

**SUBSTITUTE FOR
SENATE BILL NO. 425**

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 11i.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 **Sec. 11i. (1) The department shall create and operate a local**
 2 **grade separation grant program for the separation of motor vehicle**
 3 **traffic and railroad traffic in this state. The department shall**
 4 **provide grants to cities, villages, and county road commissions in**
 5 **this state.**

6 **(2) A funding application for the local grade separation grant**
 7 **program must be made on a form approved by the department and must**
 8 **contain the information required by the department, including, but**
 9 **not limited to, a narrative describing the economic development**

1 benefit to the county, township, or city in which the grade
2 separation project, or project described in subsection (3)(b), for
3 which funding is applied is located. A funding application under
4 this section may be made at any time as determined by the
5 department.

6 (3) The department shall establish a review process for
7 considering funding applications under this section and post the
8 criteria for the review process on the department's website. No
9 later than 180 days after receiving a funding application under
10 this section, the department shall notify the applicant in writing
11 whether the funding application is approved or rejected. Grant
12 funds awarded under this section may be used by the funding
13 recipient for any stage of design and construction related to
14 either of the following:

15 (a) A grade separation project.

16 (b) A project that improves traffic at a rail crossing without
17 a full grade separation including, but not limited to, construction
18 of a rail siding or spur.

19 (4) Before releasing local grade separation grant funds, the
20 department must enter into a written agreement with the funding
21 recipient that provides for both of the following:

22 (a) Complete details of the grade separation project, or
23 project described in subsection (3)(b).

24 (b) A local, private, or federal match of not less than 20% of
25 the cost of the grade separation project, or project described in
26 subsection (3)(b).

27 (5) For each year in which the department receives funding
28 applications, the department shall report by December 1 to the
29 standing committees of the senate and house of representatives with

1 primary jurisdiction over issues pertaining to transportation and
2 to the senate and house of representatives appropriations
3 committees on the utilization of funds from the local grade
4 separation grant program. The report must include, at a minimum,
5 all of the following:

6 (a) The number of funding applications received under this
7 section.

8 (b) The name of each city, village, or county road commission
9 that submitted a funding application, and whether each funding
10 application was approved or denied.

11 (c) The amount of the local match for each funding application
12 approved under this section.

13 (6) As used in this section, "grade separation" means an
14 intersection of a railroad and roadway at different levels with the
15 railroad either above or below the highway.