

**SUBSTITUTE FOR  
SENATE BILL NO. 841**

A bill to make appropriations for the state transportation department for the fiscal year ending September 30, 2023; and to provide for the expenditure of the appropriations.

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

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PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the state transportation department for the fiscal year ending September 30, 2023 from the following funds:

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**DEPARTMENT OF TRANSPORTATION**

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**APPROPRIATION SUMMARY**

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Full-time equated unclassified positions	6.0
Full-time equated classified positions	2,936.3

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1	<b>GROSS APPROPRIATION</b>	<b>\$ 6,021,048,900</b>
2	Total interdepartmental grants and	
3	intradepartmental transfers	4,123,800
4	<b>ADJUSTED GROSS APPROPRIATION</b>	<b>\$ 6,016,925,100</b>
5	Federal revenues:	
6	Total federal revenues	2,026,480,000
7	Special revenue funds:	
8	Total local revenues	85,773,500
9	Total private revenues	900,000
10	Total other state restricted revenues	3,903,771,600
11	<b>State general fund/general purpose</b>	<b>\$ 0</b>
12	<b>Sec. 102. DEBT SERVICE</b>	
13	Airport safety and protection plan	\$ 2,274,800
14	Blue Water Bridge fund	3,961,100
15	Comprehensive transportation	1,466,600
16	Economic development	7,650,100
17	Local bridge fund	556,500
18	State trunkline	209,391,400
19	<b>GROSS APPROPRIATION</b>	<b>\$ 225,300,500</b>
20	Appropriated from:	
21	Blue Water Bridge fund	3,961,100
22	Comprehensive transportation fund	1,466,600
23	Economic development fund	7,650,100
24	Local bridge fund	556,500
25	State aeronautics fund	2,274,800
26	State trunkline fund	209,391,400
27	<b>State general fund/general purpose</b>	<b>\$ 0</b>
28	<b>Sec. 103. INTERDEPARTMENTAL GRANTS</b>	



1	CTF grant to civil service commission	\$	250,000
2	CTF grant to department of attorney general		109,400
3	CTF grant to department of technology,		
4	management, and budget		40,900
5	CTF grant to department of treasury		54,900
6	CTF grant to legislative auditor general		43,200
7	MTF grant to department of environment, Great		
8	Lakes, and energy		1,524,700
9	MTF grant to department of state for collection		
10	of revenue and fees		20,000,000
11	MTF grant to department of treasury		3,528,000
12	MTF grant to legislative auditor general		350,200
13	SAF grant to civil service commission		150,000
14	SAF grant to department of attorney general		191,800
15	SAF grant to department of technology,		
16	management, and budget		31,700
17	SAF grant to department of treasury		81,600
18	SAF grant to legislative auditor general		33,800
19	STF grant to civil service commission		6,321,000
20	STF grant to department of attorney general		2,172,800
21	STF grant to department of state police		12,402,700
22	STF grant to department of technology,		
23	management, and budget		1,406,500
24	STF grant to department of treasury		167,000
25	STF grant to legislative auditor general		813,500
26	<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>49,673,700</b>
27	Appropriated from:		
28	Comprehensive transportation fund		498,400



1	Michigan transportation fund		25,402,900
2	State aeronautics fund		488,900
3	State trunkline fund		23,283,500
4	<b>State general fund/general purpose</b>	<b>\$</b>	<b>0</b>
5	<b>Sec. 104. DEPARTMENTAL ADMINISTRATION AND</b>		
6	<b>SUPPORT</b>		
7	Full-time equated unclassified positions	6.0	
8	Full-time equated classified positions	256.3	
9	Unclassified salaries--FTE positions	6.0	\$ 900,400
10	Asset management council		1,876,400
11	Business support services--FTEs	40.0	6,644,600
12	Commission audit--FTEs	29.3	3,643,800
13	Economic development and enhancement programs--		
14	FTEs	10.0	1,765,200
15	Finance, contracts, and support services--FTEs	177.0	23,837,700
16	Property management		7,235,700
17	Worker's compensation		1,859,300
18	<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>47,763,100</b>
19	Appropriated from:		
20	IDG for accounting service center user charges		4,123,800
21	Comprehensive transportation fund		1,654,400
22	Economic development fund		410,100
23	Michigan transportation fund		4,437,500
24	State aeronautics fund		708,900
25	State trunkline fund		36,428,400
26	<b>State general fund/general purpose</b>	<b>\$</b>	<b>0</b>
27	<b>Sec. 105. INFORMATION TECHNOLOGY</b>		
28	Information technology services and projects	\$	41,691,800



1	<b>GROSS APPROPRIATION</b>		<b>\$</b>	<b>41,691,800</b>
2	Appropriated from:			
3	Federal aid - transportation programs			520,500
4	Blue Water Bridge fund			57,600
5	Comprehensive transportation fund			234,400
6	Economic development fund			38,800
7	Michigan transportation fund			306,300
8	State aeronautics fund			182,800
9	State trunkline fund			40,351,400
10	<b>State general fund/general purpose</b>		<b>\$</b>	<b>0</b>
11	<b>Sec. 106. TRANSPORTATION PLANNING</b>			
12	Full-time equated classified positions	136.0		
13	Planning services--FTEs	136.0	\$	42,124,400
14	Grants to regional planning councils			488,800
15	<b>GROSS APPROPRIATION</b>		<b>\$</b>	<b>42,613,200</b>
16	Appropriated from:			
17	Federal aid - transportation programs			24,000,000
18	Comprehensive transportation fund			636,100
19	Michigan transportation fund			10,063,200
20	State aeronautics fund			16,100
21	State trunkline fund			7,897,800
22	<b>State general fund/general purpose</b>		<b>\$</b>	<b>0</b>
23	<b>Sec. 107. DESIGN AND ENGINEERING SERVICES</b>			
24	Full-time equated classified positions	1,502.3		
25	Business services--FTEs	151.0		23,296,200
26	Program development and delivery--FTEs	1,014.3		101,148,800
27	System operations management--FTEs	337.0		58,228,300
28	<b>GROSS APPROPRIATION</b>		<b>\$</b>	<b>182,673,300</b>



1	Appropriated from:		
2	Federal aid - transportation programs		23,529,800
3	Comprehensive transportation fund		187,100
4	Michigan transportation fund		16,535,900
5	State trunkline fund		142,420,500
6	<b>State general fund/general purpose</b>	<b>\$</b>	<b>0</b>
7	<b>Sec. 108. HIGHWAY MAINTENANCE</b>		
8	Full-time equated classified positions	879.7	
9	State trunkline operations--FTEs	879.7	\$ 441,024,100
10	<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>441,024,100</b>
11	Appropriated from:		
12	State trunkline fund		441,024,100
13	<b>State general fund/general purpose</b>	<b>\$</b>	<b>0</b>
14	<b>Sec. 109. ROAD AND BRIDGE PROGRAMS</b>		
15	Cities and villages	\$	684,060,200
16	County road commissioners		1,226,915,200
17	Grants to local programs		33,475,400
18	Local agency wetland mitigation bank fund		2,000,000
19	Local bridge program		26,981,600
20	Local federal aid and road and bridge		
21	construction		384,987,800
22	Movable bridge fund		5,858,400
23	Rail grade crossing		3,000,000
24	Rail grade crossing - surface improvements		3,000,000
25	State trunkline federal aid and road and bridge		
26	construction		1,662,619,200
27	<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>4,032,897,800</b>
28	Appropriated from:		



1	Federal aid - transportation programs		1,570,218,700
2	Local funds		30,003,500
3	Blue Water Bridge fund		8,071,700
4	Local bridge fund		26,981,600
5	Michigan transportation fund		1,958,309,200
6	State trunkline fund		439,313,100
7	<b>State general fund/general purpose</b>	<b>\$</b>	<b>0</b>
8	<b>Sec. 110. BLUE WATER BRIDGE</b>		
9	Full-time equated classified positions	41.0	
10	Blue Water Bridge operations--FTEs	41.0	\$ 7,163,800
11	<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>7,163,800</b>
12	Appropriated from:		
13	Blue Water Bridge fund		7,163,800
14	<b>State general fund/general purpose</b>	<b>\$</b>	<b>0</b>
15	<b>Sec. 111. TRANSPORTATION ECONOMIC DEVELOPMENT</b>		
16	Community service infrastructure fund	\$	3,000,000
17	Forest roads		5,000,000
18	Rural county primary		8,737,800
19	Rural county urban system		2,500,000
20	Targeted industries/economic development		17,975,400
21	Urban county congestion		8,737,800
22	<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>45,951,000</b>
23	Appropriated from:		
24	Economic development fund		45,951,000
25	<b>State general fund/general purpose</b>	<b>\$</b>	<b>0</b>
26	<b>Sec. 112. AERONAUTICS SERVICES</b>		
27	Full-time equated classified positions	46.0	
28	Air fleet operations and maintenance--FTEs	8.0	\$ 1,025,000



1	Air service program		50,000
2	Aviation services--FTEs	38.0	6,470,400
3	<b>GROSS APPROPRIATION</b>		<b>\$ 7,545,400</b>
4	Appropriated from:		
5	State aeronautics fund		7,545,400
6	<b>State general fund/general purpose</b>		<b>\$ 0</b>
7	<b>Sec. 113. PUBLIC TRANSPORTATION SERVICES</b>		
8	Full-time equated classified positions	36.0	
9	Passenger transportation services--FTEs	36.0	\$ 6,386,100
10	<b>GROSS APPROPRIATION</b>		<b>\$ 6,386,100</b>
11	Appropriated from:		
12	Federal aid - transportation programs		1,200,000
13	Comprehensive transportation fund		5,186,100
14	<b>State general fund/general purpose</b>		<b>\$ 0</b>
15	<b>Sec. 114. LOCAL BUS TRANSIT</b>		
16	Local bus operating		\$ 203,750,000
17	Nonurban operation/capital		39,845,600
18	<b>GROSS APPROPRIATION</b>		<b>\$ 243,595,600</b>
19	Appropriated from:		
20	Federal aid - transportation programs		37,845,600
21	Local funds		2,000,000
22	Comprehensive transportation fund		203,750,000
23	<b>State general fund/general purpose</b>		<b>\$ 0</b>
24	<b>Sec. 115. INTERCITY PASSENGER</b>		
25	Full-time equated classified positions	39.0	
26	Detroit/Wayne County Port Authority		\$ 500,000
27	Freight railroad and development grant program		32,750,000
28	Freight property management		1,300,000





1	Intercity services		9,618,800
2	Marine passenger service		3,664,000
3	Office of rail--FTEs	39.0	6,865,600
4	Rail operations and infrastructure		114,356,200
5	<b>GROSS APPROPRIATION</b>		<b>\$ 169,054,600</b>
6	Appropriated from:		
7	Federal aid - fra		30,000,000
8	Federal aid - fta		8,710,800
9	Local funds		760,000
10	Private funds		900,000
11	Comprehensive transportation fund		119,150,900
12	Intercity bus equipment fund		600,000
13	Michigan transportation fund		2,148,700
14	Rail freight fund		6,000,000
15	State trunkline fund		784,200
16	<b>State general fund/general purpose</b>		<b>\$ 0</b>
17	<b>Sec. 116. PUBLIC TRANSPORTATION DEVELOPMENT</b>		
18	Municipal credit program		\$ 2,000,000
19	Service initiatives		18,681,600
20	Specialized services		21,666,300
21	Transit capital		150,233,300
22	Transportation to work		3,875,000
23	Van pooling		195,000
24	<b>GROSS APPROPRIATION</b>		<b>\$ 196,651,200</b>
25	Appropriated from:		
26	Federal aid - transportation programs		100,454,600
27	Local funds		35,510,000
28	Comprehensive transportation fund		60,686,600



1	<b>State general fund/general purpose</b>	\$	0
2	<b>Sec. 117. CAPITAL OUTLAY</b>		
3	<b>(1) BUILDINGS AND FACILITIES</b>		
4	Salt storage buildings and containment control	\$	2,500,000
5	Special maintenance, remodeling, and additions		3,001,500
6	<b>GROSS APPROPRIATION</b>	\$	<b>5,501,500</b>
7	Appropriated from:		
8	State trunkline fund		5,501,500
9	<b>State general fund/general purpose</b>	\$	<b>0</b>
10	<b>(2) AIRPORT IMPROVEMENT PROGRAMS</b>		
11	Airport safety, protection and improvement		
12	program	\$	158,461,900
13	Detroit Metropolitan Wayne County Airport		5,850,000
14	IIJA airport infrastructure grants		95,000,000
15	<b>GROSS APPROPRIATION</b>	\$	<b>259,311,900</b>
16	Appropriated from:		
17	Federal aid - transportation programs		230,000,000
18	Local funds		17,500,000
19	Qualified airport fund		5,850,000
20	State aeronautics fund		5,961,900
21	<b>State general fund/general purpose</b>	\$	<b>0</b>
22	<b>Sec. 118. ONE-TIME APPROPRIATIONS</b>		
23	Ann Arbor to Traverse City passenger rail	\$	100
24	Basic marine dock project		700,000
25	Local rail grade separation projects		100
26	Maritime and port facility improvement office		100
27	Maritime passenger ferry		14,000,000
28	Northern Michigan rail phase II study		1,000,000



1	Upper Peninsula freight rail infrastructure		
2	investment		550,000
3	<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>16,250,300</b>
4	Appropriated from:		
5	Comprehensive transportation fund		16,250,300
6	<b>State general fund/general purpose</b>	<b>\$</b>	<b>0</b>

## PART 2

## PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2022-2023

**GENERAL SECTIONS**

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2022-2023 is \$3,903,771,600.00 and state spending from state sources to be paid to local units of government for fiscal year 2022-2023 is \$2,312,836,300.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

19	<b>STATE TRANSPORTATION DEPARTMENT</b>		
20	Grants to regional planning councils	\$	488,800
21	Cities and villages		684,060,200
22	County road commissions		1,226,915,200
23	Grants to local programs		33,475,400
24	Local bridge program		26,981,600
25	Local agency wetland mitigation		2,000,000
26	Movable bridge		2,929,200
27	Rail grade crossing		1,500,000
28	Rail grade surface crossing improvements		3,000,000



1	Transportation economic development	39,120,300
2	Air service program	50,000
3	Local bus operating	203,750,000
4	Detroit/Wayne County Port Authority	500,000
5	Marine passenger service	512,000
6	Municipal credit program	2,000,000
7	Service initiatives	9,029,400
8	Specialized services	4,353,900
9	Transit capital	41,233,300
10	Transportation to work	3,875,000
11	Airport safety, protection, and improvement	
12	program	5,961,900
13	Detroit Metropolitan Wayne County Airport	5,850,000
14	Basic marine dock project	700,000
15	Local rail grade separation projects	100
16	Maritime passenger ferry	14,000,000
17	Upper Peninsula freight rail infrastructure	
18	investment	550,000
19	<b>Total payments to local units of government</b>	<b>\$ 2,312,836,300</b>

20 Sec. 202. The appropriations authorized under this part and  
21 part 1 are subject to the management and budget act, 1984 PA 431,  
22 MCL 18.1101 to 18.1594.

23 Sec. 203. As used in this part and part 1:

24 (a) "CRRSSA" means the coronavirus response and relief  
25 supplemental appropriations act, 2021, division M of Public Law  
26 116-260.

27 (b) "CTF" means comprehensive transportation fund.

28 (c) "Department" means the state transportation department.

29 (d) "Director" means the director of the department.



1 (e) "DOT" means the United States Department of  
2 Transportation.

3 (f) "DOT-FHWA" means DOT, Federal Highway Administration.

4 (g) "FTE" means full-time equated.

5 (h) "IDG" means interdepartmental grant.

6 (i) "MTF" means Michigan transportation fund.

7 (j) "SAF" means state aeronautics fund.

8 (k) "STF" means state trunkline fund.

9 Sec. 204. The departments and agencies receiving  
10 appropriations in part 1 shall use the internet to fulfill the  
11 reporting requirements of this part. This requirement shall include  
12 transmission of reports via electronic mail to the recipients  
13 identified for each reporting requirement, and it shall include  
14 placement of reports on an internet site.

15 Sec. 205. To the extent permissible under section 261 of the  
16 management and budget act, 1984 PA 431, MCL 18.1261, all of the  
17 following apply to funds appropriated in part 1:

18 (a) The funds must not be used for the purchase of foreign  
19 goods or services, or both, if competitively priced and of  
20 comparable quality American goods or services, or both, are  
21 available.

22 (b) Preference must be given to goods or services, or both,  
23 manufactured or provided by Michigan businesses, if they are  
24 competitively priced and of comparable quality.

25 (c) Preference must be given to goods or services, or both,  
26 that are manufactured or provided by Michigan businesses owned and  
27 operated by veterans, if they are competitively priced and of  
28 comparable quality.

29 Sec. 206. The director shall take all reasonable steps to



1 ensure businesses in deprived and depressed communities compete for  
2 and perform contracts to provide services or supplies, or both.  
3 Each director shall strongly encourage firms with which the  
4 department contracts to subcontract with certified businesses in  
5 depressed and deprived communities for services, supplies, or both.

6       Sec. 207. The departments and agencies receiving  
7 appropriations in part 1 shall prepare a report on out-of-state  
8 travel expenses not later than January 1 of each year. The travel  
9 report shall be a listing of all travel by classified and  
10 unclassified employees outside this state in the immediately  
11 preceding fiscal year that was funded in whole or in part with  
12 funds appropriated in the department's budget. The report shall be  
13 submitted to the senate and house appropriations committees, the  
14 house and senate fiscal agencies, and the state budget director.  
15 The report shall include the following information:

16       (a) The dates of each travel occurrence.

17       (b) The transportation and related costs of each travel  
18 occurrence, including the proportion funded with state general  
19 fund/general purpose revenues, the proportion funded with state  
20 restricted revenues, the proportion funded with federal revenues,  
21 and the proportion funded with other revenues.

22       Sec. 208. Funds appropriated in part 1 may be used by a  
23 principal executive department, state agency, or authority to hire  
24 a person to provide legal services that the attorney general has  
25 the responsibility or the discretion to provide. A principal  
26 executive department, state agency, or authority may request  
27 reimbursement from the office of the attorney general for costs  
28 incurred for the purposes of hiring counsel to provide legal  
29 services.



1           Sec. 209. Not later than December 31, the state budget office  
2 shall prepare and transmit a report that provides for estimates of  
3 the total general fund/general purpose appropriation lapses at the  
4 close of the prior fiscal year. This report shall summarize the  
5 projected year-end general fund/general purpose appropriation  
6 lapses by major departmental program or program areas. The report  
7 shall be transmitted to the chairpersons of the senate and house of  
8 representatives standing committees on appropriations and the  
9 senate and house fiscal agencies.

10           Sec. 211. The department shall cooperate with the department  
11 of technology, management, and budget to maintain a searchable  
12 website accessible by the public at no cost that includes, but is  
13 not limited to, all of the following:

14           (a) Fiscal year-to-date expenditures by category.

15           (b) Fiscal year-to-date expenditures by appropriation unit.

16           (c) Fiscal year-to-date payments to a selected vendor,  
17 including the vendor name, payment date, payment amount, and  
18 payment description.

19           (d) The number of active department employees by job  
20 classification.

21           (e) Job specifications and wage rates.

22           Sec. 212. Within 14 days after the release of the executive  
23 budget recommendation, the department shall provide to the state  
24 budget office information sufficient to provide the senate and  
25 house appropriations chairs, the chairpersons of the senate and  
26 house appropriations subcommittees on transportation, and the  
27 senate and house fiscal agencies with an annual report on estimated  
28 state restricted fund balances, state restricted fund projected  
29 revenues, and state restricted fund expenditures for the fiscal



1 years ending September 30, 2022 and September 30, 2023.

2 Sec. 213. The department shall maintain, on a publicly  
3 accessible website, a department scorecard that identifies, tracks,  
4 and regularly updates key metrics that are used to monitor and  
5 improve the department's performance.

6 Sec. 214. Total authorized appropriations from all sources  
7 under part 1 for legacy costs for the fiscal year ending September  
8 30, 2023 are \$69,747,100.00. From this amount, total agency  
9 appropriations for pension-related legacy costs are estimated at  
10 \$42,345,600.00. Total agency appropriations for retiree health care  
11 legacy costs are estimated at \$27,401,500.00.

12 Sec. 215. A department shall not take disciplinary action  
13 against an employee of the department or departmental agency in the  
14 state classified civil service because the employee communicates  
15 with a member of the senate or house of representatives or a  
16 member's staff, unless the communication is prohibited by law and  
17 the department or agency taking disciplinary action is exercising  
18 its authority as provided by law.

19 Sec. 216. (1) On a quarterly basis, the department shall  
20 report to the senate and house appropriations committees, the  
21 senate and house appropriations subcommittees on transportation,  
22 and the senate and house fiscal agencies the following information:

23 (a) The number of FTEs in pay status by type of staff and  
24 civil service classification.

25 (b) A comparison by line item of the number of FTEs authorized  
26 from funds appropriated in part 1 to the actual number of FTEs  
27 employed by the department at the end of the reporting period.

28 (2) By March 1 of the current fiscal year, the department  
29 shall report to the senate and house appropriations committees, the





1 senate and house appropriations subcommittees on transportation,  
2 and the senate and house fiscal agencies the following information:

3 (a) Number of employees that were engaged in remote work in  
4 2022.

5 (b) Number of employees authorized to work remotely and the  
6 actual number of those working remotely in the current reporting  
7 period.

8 (c) Estimated net cost savings achieved by remote work.

9 (d) Reduced use of office space associated with remote work.

10 Sec. 217. Appropriations in part 1 shall, to the extent  
11 possible by the department, not be expended until all existing work  
12 project authorization available for the same purposes is exhausted.

13 Sec. 218. If the state administrative board, acting under  
14 section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount  
15 appropriated under this article, the legislature may, by a  
16 concurrent resolution adopted by a majority of the members elected  
17 to and serving in each house, intertransfer funds within this  
18 article for the particular department, board, commission, officer,  
19 or institution.

20 Sec. 219. The departments and agencies receiving  
21 appropriations in part 1 shall receive and retain copies of all  
22 reports funded from appropriations in part 1. Federal and state  
23 guidelines for short-term and long-term retention of records shall  
24 be followed. The department may electronically retain copies of  
25 reports unless otherwise required by federal and state guidelines.

26 Sec. 220. The department shall report no later than April 1 on  
27 each specific policy change made to implement a public act  
28 affecting the department that took effect during the prior calendar  
29 year to the senate and house appropriations committees, the senate



1 and house subcommittees on transportation, the joint committee on  
2 administrative rules, and the senate and house fiscal agencies.

3 Sec. 221. (1) From the funds appropriated in part 1, the  
4 department shall do all of the following:

5 (a) Report to the house and senate appropriations committees,  
6 the house and senate fiscal agencies, the house and senate policy  
7 offices, and the state budget office any amount of severance pay  
8 for a department director, deputy director, or other high-ranking  
9 department official not later than 14 days after a severance  
10 agreement with the director or official is signed. The name of the  
11 director or official and the amount of severance pay must be  
12 included in the report required by this subdivision.

13 (b) Maintain an internet site that posts any severance pay in  
14 excess of 6 weeks of wages, regardless of the position held by the  
15 former department employee receiving severance pay.

16 (c) By February 1, report to the house and senate  
17 appropriations subcommittees on transportation, the house and  
18 senate fiscal agencies, the house and senate policy offices, and  
19 the state budget office on the total amount of severance pay  
20 remitted to former department employees during the fiscal year  
21 ending September 30, 2022 and the total number of former department  
22 employees that were remitted severance pay during the fiscal year  
23 ending September 30, 2022.

24 (2) As used in this section, "severance pay" means  
25 compensation that is both payable or paid upon the termination of  
26 employment and in addition to either wages or benefits earned  
27 during the course of employment or generally applicable retirement  
28 benefits.

29 Sec. 222. (1) Any department, agency, board, commission, or



1 public officer that receives funding under part 1 shall not:

2 (a) Require as a condition of accessing any facility or  
3 receiving services that an individual provide proof that he or she  
4 has received a COVID-19 vaccine except as provided by federal law  
5 or as a condition of receiving federal Medicare or Medicaid  
6 funding.

7 (b) Produce, develop, issue, or require a COVID-19 vaccine  
8 passport.

9 (c) Develop a database or make any existing database publicly  
10 available to access an individual's COVID-19 vaccine status by any  
11 person, company, or governmental entity.

12 (d) Require as a condition of employment that an employee or  
13 official provide proof that he or she has received a COVID-19  
14 vaccine. This subdivision does not apply to any hospital,  
15 congregate care facility, or other medical facility or any  
16 hospital, congregate care facility, or other medical facility  
17 operated by a local subdivision that receives federal Medicare or  
18 Medicaid funding.

19 (2) A department, agency, board, commission, or public officer  
20 may not subject any individual to any negative employment  
21 consequence, retaliation, or retribution because of that  
22 individual's COVID-19 vaccine status.

23 (3) Subsection (1) does not prohibit any person, department,  
24 agency, board, commission, or public officer from transmitting  
25 proof of an individual's COVID-19 vaccine status to any person,  
26 company, or governmental entity, so long as the individual provides  
27 affirmative consent.

28 (4) If a department, agency, board, commission, subdivision,  
29 or official or public officer is required to establish a vaccine



1 policy due to a federal mandate, it must provide exemptions to any  
2 COVID-19 vaccine policy to the following individuals:

3 (a) An individual for whom a physician certifies that a COVID-  
4 19 vaccine is or may be detrimental to the individual's health or  
5 is not appropriate.

6 (b) An individual who provides a written statement to the  
7 effect that the requirements of the COVID-19 vaccine policy cannot  
8 be met because of religious convictions or other consistently held  
9 objection to immunization.

10 (5) As used in this section, "public officer" means a person  
11 appointed by the governor or another executive department official  
12 or an elected or appointed official of this state or a political  
13 subdivision of this state.

14 Sec. 223. To the extent possible, the department shall provide  
15 notice to the speaker of the house, the house minority leader, the  
16 senate majority leader, the senate minority leader, the house and  
17 senate standing committees on transportation, the appropriate house  
18 and senate appropriations subcommittees on transportation, and the  
19 house and senate fiscal agencies on proposed federal rule changes  
20 related to the department that would require amendments to the laws  
21 of this state. The notice shall be given within 30 business days of  
22 the proposed federal rule being posted to the Federal Register and  
23 shall include a description of the proposed federal rule, the  
24 publication date, the date when public comment closes, the document  
25 citation, and a description of the statutory changes needed when  
26 the rule is finalized.

27 Sec. 270. In order to reduce costs and maintain quality, it is  
28 the intent of the legislature that, excluding the fleet of motor  
29 vehicles for the department of state police, the department will



1 prioritize the utilization of remanufactured parts or recycled  
2 parts as the primary means of maintenance and repair for the state  
3 of Michigan's fleet of motor vehicles.

4  
5 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

6       Sec. 301. The department may establish a fee schedule and  
7 collect fees sufficient to cover the costs to issue the permits  
8 that the department is authorized by law to issue upon request,  
9 unless otherwise stipulated by law. All permit fees are  
10 nonrefundable application fees and shall be credited to the  
11 appropriate fund to recover the direct and indirect costs of  
12 receiving, reviewing, and processing the requests.

13       Sec. 302. (1) Total authorized annual state trunkline fund  
14 debt service limits identified in section 18b of 1951 PA 51, MCL  
15 247.668b, from constitutionally restricted revenue sources  
16 identified in section 9 of article IX of the state constitution of  
17 1963 are as follows:

18       (a) At 25% of the constitutionally restricted revenue sources  
19 set aside for the state trunkline fund, the debt service limit for  
20 the fiscal year ending September 30, 2023 for the state trunkline  
21 fund is \$260,248,200.00.

22       (b) At 50% of the constitutionally restricted revenue sources  
23 set aside for the state trunkline fund, the debt service limit for  
24 the fiscal year ending September 30, 2023 for the state trunkline  
25 fund is \$520,496,400.00.

26       (2) The department shall report no later than February 1, 2023  
27 on the state trunkline fund debt service limit. The report must  
28 include an accounting of the previous fiscal year's trunkline fund  
29 debt service limit, the total amount of debt service paid for that



1 fiscal year, and the remaining portion of the debt service cap that  
2 was not applied. The report must include a projection for the  
3 fiscal year ending September 30, 2023 that also includes the fiscal  
4 year debt service limit, the total amount of debt service planned  
5 for the fiscal year ending September 30, 2023, and the remaining  
6 portion of the debt service cap that could be applied. The report  
7 must include all planned bonding for the fiscal year ending  
8 September 30, 2023.

9 Sec. 303. When the department places signs identifying  
10 trunkline construction projects as bond-financed, the signs shall  
11 identify the total cost of the project and the estimated borrowing  
12 costs associated with the bonds used to finance the project. Text  
13 and numeric figures identifying estimated borrowing costs  
14 associated with bonds used to finance projects shall be the same  
15 font and font size as the text and numeric figures identifying  
16 trunkline construction projects as bond-financed.

17 Sec. 304. If, as a requirement of bidding on a highway  
18 project, the department requires a contractor to submit financial  
19 or proprietary documentation as to how the bid was calculated, that  
20 bid documentation shall be kept confidential and shall not be  
21 disclosed other than to a department representative without the  
22 contractor's written consent. The department may disclose the bid  
23 documentation if necessary to address or defend a claim by a  
24 contractor.

25 Sec. 305. The department may permit space on public passenger  
26 transportation properties to be occupied by public or private  
27 tenants. The department shall require that revenue from the tenants  
28 be placed in an account to be used to pay the costs to maintain and  
29 improve the property.



1           Sec. 306. (1) The amounts appropriated in part 1 to support  
 2 tax and fee collection, law enforcement, and other program services  
 3 provided to the department and to transportation funds by other  
 4 state departments shall be expended from transportation funds  
 5 pursuant to annual contracts between the department and those other  
 6 state departments. The contracts shall be executed prior to the  
 7 expenditure or obligation of those funds. The contracts shall  
 8 provide, but are not limited to, the following data applicable to  
 9 each state department:

10           (a) Estimated costs to be recovered from transportation funds.

11           (b) Description of services provided to the department and/or  
 12 transportation funds and financed with transportation funds.

13           (c) Detailed cost allocation methods appropriate to the type  
 14 of services being provided and the activities financed with  
 15 transportation funds.

16           (2) Not later than 2 months after publication of the state of  
 17 Michigan comprehensive annual financial report, each state  
 18 department receiving funding pursuant to an interdepartment  
 19 contract with the department shall submit a written report to the  
 20 department, the state budget director, the house and senate fiscal  
 21 agencies, and the auditor general stating by spending authorization  
 22 account the amount of estimated funds contracted with the  
 23 department, the amount of funds expended, the amount of funds  
 24 returned to the transportation funds, and any unreimbursed  
 25 transportation-related costs incurred but not billed to  
 26 transportation funds.

27           Sec. 307. Before March 1 of each year, the department will  
 28 provide to the legislature, the state budget director, and the  
 29 house and senate fiscal agencies its rolling 5-year plan listing by



1 county or by county road commission all highway construction  
2 projects for the fiscal year and all expected projects for the  
3 ensuing fiscal years.

4 Sec. 308. From the funds appropriated in part 1 for highway  
5 maintenance, the department shall initiate a winter maintenance  
6 program in accordance with section 11a of 1951 PA 51, MCL 247.661a.

7 Sec. 310. The department shall provide in a timely manner  
8 copies of the agenda, approved minutes, and audio recording of  
9 monthly transportation commission meetings to the members of the  
10 house and senate appropriations subcommittees on transportation,  
11 the house and senate fiscal agencies, and the state budget  
12 director.

13 Sec. 311. Not later than March 30, 2023, the department shall  
14 provide a progress report on the CRRSSA - highway infrastructure  
15 program - local bridge bundling initiative to the senate and house  
16 transportation appropriations subcommittees, the state budget  
17 director, and the senate and house fiscal agencies.

18 Sec. 313. (1) From funds appropriated in part 1, the  
19 department may increase a state infrastructure bank program and  
20 grant or loan funds in accordance with regulations of the state  
21 infrastructure bank program of the United States Department of  
22 Transportation. The state infrastructure bank is to be administered  
23 by the department for the purpose of providing a revolving, self-  
24 sustaining resource for financing transportation infrastructure  
25 projects.

26 (2) In addition to funds provided in subsection (1), money  
27 received by the state as federal grants, repayment of state  
28 infrastructure bank loans, or other reimbursement or revenue  
29 received by the state as a result of projects funded by the program





1 and interest earned on that money shall be deposited in the  
2 revolving state infrastructure bank fund and shall be available for  
3 transportation infrastructure projects. At the close of the fiscal  
4 year, any unencumbered funds remaining in the state infrastructure  
5 bank fund shall remain in the fund and be carried forward into the  
6 succeeding fiscal year.

7 (3) The department shall submit a report to the state budget  
8 director, the house and senate appropriations subcommittees on  
9 transportation, and the house and senate fiscal agencies on the  
10 status of the state infrastructure bank. The report shall be  
11 submitted on or before December 1, 2022. The report shall include  
12 all of the following:

13 (a) The balance in the state infrastructure bank on September  
14 30, 2022, including a breakdown of the balance by cash and cash  
15 equivalents, outstanding loans, and balance available for loan to  
16 local agencies.

17 (b) A breakdown of the state infrastructure loan balance by  
18 amounts designated as originating from federal sources and the  
19 amounts originating from nonfederal sources.

20 (c) A list of outstanding loans by agency, original loan  
21 amount, project description, loan term, and amount outstanding.

22 Sec. 319. The department shall post signs at each rest area to  
23 identify the agency or contractor responsible for maintenance of  
24 the rest area. The signs shall include a department telephone  
25 number and shall indicate that unsafe or unclean conditions at the  
26 rest area may be reported to that telephone number.

27 Sec. 353. The department shall review its contractor payment  
28 process and ensure that all prime contractors are paid promptly.  
29 The department shall ensure that prime contractors are in



1 compliance with special provision 109.10 regarding the prompt  
2 payment of subcontractors.

3 Sec. 357. When presented with complete local federal aid  
4 project submittals, the department shall complete all necessary  
5 reviews and inspections required to let local federal aid projects  
6 within 120 days of receipt. The department shall implement a system  
7 for monitoring the local federal aid project review process.

8 Sec. 375. The department is prohibited from reimbursing  
9 contractors or consultants for costs associated with groundbreaking  
10 ceremonies, receptions, open houses, or press conferences related  
11 to transportation projects funded, in whole or in part, by revenue  
12 appropriated in part 1.

13 Sec. 376. The department shall not spend funds appropriated in  
14 part 1 for the purpose of examining the potential association  
15 between commercial signs, outdoor advertising signs, billboards,  
16 digital billboards, or commercial electronic variable message signs  
17 and motor vehicle activity or motor vehicle driver behavior.

18 Sec. 382. In administering a contract with a county road  
19 commission, city, or village that allocates costs of construction  
20 or reconstruction of highways, roads, and streets as provided in  
21 section 18d of 1951 PA 51, MCL 247.668d, the department shall  
22 submit the final cost-sharing bill to the county road commission,  
23 city, or village not later than 2 years after the date of the final  
24 contract payment to the construction contractor.

25 Sec. 383. (1) The department shall prepare a report on use of  
26 department-owned aircraft during the fiscal year ending September  
27 30, 2022. With respect to each department-owned aircraft, the  
28 report shall include all of the following:

29 (a) Total hours of usage.



1 (b) Description of specific flights including dates of travel,  
2 names of passengers including state agency, university, or local  
3 government affiliation, travel origin and destination, and total  
4 estimated costs associated with the air travel.

5 (2) The report shall be submitted to the senate and house  
6 appropriations subcommittees on transportation, state budget  
7 director, and the house and senate fiscal agencies no later than  
8 February 1, 2023.

9 (3) The department shall maintain a system for recovering the  
10 cost of operating department-owned aircraft through charges to  
11 aircraft users.

12 Sec. 384. (1) Except as otherwise provided in subsection (2),  
13 the department shall not obligate the state to expend any state  
14 transportation revenue for construction planning or construction of  
15 the Gordie Howe International Crossing or a renamed successor. In  
16 addition, except as provided in subsection (2), the department  
17 shall not commit the state to any new contract related to the  
18 construction planning or construction of the Gordie Howe  
19 International Crossing or a renamed successor that would obligate  
20 the state to expend any state transportation revenue. An  
21 expenditure for staff resources used in connection with project  
22 activities, which expenditure is subject to full and prompt  
23 reimbursement from Canada, shall not be considered an expenditure  
24 of state transportation revenue.

25 (2) If the legislature enacts specific enabling legislation  
26 for the construction of the Gordie Howe International Crossing or a  
27 renamed successor, subsection (1) does not apply once the enabling  
28 legislation goes into effect.

29 Sec. 385. (1) The department shall submit monthly reports to



1 the state budget director, the speaker of the house of  
 2 representatives, the house of representatives minority leader, the  
 3 senate majority leader, the senate minority leader, the house and  
 4 senate appropriations subcommittees on transportation, and the  
 5 house and senate fiscal agencies on all of the following:

6 (a) All expenditures made by the state related to the Gordie  
 7 Howe Bridge.

8 (b) All reimbursements made by Canada under section 384(1) of  
 9 this part to the state for expenditures for staff resources used in  
 10 connection with project activities.

11 (c) All eminent domain and condemnation powers used, the  
 12 related real estate involved in any governmental taking, the price  
 13 paid for those properties, and the beneficiary's name or associated  
 14 corporation.

15 (2) The initial report required under subsection (1) shall be  
 16 submitted on or before December 1, 2022. The initial report shall  
 17 cover the fiscal year ending September 30, 2022.

18 Sec. 386. On or before May 1 of each year, the department  
 19 shall submit a report to the state budget director, the house and  
 20 senate appropriations subcommittees on transportation, and the  
 21 house and senate fiscal agencies on its toll credit program. The  
 22 report shall include the following information:

23 (a) The amount of toll credits earned and certified by the  
 24 DOT-FHWA in the prior fiscal year.

25 (b) The value of toll credits used by programs and projects in  
 26 the previous fiscal year.

27 (c) The balance of available toll credits at the end of the  
 28 prior fiscal year.

29 (d) A discussion of the department's strategy for using toll



1 credits.

2 Sec. 387. (1) Within 90 days of completion of any formal  
3 traffic study, formal traffic control study, or formal traffic  
4 mitigation study, the department shall post the results of the  
5 study on the department's website.

6 (2) As used in this section, the terms "traffic study",  
7 "traffic control study", and "traffic mitigation study" include,  
8 but are not limited to, investigations into the need for traffic  
9 lights, reviews of traffic speeds and related recommendations  
10 regarding speed limits, and ways to improve traffic flow during  
11 peak travel times.

12 Sec. 389. Within 30 days of entering into a long-term  
13 agreement with a private contractor, a public agency, or a  
14 partnership between 1 or more private contractors or public  
15 agencies, the department shall notify the state budget director,  
16 the house and senate appropriations subcommittees on  
17 transportation, and the house and senate fiscal agencies of the  
18 agreement, including the subject of the agreement, the term of the  
19 agreement, and financial obligations under the agreement. As used  
20 in this section, "long-term agreement" means an agreement that  
21 obligates the department for a period of 5 years or more and that  
22 actually or contingently obligates the department to make payments  
23 over the contract period of \$5,000,000.00 or more.

24 Sec. 393. The department shall promote best practices for  
25 public transportation services in this state, including, but not  
26 limited to, the following:

27 (a) Transit vehicle rehabilitation to reduce life-cycle cost  
28 of public transportation through midlife rehabilitation of transit  
29 buses.



1 (b) Cooperation between entities using transit, including  
 2 school districts, cities, townships, and counties with a view to  
 3 promoting cost savings through joint purchasing of fuel and other  
 4 procurements.

5 (c) Coordination of transportation dollars among state  
 6 departments that provide transit-related services, including the  
 7 department of health and human services. Priority should be given  
 8 to use of public transportation services where available.

9 (d) Promotion of intelligent transportation services for buses  
 10 that incorporate computer and navigation technology to make transit  
 11 systems more efficient, including stoplight coordinating, vehicle  
 12 tracking, data tracking, and computerized scheduling.

13 Sec. 394. The department and local road agencies shall make  
 14 the preservation of their existing road networks a funding  
 15 priority.

16 Sec. 398. The department shall continue to work to eliminate  
 17 fatalities and serious injuries on Michigan's trunkline network and  
 18 shall maintain the Toward Zero Deaths statewide safety campaign.

19 Sec. 399. In developing its state trunkline road and bridge  
 20 construction program, the department shall prioritize spending on  
 21 capital preventative maintenance.

22

23 **FEDERAL**

24 Sec. 402. A portion of the federal DOT-FHWA highway research,  
 25 planning, and construction funds made available to this state shall  
 26 be allocated to transportation programs administered by local  
 27 jurisdictions in accordance with section 10o of 1951 PA 51, MCL  
 28 247.660o. A local road agency, with respect to a project approved  
 29 for federal aid funding in a state transportation improvement



1 program, may enter into a voluntary buyout agreement with the  
 2 department or with another local road agency to exchange the  
 3 federal aid with state restricted transportation funds as agreed to  
 4 by the respective parties. The state restricted transportation  
 5 funds received in exchange for federal aid funds shall be used for  
 6 the same purpose as the federal aid funds were originally intended.

7  
 8 **MICHIGAN TRANSPORTATION FUND**

9 Sec. 501. The money received under the motor carrier act, 1933  
 10 PA 254, MCL 475.1 to 479.42, and not appropriated to the department  
 11 of licensing and regulatory affairs or the department of state  
 12 police is deposited in the Michigan transportation fund.

13 Sec. 503. (1) At the close of the fiscal year, funds  
 14 appropriated in part 1 for the transportation economic development  
 15 program shall lapse to the transportation economic development  
 16 fund.

17 (2) At the close of the fiscal year, funds appropriated in  
 18 part 1 for the local bridge program shall lapse to the local bridge  
 19 fund.

20 (3) Interest earned in the department of transportation  
 21 economic development fund and local bridge fund shall remain in the  
 22 respective funds and shall be allocated to the respective programs  
 23 based on actual interest earned at the end of each fiscal year.

24 (4) In addition to the funds appropriated in part 1, the  
 25 department of transportation economic development fund and local  
 26 bridge fund may receive federal, local, or private funds or  
 27 restricted source funds such as interest earnings. These funds are  
 28 appropriated for projects that are consistent with the purposes of  
 29 the respective funds.



1 (5) None of the funds statutorily dedicated to the  
 2 transportation economic development fund and local bridge fund  
 3 shall be diverted to other projects.

4 Sec. 504. Funds from the Michigan transportation fund shall be  
 5 distributed to the comprehensive transportation fund, the economic  
 6 development fund, the recreation improvement fund, and the state  
 7 trunkline fund, in accordance with this part and part 1 and part  
 8 711 of the natural resources and environmental protection act, 1994  
 9 PA 451, MCL 324.71101 to 324.71108, and may only be used as  
 10 specified in this part and part 1, 1951 PA 51, MCL 247.651 to  
 11 247.675, and part 711 of the natural resources and environmental  
 12 protection act, 1994 PA 451, MCL 324.71101 to 324.71108.

13

14 **STATE TRUNKLINE FUND**

15 Sec. 601. (1) The department shall maintain documentation to  
 16 support initial acceptance of warrantied projects, interim and  
 17 final inspections, and notifications to contractors that the  
 18 warranty period had expired. The department also shall review and  
 19 evaluate consultant evaluation requirements or recommendations and  
 20 update existing policies and procedures accordingly.

21 (2) The department shall review its warranty administration  
 22 processes, procedures, and associated manuals to ensure that all of  
 23 the following occur:

24 (a) Initial notifications of needed corrective action are sent  
 25 prior to warranty expiration.

26 (b) Consistent and timely second notifications of needed  
 27 corrective action are sent if contractors do not respond within 30  
 28 days of an initial notification.

29 (c) The department has an effective process to establish time





1 frames for corrective action completion.

2 (d) Daily inspector reports on all warranty segments are  
3 completed consistently.

4 (3) The department shall report on the review described in  
5 subsection (2) and changes resulting from the review. The  
6 department shall submit the report to the state budget director,  
7 the house and senate appropriations subcommittees on  
8 transportation, and the house and senate fiscal agencies no later  
9 than March 31, 2023.

10 Sec. 602. From the funds appropriated in part 1, the  
11 department shall study the potential impact of electric vehicle  
12 (EV) integration on the Michigan transportation fund and report its  
13 findings to the house and senate transportation subcommittees, the  
14 house and senate fiscal agencies, and the state budget office no  
15 later than September 31, 2023. The report must include data-based  
16 projections over 5, 10, and 20 years on the following:

17 (a) EV usage integration on Michigan roadways.

18 (b) Michigan transportation revenue losses due to EV  
19 integration.

20 (c) Any debt service coverage adjustments due to EV  
21 integration.

22 Sec. 604. At the close of the fiscal year, any unencumbered  
23 and unexpended balance in the state trunkline fund shall remain in  
24 the state trunkline fund and shall carry forward and is  
25 appropriated for federal aid road and bridge programs for projects  
26 contained in the annual state transportation program.

27 Sec. 612. The department shall establish guidelines governing  
28 incentives and disincentives provided under contracts for state  
29 trunkline projects. The guidelines shall include specific financial



1 information concerning incentives and disincentives.

2 Sec. 660. (1) The legislature encourages the department to  
3 examine the use of alternative road surface materials and develop  
4 criteria and specifications for their use in both department-  
5 managed and contracted projects.

6 (2) From funds appropriated in part 1, the department shall  
7 establish the Michigan state transportation innovation council to  
8 review innovative road materials and innovative road and bridge  
9 design and construction specifications. The Michigan state  
10 transportation innovation council shall include, but is not limited  
11 to, a representative of the DOT-FHWA, an appointee chosen by the  
12 speaker of the house of representatives, and an appointee chosen by  
13 the senate majority leader.

14 (3) The department shall report on efforts taken to implement  
15 this section. The report shall include descriptions of specific  
16 field or laboratory tests. The department shall complete and submit  
17 the report to the state budget director, the house and senate  
18 appropriations subcommittees on transportation, and the house and  
19 senate fiscal agencies on or before March 1 of each year.

20

21 **TRANSIT- AND RAIL-RELATED FUNDS**

22 Sec. 701. The department shall establish an intercity bus  
23 equipment and facility fund as a subsidiary fund within the  
24 comprehensive transportation fund created under section 10b of 1951  
25 PA 51, MCL 247.660b. Proceeds received by this state from the sale  
26 of state-owned intercity bus equipment shall be credited to the  
27 intercity bus equipment and facility fund for the purchase and  
28 repair of intercity bus equipment, as appropriated. Security  
29 deposits not returned to a lessee of state-owned intercity bus



1 equipment under terms of the lease agreement shall be credited to  
2 the intercity bus equipment and facility fund for the repair of  
3 intercity bus equipment, as appropriated. Money received by the  
4 department from lease payments for state-owned intercity bus  
5 equipment, and facility maintenance charges under terms of leases  
6 of state-owned intercity facilities, shall be credited to the  
7 intercity bus equipment and facility fund for the purchase and  
8 repair of intercity bus equipment or for the maintenance and  
9 rehabilitation of state-owned intercity facilities, as  
10 appropriated. At the close of the fiscal year, any funds remaining  
11 in the intercity bus equipment and facility fund shall remain in  
12 the fund and be carried forward into the succeeding fiscal year.

13 Sec. 702. Money that is received by this state as repayment  
14 for loans made for rail or water freight capital projects, and as a  
15 result of the sale of property or equipment used or projected to be  
16 used for rail or water freight projects shall be deposited in the  
17 rail freight fund created by section 17 of the state transportation  
18 preservation act of 1976, 1976 PA 295, MCL 474.67. At the close of  
19 the fiscal year, any funds remaining in the rail freight fund shall  
20 remain in the fund and be carried forward into the succeeding  
21 fiscal year.

22 Sec. 703. After receiving notification from a railroad company  
23 pursuant to section 8 of the state transportation preservation act  
24 of 1976, 1976 PA 295, MCL 474.58, the department shall immediately  
25 notify the house of representatives and senate appropriations  
26 subcommittees on transportation and the state budget office that  
27 the railroad company has filed with the appropriate governmental  
28 agencies for abandonment of a line.

29 Sec. 704. From the funds appropriated in part 1, the



1 department shall prepare and transmit a report that provides detail  
2 regarding the department's obligations for programs funded under  
3 the appropriation in part 1 for rail operations and infrastructure.  
4 The report shall include a breakdown of the appropriation by  
5 program, year-to-date obligations under each program itemized by  
6 project, and an estimate of future obligations under each program  
7 itemized by project for the remainder of the fiscal year. The  
8 initial report shall be submitted to the senate and house  
9 appropriations subcommittees on transportation, the state budget  
10 director, and the senate and house fiscal agencies, on or before  
11 February 1, 2023. The department also shall update and resubmit the  
12 final report on or before November 1, 2023.

13 Sec. 706. The Detroit/Wayne County Port Authority shall issue  
14 a complete operations assessment and a financial disclosure  
15 statement. The operations assessment shall include operational  
16 goals for the next 5 years and recommendations to improve land  
17 acquisition and development efficiency. The report shall be  
18 completed and submitted to the house of representatives and senate  
19 appropriations subcommittees on transportation, the state budget  
20 director, and the house and senate fiscal agencies by June 30 of  
21 each fiscal year for the prior fiscal year.

22 Sec. 707. (1) Before March 1 of each year, the department will  
23 provide to the legislature, the state budget office, and the house  
24 and senate fiscal agencies its rail strategic plan. The strategic  
25 plan shall include, but is not limited to, a rolling 5-year rail  
26 plan and summary of the department's obligations for programs  
27 funded under the appropriation in part 1 for rail operations and  
28 infrastructure.

29 (2) The rolling 5-year rail plan shall include, but is not



1 limited to, all the following:

2 (a) A listing by county of all rail infrastructure projects on  
3 rail lines within the state utilizing state funds, and the  
4 estimated cost of each project.

5 (b) The actual or projected state expenditures for operation  
6 of passenger rail service.

7 (c) The actual or projected state expenditures for maintenance  
8 of passenger service rail lines.

9 (3) The period of the rolling 5-year rail plan includes the  
10 current fiscal year and the 4 fiscal years immediately following  
11 the current fiscal year.

12 (4) The summary of the department's obligations for programs  
13 funded under the appropriation in part 1 for rail operations and  
14 infrastructure shall include a breakdown of the appropriation by  
15 program, year-to-year obligations under each program itemized by  
16 project, and an estimate of future obligations under each program  
17 itemized by project for the remainder of the fiscal year.

18 Sec. 710. (1) From the funds appropriated in part 1 for the  
19 freight railroad and development grant program, the office of rail  
20 shall create and operate a freight railroad preservation and  
21 development grant program for the maintenance, development, and  
22 improvement of the freight railroad transportation system in  
23 Michigan.

24 (2) The grant program must provide 70% of the cost of freight  
25 railroad projects. The remaining 30% must be provided by cash or  
26 in-kind matching contributions from private or local sources.

27 (3) By December 31, 2022, the office of rail shall establish a  
28 detailed application, approval, compliance, and grant distribution  
29 process and publish it on the department's website.



1 (4) The office of rail may consult with other state, local, or  
 2 private agencies, or their representatives, concerning freight rail  
 3 projects to be undertaken under this program.

4 Sec. 720. It is the intent of the legislature that all transit  
 5 agencies in Michigan should strive to achieve a farebox recovery  
 6 rate of not less than 6%.

7 Sec. 735. For the fiscal year ending September 30, 2023, the  
 8 appropriation to a street railway pursuant to section 10e(22) of  
 9 1951 PA 51, MCL 247.660e, is \$0.

10 Sec. 736. No funds from the appropriations in part 1 may be  
 11 used for a rail freight development project to support the  
 12 cessation of energy pipeline operations across the Straits of  
 13 Mackinac.

14 Sec. 752. The legislature encourages the department to meet  
 15 with representatives of a rail industry trade association to  
 16 provide information on the availability of rail infrastructure loan  
 17 and grant funding programs and freight economic development project  
 18 opportunities.

19 Sec. 753. From the funds appropriated in part 1 for marine  
 20 passenger service, 60% must be spent on eligible entities servicing  
 21 multiple destinations. The remaining funds must be spent on  
 22 eligible entities servicing a single destination.

23

24 **AERONAUTICS FUND**

25 Sec. 801. Except as otherwise provided in section 903 of this  
 26 part for capital outlay, at the close of the fiscal year, any  
 27 unobligated and unexpended balance in the state aeronautics fund  
 28 created in the aeronautics code of the state of Michigan, 1945 PA  
 29 327, MCL 259.1 to 259.208, shall lapse to the state aeronautics



1 fund and be appropriated by the legislature in the immediately  
2 succeeding fiscal year.

3

4 **CAPITAL OUTLAY**

5 Sec. 901. (1) From federal-state-local project appropriations  
6 contained in part 1 for the purpose of assisting political entities  
7 and subdivisions of this state in the construction and improvement  
8 of publicly used airports and landing fields within this state, the  
9 state transportation department may permit the award of contracts  
10 on behalf of units of local government for the authorized locations  
11 not to exceed the indicated amounts, of which the state allocated  
12 portion shall not exceed the amount appropriated in part 1.

13 (2) Political entities and subdivisions shall provide not less  
14 than 5% of the cost of any project under this section, unless a  
15 total nonfederal share less than 10% is otherwise specified in  
16 federal law. State money shall not be allocated until local money  
17 is allocated. State money for any 1 project shall not exceed 1/3 of  
18 the total appropriation in part 1 from state funds for airport  
19 improvement programs.

20 (3) The Michigan aeronautics commission may take those steps  
21 necessary to match federal money available for airport construction  
22 and improvement within this state and to meet the matching  
23 requirements of the federal government. Whether acting alone or  
24 jointly with another political subdivision or public agency or with  
25 this state, a political subdivision or public agency of this state  
26 shall not submit to any agency of the federal government a project  
27 application for airport planning or development unless it is  
28 authorized in this part and part 1 and the project application is  
29 approved by the governing body of each political subdivision or



1 public agency making the application and by the Michigan  
2 aeronautics commission.

3 Sec. 903. The appropriations in part 1 for capital outlay  
4 shall be carried forward at the end of the fiscal year consistent  
5 with the provisions of section 248 of the management and budget  
6 act, 1984 PA 431, MCL 18.1248.

7

8 **ONE-TIME APPROPRIATIONS**

9 Sec. 1001. The funds appropriated in part 1 for Ann Arbor to  
10 Traverse City passenger rail are designated as work project  
11 appropriations, and any unencumbered or unallotted funds shall not  
12 lapse at the end of the fiscal year and shall be available for  
13 expenditures for projects under this section until the projects  
14 have been completed. In compliance with section 451a of the  
15 management and budget act, 1984 PA 431, MCL 18.1451a, all of the  
16 following apply to a project under this section:

17 (a) The purpose of the project is to provide Michigan  
18 residents with reliable, safe, and efficient passenger rail  
19 transportation between Ann Arbor, Michigan and Traverse City,  
20 Michigan.

21 (b) The project will be completed by the department and any  
22 participating local governments or private organizations, as  
23 necessary.

24 (c) The total estimated cost of the project is \$100.00.

25 (d) The tentative completion date is September 30, 2026.

26 Sec. 1002. The funds appropriated in part 1 for a basic marine  
27 dock project shall be awarded for an installation, grade, and  
28 surface preparation project located in a city with a population of  
29 between 12,000 and 13,000 and in a county with a population of





1 between 36,800 and 37,000 according to the most recent federal  
2 decennial census.

3 Sec. 1003. The funds appropriated for the local rail grade  
4 separation program are designated as work project appropriations,  
5 and any unencumbered or unallotted funds shall not lapse at the end  
6 of the fiscal year and shall be available for expenditures for  
7 projects under this section until the projects have been completed.  
8 In compliance with section 451a(1) of the management and budget  
9 act, 1984 PA 431, MCL 18.1451a, all of the following apply to a  
10 project under this section:

11 (a) The purpose of the work project is to provide local grants  
12 for the separation of motor vehicle traffic and railroad traffic in  
13 this state.

14 (b) The projects will be accomplished by utilizing state  
15 employees or contracts with service providers, or both.

16 (c) The total estimated cost of the work project is \$100.00.

17 (d) The tentative completion date is September 30, 2026.

18 Sec. 1004. The funds appropriated in part 1 for the maritime  
19 and port facility improvement office shall be used by the  
20 department for the establishment of a new port office that will  
21 provide grants to fund port facility improvements.

22 Sec. 1005. The funds appropriated in part 1 for a maritime  
23 passenger ferry shall be provided to a maritime passenger authority  
24 located in a county with a population of between 26,000 and 26,100  
25 according to the most recent federal decennial census for the  
26 purpose of purchasing a passenger ferry.

27 Sec. 1006. The funds appropriated in part 1 for a northern  
28 Michigan rail phase II study shall be used by the department to  
29 conduct a planning and engineering phase II study as required by



1 the Federal Railroad Administration for future passenger rail  
2 service between Ann Arbor, Michigan and Traverse City, Michigan.  
3 The study must outline capital infrastructure needs, update market  
4 and ridership forecasts, and update industry analysis of rail  
5 development. The funding must also enable community engagement,  
6 outreach, and feedback with communities along the proposed  
7 passenger rail corridor.

8       Sec. 1007. The funds appropriated in part 1 for Upper  
9 Peninsula freight rail infrastructure investment shall be provided  
10 to a local county economic development corporation in a county with  
11 a population of between 36,000 and 36,800 according to the most  
12 recent federal decennial census for the purpose of replacing aging  
13 rail used for freight transportation purposes.

