SHALL WITHHOLD FUNDING UNDER THE STATEWIDE

1 OPERATING GRANTS PROGRAM FOR NONCOMPLIANCE WITH THIS SUBSECTION AS
2 FOLLOWS:

3 (i) THE DEPARTMENT SHALL PROVIDE WRITTEN NOTICE TO AN ELIGIBLE
4 AUTHORITY OR AGENCY WHEN THE AUTHORITY OR AGENCY IS NOT IN
5 COMPLIANCE WITH THIS SUBSECTION. THE DEPARTMENT SHALL RESUME
6 PAYMENT OF FUNDS IF COMPLIANCE IS REESTABLISHED WITHIN 90 DAYS
7 AFTER THE DATE ON THE WRITTEN NOTICE.

8 (ii) IF AN ELIGIBLE AUTHORITY OR AGENCY IS NOT IN COMPLIANCE
9 WITH THIS SUBSECTION FOR 6 CONSECUTIVE MONTHS, THE DEPARTMENT SHALL
10 PROVIDE WRITTEN NOTICE TO THE ELIGIBLE AUTHORITY OR AGENCY THAT IT
11 IS NOT ELIGIBLE TO RECEIVE FUNDING UNDER THE STATEWIDE OPERATING
12 GRANTS PROGRAM FOR 1 FULL FISCAL YEAR STARTING IN THE NEXT
13 SUCCEEDING FISCAL YEAR AFTER THE DATE OF THE DEPARTMENT'S WRITTEN
14 NOTICE.

15 (iii) AS USED IN THIS SUBDIVISION, NONCOMPLIANCE IS TO BE
16 DETERMINED BY THE DEPARTMENT. NONCOMPLIANCE INCLUDES, BUT IS NOT
17 LIMITED TO, ANY OF THE FOLLOWING:

18 (A) FAILURE OF AN ELIGIBLE AUTHORITY OR AGENCY TO SUBMIT ANY
19 OF THE DOCUMENTS REQUIRED BY SUBDIVISIONS (A) TO (E), INCLUDING A
20 REQUIRED UPDATE TO DOCUMENTS PREVIOUSLY SUBMITTED UNDER
21 SUBDIVISIONS (A) TO (E), WITHIN 30 DAYS AFTER THE DEADLINE FOR
22 SUBMISSION OF DOCUMENTS OR UPDATES TO DOCUMENTS ESTABLISHED BY THE
23 DEPARTMENT.

24 (B) FAILURE OF AN ELIGIBLE AUTHORITY OR AGENCY TO SUBMIT A
25 COMPLETE DOCUMENT WITHIN 30 DAYS AFTER THE DATE OF A WRITTEN NOTICE
26 FROM THE DEPARTMENT STATING THAT THE DOCUMENT IS SIGNIFICANTLY
27 INCOMPLETE AS SUBMITTED.

1 (C) FAILURE OF AN ELIGIBLE AUTHORITY OR AGENCY TO MAINTAIN A
2 DOCUMENT APPROVED BY THE DEPARTMENT ON ITS WEBSITE.

3 (9) THE DEPARTMENT SHALL NOT PROVIDE A GRANT UNDER THE
4 STATEWIDE OPERATING ASSISTANCE PROGRAM IN SUBSECTION (4) OR THE
5 STATEWIDE CAPITAL MATCH PROGRAM IN SUBSECTION (5) (D) TO AN ELIGIBLE
6 AUTHORITY OR AGENCY THAT WAS NOT IN EXISTENCE ON OCTOBER 1, 2011,
7 UNLESS 1 OF THE FOLLOWING APPLIES:

8 (A) THE ELIGIBLE AUTHORITY OR AGENCY IS A REGIONAL TRANSIT
9 AUTHORITY CREATED UNDER STATE LAW ENACTED AFTER OCTOBER 1, 2011.

10 (B) THE ELIGIBLE AUTHORITY OR AGENCY PROVIDES PUBLIC
11 TRANSPORTATION SERVICE IN A COUNTY THAT DID NOT HAVE AN ELIGIBLE
12 AUTHORITY OR AGENCY ON OCTOBER 1, 2011, AND THE ELIGIBLE AUTHORITY
13 OR AGENCY PROVIDES COUNTYWIDE SERVICE.

14 (C) THE ELIGIBLE AUTHORITY OR AGENCY REPLACES 1 OR MORE
15 EXISTING ELIGIBLE AUTHORITIES OR AGENCIES, IS THE SOLE RECIPIENT OF
16 FUNDING UNDER THE STATEWIDE OPERATING ASSISTANCE PROGRAM OR THE
17 STATEWIDE CAPITAL MATCH PROGRAM, AND PROVIDES COUNTYWIDE PUBLIC
18 TRANSPORTATION SERVICE TO 1 OR MORE COUNTIES.

19 (10) NOT LATER THAN DECEMBER 1 OF EACH YEAR, THE DEPARTMENT
20 SHALL PREPARE AND DISTRIBUTE INSTRUCTIONS AND FORMS FOR PREPARING A
21 GRANT APPLICATION FOR THE STATEWIDE OPERATING ASSISTANCE GRANT
22 PROGRAM, THE RURAL INTERCITY BUS PROGRAM, THE TRANSIT
23 REGIONALIZATION INCENTIVES GRANT PROGRAM, THE STATEWIDE CAPITAL
24 MATCH PROGRAM, AND OTHER TRANSIT PROGRAMS.

25 (11) TO APPLY FOR A GRANT UNDER THE STATEWIDE OPERATING
26 ASSISTANCE GRANT PROGRAM, RURAL INTERCITY BUS PROGRAM, TRANSIT
27 REGIONALIZATION INCENTIVES GRANT PROGRAM, OR STATEWIDE CAPITAL

1 MATCH PROGRAM, AN INTERCITY CARRIER, ELIGIBLE AUTHORITY OR AGENCY,
2 OR OTHER ELIGIBLE ENTITY SHALL SUBMIT AN APPLICATION FOR THE
3 IMMEDIATELY SUCCEEDING FISCAL YEAR TO THE DEPARTMENT BY MARCH 1. AN
4 APPLICANT FOR A GRANT UNDER THIS SUBSECTION SHALL GIVE PUBLIC
5 NOTICE TO THE RESIDENTS OF THE COUNTIES, TOWNSHIPS, VILLAGES, AND
6 CITIES AFFECTED BY THE APPLICATION AND SHALL MAKE THE APPLICATION
7 AVAILABLE TO THOSE RESIDENTS FOR A PERIOD OF 30 DAYS. ALL COMMENTS
8 RECEIVED FROM RESIDENTS OF THE COUNTIES, TOWNSHIPS, VILLAGES, AND
9 CITIES AFFECTED BY THE APPLICATION SHALL BE TRANSMITTED BY THE
10 APPLICANT TO THE DEPARTMENT. AN APPLICATION FOR A GRANT UNDER THIS
11 SUBSECTION SHALL CONTAIN AT A MINIMUM THE CONTEMPLATED ROUTES,
12 HOURS OF SERVICE, ESTIMATED TRANSIT VEHICLE MILES, COSTS OF PUBLIC
13 TRANSPORTATION SERVICES, AND PROJECTED CAPITAL IMPROVEMENTS OR
14 PROJECTS AS DETERMINED BY THE APPLICANT. THE COSTS OF SERVICE AND
15 CAPITAL IMPROVEMENTS OR PROJECTS SHALL BE STATED IN SUFFICIENT
16 DETAIL IN THE APPLICATION TO PERMIT THE DEPARTMENT TO EVALUATE AND
17 APPROVE THE APPLICATION. DETERMINATION OF THE INDIVIDUAL PROJECTS
18 TO BE INCLUDED IN AN APPLICATION UNDER THIS SUBSECTION SHALL BE
19 MADE BY THE GOVERNING BODY OF THE APPLICANT.

20 (12) NOTWITHSTANDING SUBSECTION (11), THE DEPARTMENT MAY
21 ACCEPT APPLICATIONS FOR COMPREHENSIVE TRANSPORTATION FUND
22 ASSISTANCE AND MAY AWARD GRANTS OR CONTRACTS WITH COMPREHENSIVE
23 TRANSPORTATION FUNDS AT ANY TIME DURING A FISCAL YEAR.

24 (13) THE DEPARTMENT SHALL RECOMMEND AN ANNUAL APPROPRIATION
25 AMOUNT FOR EACH OF THE PROGRAMS MANDATED BY THIS SECTION UPON
26 REQUEST OF THE STATE BUDGET OFFICE. THE DEPARTMENT'S
27 RECOMMENDATIONS SHALL BE CONSISTENT WITH THE 5-YEAR PROGRAM OF

1 **PLANNED INVESTMENT OF COMPREHENSIVE TRANSPORTATION FUND REVENUES AS**
2 **DESCRIBED IN SECTION 10H.**

3 (14) ~~(11) By October 1, the~~ **THE** department and each intercity
4 carrier, eligible authority ~~, or eligible governmental agency,~~ **OR**
5 **OTHER ELIGIBLE ENTITY** shall enter into a contractual agreement or
6 standardized grant memorandum of agreement, which may cover 1 or
7 more projects to be made from this section in the applicable fiscal
8 year to the intercity carrier, eligible authority ~~, or eligible~~
9 ~~governmental agency,~~ **OR OTHER ELIGIBLE ENTITY** from the
10 comprehensive transportation fund.

11 (15) ~~(12) After a~~ **A** multiyear public transportation ~~program is~~
12 **PROJECT MAY BE** approved by the state transportation commission. ~~,~~
13 **UPON APPROVAL OF A MULTIYEAR PUBLIC TRANSPORTATION PROJECT,** the
14 ~~state transportation department~~ may enter into a grant-in-aid
15 instrument with an eligible authority **OR AGENCY,** intercity carrier,
16 or **OTHER** eligible ~~governmental agency~~ **ENTITY** obligating the state
17 to a minimum level of funding for approved projects to be available
18 over the multiyear period of the program. This obligation shall be
19 binding upon the ~~state transportation department~~ as long as the
20 provisions and conditions of the state transportation commission
21 approved ~~program~~ **PROJECT** are carried out as agreed **AND SUBJECT TO**
22 **THE ANNUAL APPROPRIATION OF FUNDS.**

23 (16) ~~(13)~~ Contracts and grant memorandum agreements may be
24 audited by the state transportation commission's office of
25 commission audits using rules promulgated by the United States
26 general accounting office and the terms and conditions of the
27 respective contracts and agreements. Third party agreements are

1 subject to the review and approval of the department.

2 (17) ~~(14)~~ Funds distributed by the department may pay 100% of
 3 the portion of the cost not eligible for reimbursement by the
 4 federal government for eligible capital projects **APPROVED BY THE**
 5 **DEPARTMENT OR** authorized by the state transportation commission
 6 using comprehensive transportation funds or the proceeds of notes
 7 and bonds issued under section 18b. Priority for funding ~~obligation~~
 8 **OBLIGATIONS** shall be given to capital projects for which federal
 9 funds have been authorized.

10 ~~—— (15) All approved local bus new services initiated by eligible~~
 11 ~~authorities and eligible governmental agencies not in their fourth~~
 12 ~~year or beyond of funding on October 1, 1988, shall be funded from~~
 13 ~~subsection (4) (c) (iii). Local bus new services shall be funded under~~
 14 ~~subsection (4) (c) (iii) in the following percentages of eligible~~
 15 ~~operating expenses as determined by the department:~~

16 ~~—— (a) Startup 100%.~~

17 ~~—— (b) First year 90%.~~

18 ~~—— (c) Second year 80%.~~

19 ~~—— (d) Third year 70%.~~

20 ~~—— (e) Fourth year and each year thereafter, as determined by and~~
 21 ~~from funds provided under subsection (4) (a). The balance of~~
 22 ~~eligible operating expenses shall be met from local revenue sources~~
 23 ~~including farebox. The department shall pay up to 100% of eligible~~
 24 ~~capital expenses during the startup and first 3 years of service,~~
 25 ~~after the third year, the department shall participate in eligible~~
 26 ~~capital expenses in the same percentage as for other eligible~~
 27 ~~authorities and eligible governmental agencies. For the purposes of~~

1 ~~this subsection, eligible operating and capital expenses means~~
2 ~~those expenses determined by the department as applicable to~~
3 ~~existing eligible authorities and eligible governmental agencies.~~
4 ~~The department shall prioritize annually all requests for~~
5 ~~comprehensive transportation funds to institute new services under~~
6 ~~this subsection. First priority shall be given to eligible~~
7 ~~authorities and eligible governmental agencies who have not~~
8 ~~completed their first 3 years of service by October 1, 1998. New~~
9 ~~services initiated by eligible authorities and eligible~~
10 ~~governmental agencies under this subsection shall meet all of the~~
11 ~~requirements of section 10.~~

12 ~~—— (16) The department shall pay up to 80% of the portion of the~~
13 ~~cost not eligible for reimbursement by the federal government for~~
14 ~~intercity passenger operating assistance projects authorized by the~~
15 ~~commission for the first 2 years of new services. For the third~~
16 ~~year, eligible costs shall be reimbursed at up to 60% of the~~
17 ~~portion of the cost not eligible for reimbursement by the federal~~
18 ~~government. After the third year, eligible costs shall be~~
19 ~~reimbursed at up to 50% of the portion of the cost not eligible for~~
20 ~~reimbursement by the federal government. Eligible costs of services~~
21 ~~provided as of September 30, 1981, shall be reimbursed at up to 50%~~
22 ~~of the portion of the cost not eligible for reimbursement by the~~
23 ~~federal government. However, the amount of funds from the~~
24 ~~comprehensive transportation fund when added to federal funds and~~
25 ~~local funds shall not exceed the total operating assistance project~~
26 ~~cost.~~

27 ~~(18) (17) A vehicle purchased, leased, or rented after~~

1 ~~November 15, 1976,~~ by an eligible authority or eligible
2 ~~governmental agency~~ with funds made available under this act ~~7~~
3 ~~which funds were not already committed under a contract in~~
4 ~~existence on November 15, 1976,~~ shall not be used to provide
5 service on a fixed schedule and fixed route for which a passenger
6 fee is charged unless the vehicle is accessible to a person using a
7 wheelchair from a roadway level or curb level, and has
8 accommodations in which 1 or more wheelchairs can be secured.

9 (19) ~~(18) A vehicle shall not be purchased, leased, or rented~~
10 ~~by an AN eligible authority or eligible governmental agency after~~
11 ~~October 1, 1978, SHALL NOT PURCHASE, LEASE, OR RENT A VEHICLE FOR~~
12 **THE PURPOSE OF PROVIDING DEMAND ACTUATED SERVICE** with funds made
13 available under this act ~~which vehicle is used to provide demand~~
14 ~~actuated service unless the eligible authority or eligible~~
15 ~~governmental agency has submitted a plan to the state~~
16 ~~transportation department describing the service to be provided by~~
17 the demand actuated service to persons 65 years of age or older and
18 persons with disabilities within the applicable service area and
19 that plan has been approved by the department. The department shall
20 approve the plan as submitted or modified or shall reject the plan
21 ~~within~~ **NOT LATER THAN** 60 days after the plan is submitted. A plan
22 ~~which~~ **THAT** describes the service to be provided by the demand
23 actuated service shall not be approved by the department unless
24 that plan provides the following:

25 (a) That demand actuated service will be provided to persons
26 65 years of age or older and persons with disabilities residing in
27 the entire service area subject to the plan.

1 (b) That as a minimum, demand actuated service will be
2 provided to persons 65 years of age or older and persons with
3 disabilities during the same hours ~~as~~**THAT** service is provided to
4 all other persons in the service area subject to the plan.

5 (c) That the average time period required for demand actuated
6 service to persons 65 years of age or older and persons with
7 disabilities from the initiation of a service request to arrival at
8 the destination is equal to the average time period required for
9 demand actuated service provided to all other persons in the
10 service area subject to the plan.

11 (d) That the eligible authority or ~~eligible governmental~~
12 agency submitting the plan has established a local advisory council
13 with not less than 50% of its membership representing persons 65
14 years of age or older and persons with disabilities within the
15 service area subject to the plan and that the local advisory
16 council has had an opportunity to review and comment upon the plan
17 before its submission to the department. Each eligible authority or
18 ~~eligible governmental~~ agency jointly with the area agency on aging
19 shall approve at least 1 or the equivalent of 12% of the membership
20 of the local advisory council. Each advisory council comment shall
21 be included in the plan when submitted to the department.

22 (20) ~~(19)~~ Notwithstanding subsection ~~(18)~~**(19)**, a plan
23 required by subsection ~~(18)~~**which**~~(19)~~ **THAT** is not approved or
24 rejected by the ~~state transportation~~ department within 60 days
25 after submission shall be considered approved as submitted.

26 (21) ~~(20)~~ Subsections ~~(17)~~**(18)**, ~~(18)~~**(19)**, and ~~(19)~~**(20)**
27 shall not apply to vehicles or facilities used to transport persons

1 by rail, air, or water or to vehicles of common carriers licensed
2 by the ~~state transportation~~ department.

3 (22) ~~(21) After January 1, 1979, the~~ **THE** department shall
4 ~~submit~~ **PREPARE** an annual report ~~to~~ **FOR** the legislature detailing
5 the service provided in the prior year for persons 65 years of age
6 or older and persons with disabilities by fixed route service and
7 demand actuated service. This report shall include a record of
8 passenger usage and shall be ~~submitted~~ **POSTED ON THE DEPARTMENT'S**
9 **INTERNET WEBSITE** by April 1 of each year.

10 (23) ~~(22)~~ Notwithstanding any other provision of this section,
11 for each fiscal year that begins after September 30, 2009, the
12 governor and the state budget director shall include in the annual
13 budget submitted to the legislature for the ensuing fiscal period
14 under section 18 of article V of the state constitution of 1963 an
15 appropriation from a fund or funds other than the comprehensive
16 transportation fund to a street railway organized under the
17 nonprofit street railway act, 1867 PA 35, MCL 472.1 to 472.27, of a
18 sum equal to the difference between the annual operating expenses
19 of the street railway and revenue received by the street railway
20 during the same annual period, including, but not limited to, tax
21 increment revenues received by the street railway under section 23
22 of the nonprofit street railway act, 1867 PA 35, MCL 472.23, **AND**
23 **OPERATING ASSISTANCE DISTRIBUTED TO THE STREET RAILWAY THROUGH THE**
24 **URBAN TRANSIT MODERNIZATION INVESTMENT PROGRAM UNDER SUBSECTION**
25 **(5) (E)**. The appropriation submitted in the budget under this
26 section shall not exceed 8% of the total private investment in the
27 street railway as determined by the department. A street railway is

1 not an eligible authority or eligible governmental agency for
2 purposes of ~~subdivision (4)(a)~~ **THE STATEWIDE OPERATING GRANTS**
3 **PROGRAM UNDER SUBSECTION (4) AND THE STATEWIDE CAPITAL MATCH**
4 **PROGRAM UNDER SUBSECTION (5)(D)**.

5 Sec. 10h. (1) By May 1 of each year, the state transportation
6 commission shall ~~report to each member of the legislature, the~~
7 ~~governor, and the auditor general its recommendations for a~~
8 ~~transportation program which the state transportation commission~~
9 ~~acts on under section 10e(10).~~ **APPROVE A 5-YEAR PROGRAM OF PLANNED**
10 **INVESTMENT OF COMPREHENSIVE TRANSPORTATION FUND REVENUES.** The
11 ~~report PROGRAM~~ shall ~~specify~~ **INCLUDE ALL OF** the following:

12 (a) ~~The estimated amount of money in the comprehensive~~
13 ~~transportation fund to be distributed in the following fiscal year~~
14 ~~and the amount of money in the comprehensive transportation fund to~~
15 ~~be distributed to each eligible authority, each intercity carrier,~~
16 ~~each eligible governmental agency, and the state transportation~~
17 ~~department; the estimated amount of money in the state trunk line~~
18 ~~fund to be distributed to the state transportation department for~~
19 ~~the preservation, as defined in section 10c, of state trunk line~~
20 ~~highways; and the estimated amount of money in the state trunk line~~
21 ~~fund to be distributed to the state transportation department for~~
22 ~~all other purposes in the following fiscal year. The report shall~~
23 ~~further subdivide the money to be distributed to each eligible~~
24 ~~authority, each intercity carrier, each eligible governmental~~
25 ~~agency, the state transportation department from the comprehensive~~
26 ~~transportation fund, the state transportation department from the~~
27 ~~state trunk line fund for the preservation of state trunk line~~

1 ~~highways, and the state transportation department from the state~~
2 ~~trunk line fund for all other purposes specifying how much of that~~
3 ~~money is proposed to be expended for either capital acquisitions,~~
4 ~~including demonstration projects, or for operating expenses,~~
5 ~~including demonstration projects.~~ **A PLAN FOR INVESTMENT OF**
6 **COMPREHENSIVE TRANSPORTATION FUND REVENUES IN EACH OF THE PROGRAMS**
7 **DESCRIBED IN SECTION 10E AND PLANNED PROJECT INVESTMENTS UNDER THE**
8 **URBAN TRANSIT MODERNIZATION INVESTMENT PROGRAM UNDER SUBSECTION**
9 **(5) (E). FOR PLANNED PROJECT INVESTMENTS UNDER THE URBAN TRANSIT**
10 **MODERNIZATION INVESTMENT PROGRAM, THE PLAN SHALL INCLUDE A**
11 **DESCRIPTION OF THE PROJECT AND THE ANTICIPATED TOTAL DOLLAR AMOUNT**
12 **OF COMPREHENSIVE TRANSPORTATION FUND INVESTMENTS.**

13 (b) An account of all ~~expenditures of funds distributed~~ **THE**
14 **INVESTMENTS MADE** from the ~~state trunk line fund and the~~
15 ~~comprehensive transportation fund to the state transportation~~
16 ~~department, eligible authorities, intercity carriers, and eligible~~
17 ~~governmental agencies,~~ **FOR EACH OF THE PROGRAMS DESCRIBED IN**
18 **SECTION 10E** and the progress made by the ~~state transportation~~
19 ~~department, eligible authorities~~ **, OR AGENCIES, AND** intercity
20 ~~carriers, and eligible governmental agencies~~ in carrying out the
21 ~~approved transportation programs~~ **EACH PROGRAM AND THE INDIVIDUAL**
22 **PROJECTS APPROVED FOR FUNDING UNDER THE URBAN MODERNIZATION**
23 **INVESTMENT PROGRAM** in the preceding fiscal year. ~~through the use of~~
24 ~~those funds. The progress report shall be made based on information~~
25 ~~supplied to the state transportation department on forms authorized~~
26 ~~by the federal department of transportation. For those eligible~~
27 ~~authorities, intercity carriers, and eligible governmental agencies~~

1 ~~not receiving federal funds pursuant to the urban mass~~
2 ~~transportation act of 1964, Public Law 88-365, the progress report~~
3 ~~shall be made upon forms supplied by the state transportation~~
4 ~~department. The progress report shall also contain the whole amount~~
5 ~~of the expenses of the state transportation department for the~~
6 ~~fiscal year.~~

7 (c) Each project ~~certified to be eligible~~ **APPROVED** for a
8 multiyear funding commitment.

9 (d) The status of all multiyear funding commitments.

10 ~~— (e) An account of the state transportation department's~~
11 ~~compliance in the preceding year with the requirements of section~~
12 ~~11(2) and (3). The report shall also specify the justification for~~
13 ~~a waiver of the requirement of section 11(3), if that requirement~~
14 ~~was waived.~~

15 (2) The financial transactions and accounts related to
16 distributions made from the comprehensive transportation fund to an
17 ~~eligible~~ authority created under the metropolitan transportation
18 authorities act of 1967, 1967 PA 204, MCL 124.401 to 124.426, shall
19 be audited pursuant to that act. The cost of the audit shall be
20 paid by the eligible authority. The financial transactions and
21 accounts related to distributions made from the fund to an eligible
22 ~~governmental~~ **AUTHORITY OR** agency, other than **AN AUTHORITY CREATED**
23 **UNDER THE METROPOLITAN TRANSPORTATION AUTHORITIES ACT OF 1967, 1967**
24 **PA 204, MCL 124.401 TO 124.426, OR** a county, shall be audited in
25 accordance with the uniform budgeting and accounting act, 1968 PA
26 2, MCL 141.421 to 141.440a. The financial transactions and accounts
27 related to distributions made from the fund to a county ~~which is an~~

1 ~~eligible governmental agency~~ shall be audited in accordance with
2 1919 PA 71, MCL 21.41 to 21.55. The financial transactions and
3 accounts relative to distributions made to an intercity carrier
4 shall be audited by an independent certified public accountant in
5 accordance with instructions promulgated by the department of
6 treasury. A copy of the complete audit report and management letter
7 shall be submitted by the eligible authority, ~~intercity carrier, or~~
8 ~~eligible governmental agency~~, **OR INTERCITY CARRIER** to the state
9 ~~transportation~~ department. The department of treasury shall develop
10 minimum audit standards and requirements.

11 ~~— (3) There is hereby established a task force composed of the~~
12 ~~Michigan public transit association, the Michigan motorbus~~
13 ~~association, the Michigan rail users and supporters association,~~
14 ~~the Michigan railroad association, a representative of a state-~~
15 ~~owned or leased short line railroad, and the office of auditor~~
16 ~~general or a certified public accountant appointed by the auditor~~
17 ~~general, to assist the department in the development of the~~
18 ~~progress report requirements outlined in subsection (1)(b).~~

19 Enacting section 1. Sections 10d and 10l of 1951 PA 51, MCL
20 247.660d and 247.660l, are repealed.