

**SUBSTITUTE FOR
SENATE BILL NO. 427**

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; to investigate and study the tolling of roads, streets, highways, or bridges; and to repeal acts and parts of acts,"

(MCL 247.651 to 247.675) by adding section 11k.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 **Sec. 11k. (1) The local grade separation fund is created**
2 **within the state treasury.**

3 **(2) The state treasurer may receive money or other assets from**
4 **any source for deposit into the local grade separation fund. The**
5 **state treasurer shall direct the investment of the local grade**
6 **separation fund. The state treasurer shall credit to the local**
7 **grade separation fund interest and earnings from local grade**
8 **separation fund investments.**

9 **(3) Money in the local grade separation fund at the close of**

1 the fiscal year remains in the local grade separation fund and does
2 not lapse into the general fund.

3 (4) The state transportation department is the administrator
4 of the local grade separation fund for auditing purposes.

5 (5) The state transportation department shall expend money
6 from the local grade separation fund, upon appropriation, only to
7 fund and operate a local grade separation grant program.