TRANSPORTATION APPROPRIATIONS
BOILERPLATE DECISION DOCUMENT

FY 2025-26 Budget Proposals:

Executive Recommendation

House Bill 4706 (H-1)

Senate Bill 174 (S-1)

Conference/Enacted #

Compared to FY 2024-25 ##

 # The FY 2025-6 Enacted Transportation Budget is Article 15 within Omnibus budget act 2025 PA 22 (House Bill 4706)

The FY 2024-25 Transportation Budget is Article 15 within Omnibus budget act 2024 PA 121

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DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
GENERAL SECTIONS ***State Spending from State Resources and Payments to Local Units of Government*** **Sec. 201.** In accordance with section 30 of article IX of the state constitution of 1963, for the fiscal year ending September 30, 2025, total state spending under part 1 from state sources is **$4,423,660,000.00** and state spending under part 1 from state sources to be paid to local units of government is **$2,507,859,400.00.** The following itemized statement identifies appropriations from which spending to local units of government will occur: **STATE TRANSPORTATION DEPARTMENT** Grants to regional planning councils ..... 488,800 Cities and villages..... 734,069,200 County road commissions..... 1,316,610,100 Grants to local programs..... 33,000,000 Local bridge program..... 26,914,700 Local agency wetland mitigation..... 2,000,000 Movable bridge..... 3,083,600 Rail grade crossing..... 1,500,000 Rail grade surface crossing improvements..... 3,000,000 Transportation economic development ..... 43,438,300 Air service program..... 50,000 Local bus operating..... 226,750,000 Detroit/Wayne County Port Authority..... 600,000 Marine passenger service ..... 2,000,000 Municipal credit program..... 2,000,000 [***continued on page 2***]	**Revised to reflect 2025-26 fiscal year and other technical changes.**	**Revised to reflect 2025-26 fiscal year and other technical changes.**	**Revised to reflect 2025-26 fiscal year and other technical changes.**	**Revised to reflect 2025-26 fiscal year and other technical changes.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
[*continued from page 1*] Service initiatives..... 7,288,300 Specialized services .....13,000,000 Transit capital .....77,534,100 Airport safety, protection, and improvement program..... 7,742,300 Detroit Metropolitan Wayne County Airport ..... 6,760,000 **Total payments to local units of government $**.....2,507,859,400				
Applicability of Management and Budget Act **Sec. 202.** The appropriations under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.	**No change from current year.**	**No change from current year.**	**No change from current year.**	**No change from current year.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
Definitions **Sec. 203.** As used in this part and part 1: (a) "CTF" means comprehensive transportation fund. (b) "Department" means the state transportation department. (c) "Director" means the director of the department. (d) "DOT" means the United States Department of Transportation. (e) "DOT-FHWA" means DOT, Federal Highway Administration. (f) "FTE" means full-time equated. (g) "IDG" means interdepartmental grant. (h) "IIJA" means the infrastructure investment and jobs act, 2021, Public Law 117-58. (i) "MTF" means Michigan transportation fund. (j) "SAF" means state aeronautics fund. k) "Standard report recipients" means the senate and house appropriations subcommittees on transportation, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office. (l) "STF" means state trunkline fund.	**Technical Changes.**	**No change from current year.**	**No change from current year.**	**No change from current year.**
Internet Reporting **Sec. 204.** The department shall use the internet to fulfill the reporting requirements of this part. This requirement includes transmitting reports to the standard report recipients and any other required recipients by email and posting the reports on an internet site.	**Retained with minor language changes.**	**No change from current year.**	**No change from current year.**	**Retained with minor language changes.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
Buy American/ Buy Michigan Preference **Sec. 205.** To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds appropriated in part 1: (a) The funds must not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. (b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality. (c) Preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.	**No change from current year.**	**No change from current year.**	**No change from current year.**	**No change from current year.**
Communications with the Legislature **Sec. 206.** The department shall not take disciplinary action against an employee of the department for communicating with a member of the legislature or legislative staff, unless the communication is prohibited by law and the department is exercising its authority as provided by law. ***DEEMED UNENFORCEABLE BY GOVERNOR***	**Not Included**	**House standard language (minor modifications).**	**No change from current year.**	**No change from current year.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
Out-of-State Travel **Sec. 207.** Consistent with section 217 of the management and budget act, 1984 PA 431, MCL 18.1217, the departments shall prepare a report on out-of-state travel expenses not later than January 1. The report must list all travel by classified and unclassified employees outside this state in the previous fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The department shall submit the report to the standard report recipients and to the senate and house appropriations committees. The report must include all of the following information: (a) The dates of each travel occurrence. (b) The total transportation and related expenses of each travel occurrence and the proportions funded with state general fund/general purpose revenues, state restricted revenues, federal revenues, and other revenues.	**Minor Language Changes.**	**Retains with minor wording changes.**	**No change from current year.**	**Retains with minor wording changes.**
Hire of Outside Legal Counsel **Sec. 208.** The department shall not use funds appropriated in part 1 to hire a person to provide legal services that are the responsibility of the attorney general. This section does not apply to legal services for bonding activities or to outside legal services that the attorney general authorizes.	**Technical Changes.**	**Not Included.**	**No change from current year.**	**Not Included.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
General Fund/General Purpose Lapse Report **Sec. 209.** Not later than December 15, the state budget office shall prepare and submit a report that provides estimates of the total general fund/general purpose appropriation lapses at the close of the previous fiscal year. The report must summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The state budget office shall submit the report to the standard report recipients and to the chairpersons of the senate and house appropriations committees.	**Technical Changes.**	**No change from current year.**	**No change from current year.**	**No change from current year.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
Contingency Authorization **Sec. 210.** (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed **$500,000,000.00** for federal contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.	**Technical Changes (Changes "authorization" to "funds."**	**No change from current year.**	**No change from current year.**	**No change from current year.**
(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed **$40,000,000.00** for state restricted contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.	**Technical Changes (Changes "authorization" to "funds."**	**No change from current year.**	**No change from current year.**	**No change from current year.**
(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed **$1,000,000.00** for local contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.	**Technical Changes (Changes "authorization" to "funds."**	**No change from current year.**	**No change from current year.**	**No change from current year.**
(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed **$11,000,000.00** for private contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.	**Technical Changes (Changes "authorization" to "funds."**	**No change from current year.**	**No change from current year.**	**No change from current year.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	HOUSE	SENATE	CONFERENCE
			NEW (5) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed **$3,000,000.00** for restricted contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393. Funds appropriated or transferred under this subsection are available to implement a comprehensive infrastructure plan consistent with all of the following: (a) Includes sustainable, long-term funding for local roads and addresses state trunkline needs. (b) Includes a revised road funding distribution formula that prioritizes and accounts for at least the lane miles of local roads, prioritizes local roads that are in poor condition and have significant traffic volume, and recognizes the unique conditions of different regions of this state, including, but not limited to, the differences in construction costs by region and the impacts of the freeze-thaw cycle. (c) Provides sufficient funding to reverse the decline in state support for local bus and transit providers. (d) Provides funding to enhance both passenger and freight rail services across the state. (e) Addresses funding for other critical infrastructure, including local drinking and wastewater infrastructure needs, local bridge repairs, non-motorized infrastructure, and emergency and disaster response needs.	**Not included.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
Transparency Website **Sec. 211.** The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for the department: (a) Fiscal year-to-date expenditures by category. (b) Fiscal year-to-date expenditures by appropriation unit. (c) Fiscal year-to-date payments to a selected vendor, including the vendor name, payment date, payment amount, and payment description. (d) The number of active department employees by job classification. (e) Job specifications and wage rates.	**Technical Changes.**	**House standard language does not include subdivisions (d) and (e); includes new subsection (2) that requires the department to cooperate with the DTMB to update the website on a quarterly basis.**	**No change from current year.**	**Modified as follows.** **Sec. 211.** (1) A department or agency shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency: (a) Fiscal year-to-date expenditures by category. (b) Fiscal year-to-date expenditures by appropriation unit. (c) Fiscal year-to-date payments to a selected vendor, including the vendor name, payment date, payment amount, and payment description. (2) The department shall cooperate with the department of technology, management, and budget to update the searchable website on a quarterly basis.

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
Restricted Fund Balance Report **Sec. 212.** Not later than 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the previous 2 fiscal years. The report must be submitted to the standard report recipients and to the chairpersons of the senate and house appropriations committees.	**Not Included.** **(Already part of the Executive budget presentation.)**	**No change from current year.**	**No change from current year.**	**No change from current year.**
Access to Government Services **Sec. 214.** (1) Funds appropriated in part 1 must not be used to restrict or impede a marginalized community's access to government resources, programs, or facilities.	**No change from current law.**	**Not Included.**	**No change from current law.**	**No change from current law.**
(2) From the funds appropriated in part 1, local governments shall report any action or policy that attempts to restrict or interfere with the duties of a local health officer.	**No change from current law.**	**Not Included.**	**No change from current law.**	**No change from current law.**

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FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
Geographically Disadvantaged Business Enterprises **Sec. 215.** To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director shall take all reasonable steps to ensure geographically disadvantaged business enterprises compete for and perform contracts to provide services or supplies, or both. The director shall strongly encourage firms with which the department contracts to subcontract with certified geographically disadvantaged business enterprises for services, supplies, or both. As used in this section, "geographically disadvantaged business enterprises" means that term as defined in Executive Directive No. 2023-1.	**Retains with minor wording changes.**	**Not Included.**	**No change from current year.**	**Retains with minor wording changes.**
Report on FTE Positions **Sec. 216.** On a quarterly basis, the department shall report on the number of FTE positions in pay status by civil service classification, including a comparison by line item of the number of FTE positions authorized from funds appropriated in part 1 to the actual number of FTE positions employed by the department at the end of the reporting period. The report must be submitted to the senate and house appropriations committees and to the standard report recipients.	**Retains with minor wording changes.**	**House standard language. (minor modifications)**	**No change from current year.**	**Retains with minor wording changes.**

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FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
Record Retention **Sec. 219.** The department shall receive and retain copies of all reports funded from appropriations in part 1. The department shall follow federal and state guidelines for short-term and long-term retention of records. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.	**Not Included.**	**House standard language. (minor modifications)**	**No change from current year.**	**Retains with minor wording changes.**
Specific Policy Change **Sec. 220.** Not later than April 1, the department shall report on each specific policy change made to implement a public act affecting the department that took effect during the previous calendar year. The department shall submit the report to the standard report recipients, to the senate and house appropriations committees, and to the joint committee on administrative rules.	**Not Included.**	**House standard language. (House requires reference to public act that required policy change.)**	**No change from current year.**	**Retains with minor wording changes.**
Work Project Expenditures **Sec. 222.** To the extent possible, the department shall not expend appropriations under part 1 until all existing authorized work project funds available for the same purposes are exhausted.	**Not Included.**	**No change from current year; shown as Sec. 222a**	**No change from current year.**	**Not Included.**

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FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
		NEW ***Work Project Reports*** **Sec. 222b.** The department shall submit a quarterly report that summarizes all work project accounts. The report must include all of the following: (a) A list of all work project accounts. (b) The status of all work project accounts including amounts expended, amounts encumbered, and available balances for each account. (c) The amount of funds that lapsed from any previously designated work project accounts, the name and description of the work project account, and the funds that received the lapsed amounts.		***Work Project Reports*** **Conference includes modified language as Sec. 222.** **Sec. 222.** Not later than 6 months after the state budget office issues work project letters, the department shall submit an annual report that summarizes all work project accounts. The report must include all of the following: (a) A list of all work project accounts. (b) The status of all work project accounts, including amounts expended, amounts encumbered, and available balances for each account. (c) The amount of funds that lapsed from any previously designated work project accounts, the name and description of the work project account, and the funds that received the lapsed amounts.

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FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
Use of State Fiscal Recovery Funds **Sec. 223.** (1) The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget director may reallocate appropriated funds for the purpose of fully utilizing state fiscal recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons that may include, but are not limited to, completed projects coming in under budget or funds unable to be fully used by subrecipients. The state budget director shall reallocate any of the funds reallocated under this subsection to the programs or purposes specified in this section. Any funds reallocated are unappropriated and immediately reappropriated for the following purposes: (a) To reclassify general fund/general purpose appropriations for payroll and covered benefits for eligible public health and safety employees at the department of corrections. (b) To reclassify general fund/general purpose appropriations for payroll and covered benefits for eligible public health and safety employees at the department of state police.	**Not Included.**	**Not Included.**	**Modified** **Sec. 223.** The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. A department or agency receiving an appropriation under this part or part 1 must notify the standard report recipients if an appropriation of funds described under this section is projected to lapse.	**Not Included.**
(2) All applicable guidance, implementation, and reporting provisions of Public Law 117-2 must be followed for state fiscal recovery funds reallocated and reappropriated under subsection (1).	**Not Included.**	**Not Included.**	**Not Included.**	**Not Included.**

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FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
(3) The state budget director shall notify the senate and house appropriations committees not later than 10 business days after making any reallocations under subsection (1). The notification must include the authorized program under which funds were originally appropriated, the amount of the reallocation, the program, or programs, or purpose, and the department to which the funds are being reallocated under subsection (1), and the amount reallocated to each program or purpose.	**Not Included.**	**Not Included.**	**Not Included.**	**Not Included.**
(4) The state budget director and the impacted departments may make the accounting transactions necessary to implement the reallocation and subsequent appropriation of funds as authorized in this section.	**Not Included.**	**Not Included.**	**Not Included.**	**Not Included.**
		State Administrative Board **Sec. 223.** If the state administrative board, acting under section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount appropriated under part 1, the legislature may, by a concurrent resolution adopted by a majority of the members elected to and serving in each house, intertransfer funds within part 1 for the particular department, board, commission, officer, or institution.		**Not Included.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	HOUSE	SENATE	CONFERENCE
		New ***Severance Pay*** **Sec. 225.** (1) From the funds appropriated in part 1, the department shall do the following: (a) Report to the standard report recipients and to the senate and house appropriations committees any amounts of severance pay for a department director, deputy director, or other high-ranking department official not later than 14 days after a severance agreement with the director, deputy director, or official is signed. The name of the director, deputy director, or official and the amount of severance pay must be included in the report required by this subdivision. (b) Not later than February 1, report on the total amount of severance pay remitted to former department employees during the prior fiscal year and the total number of former department employees that were remitted severance pay during the prior fiscal year.		**Not Included.**
		(2) As used in this section, "severance pay" means compensation to which either of the following apply: (a). The compensation is either payable or paid upon the termination of employment. (b). the compensation is paid in addition to wages or benefits earned during the course of employment or generally applicable retirement benefits.		**Not Included.**

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FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
Need Header		**NEW** ***State Workforce Efficiency*** **Sec. 226.** (1) The department shall maximize the efficiency of the state workforce, The department shall prioritize employees working in person 5 days per week for each division within the department. Employees with job responsibilities that require the employees to serve in their capacities outside of the office must report to the office before beginning fieldwork. Field service employees include, but are not limited to, protective service workers, parole and probation officers, conservation officers, state troopers assigned to road patrol, inspectors, and construction and trade workers.		**Conference includes modified language.** **Sec. 226.** (1) The department shall maximize utilization of its in-person state workforce. The department shall prioritize occupancy utilization of office space for each division within the department. Employees with job responsibilities that require the employees to serve in their capacities outside of an office shall be monitored each pay period to ensure all work hours reported on the timesheet were actually worked. (
		(2) The department shall establish a policy and process for verifying that all employees are working at their jobs during normal business hours.		(2) The department shall comply with requirements set by the office of the state employer on in-person work and utilization and occupancy rates of state buildings to ensure in-person work is optimized and occupancy rates are 80% or higher, subject to market conditions.

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FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	HOUSE	SENATE	CONFERENCE
		(3) The department shall provide information on employee badge scanning when requested by a member of the legislature.		(3) The department shall adhere to the rules and regulations of civil service, which state that the standard biweekly work period for a full-time employee in the classified service is the equivalent of 80 hours of work. The department shall establish policies and processes to ensure all employees are working their jobs during agreed on business hours.
				NEW ***Transparency Report*** **Sec. 227.** A department or agency required to submit a report under this part shall make each report readily accessible to the public and conspicuously post each required report in a single archivable location on the department's or agency's Michigan.gov website not later than the due date required for each report. In addition to placing all reports required in the current fiscal year on the department's or agency's website, the department or agency shall maintain on its website all reports placed on the website from previous fiscal years posted by fiscal year in the same single archivable location.

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	HOUSE	SENATE	CONFERENCE
		NEW ***E-Verify*** **Sec. 228. (1)** The department shall require as a condition of each contract or subcontract that the prequalified contractor or prequalified subcontractor agree to use the E-Verify system to verify that all persons hired during the contract term by the contractor or subcontractor are legally present and authorized to work in the United States.		**Conference concurs with House.**
		(2) The department may verify this information directly or may require contractors and subcontractors to verify the information and submit a certification to the department. The department shall submit a report to the standard report recipients not later than March that describes the processes it has developed and implemented under provisions of this section.		**Conference concurs with House.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	HOUSE	SENATE	CONFERENCE
		(3) The department shall not contract with any foreign entities that are known or suspected to be enemies of the United States, or known foreign adversaries. . Foreign adversaries include all of the following: (a) The People's Republic of China. (b) The Russian Federation. (c) The Islamic Republic of Iran. (d) The Democratic People's Republic of Korea. (e) The Republic of Cuba. (f) The Venezuelan regime of Nicolás Maduro. (g) The Syrian Arab Republic. (h) An agency or other entity under significant control of a country described in subparagraphs (a) to (h).		**Not included.**
		(4) As used in this section, "E-Verify" means an internet-based system operated by the Department of Homeland Security, U.S. Citizenship and Immigration Services in partnership with the Social Security Administration.		**Conference concurs with House. (includes as subsection (3).**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
		NEW ***Services to Non-Citizens*** **Sec. 229.** Funds appropriated in part 1 from state or federal sources are prohibited from being used to provide services, grants, or programming to an individual who is not a citizen of the United States, unless the individual is a qualified alien as that term is defined under 8 U.S.C. section 1641. This section does not prohibit the department, political subdivisions, state university, or other state agency from expending funds for the purpose of detaining individuals who are not citizens of the United States, including any costs associated with housing such individuals in county jails or state correctional facilities		**Not included.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	HOUSE	SENATE	CONFERENCE
			NEW ***Federal Policy Changes*** **Sec. 232.** The department must provide a quarterly report to the standard report recipients detailing federal policy changes that do, or are expected to do, any of the following: (a) Affect the operations of the department. (b) Affect an industry, community, population, or other group regulated or served by, or that otherwise engages with, the department. (c) Affect regulations that currently protect the public to the extent that the regulations affect an industry, community, population, or other group regulated or served by, or that otherwise engages with, the department. (d) Create a regulatory gap that could negatively impact the public.	**Includes the following:** **Sec. 232.** The department must provide **annual** report to the standard report recipients detailing federal policy changes that do, or are expected to do, any of the following: (a) Affect the operations of the department, including reductions in federal revenue. (b) Affect an industry, community, population, or other group regulated or served by, or that otherwise engages with, the department. (c) Create a regulatory gap that could negatively impact the public.

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FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
		NEW ***Legacy Costs*** **Sec. 234.** Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2026 are estimated at ***$41,805,400.00***. From this amount, total department appropriations for pension-related legacy costs are estimated at ***$37,705,900.00***. Total department appropriations for retiree health care legacy costs are estimated at ***$4,099,500.00***.		**Conference concurs with House.**
		New ***Searchable Website*** **Sec. 235.** (1) The department shall maintain, on a publicly accessible website, a department scorecard that identifies, tracks, and updates on a quarterly basis key metrics that are used to monitor and improve the department's performance. (2) The department must notify the standard report recipients when the quarterly updates to the department scorecard are available on a publicly accessible website.		***Strategic Plan*** **Conference modifies:** **Sec. 235.** Not later than April 1, the department shall provide to the standard report recipients a copy of its annual strategic plan prepared in compliance with section 363 of the management and budget act, 1984 PA 431, MCL 18.1363. The plan must include the mission, vision, goals, strategies, and performance measures of the department.

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FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
		New ***Judgements over $200,000*** **Sec. 236.** (1) Unless specifically authorized elsewhere in this part or part 1, funds appropriated in part 1 must not be used to pay for a state obligation that exceeds $200,000.00 for a court approved judgement, settlement, award, or claim without prior legislative approval. (2) If a state obligation for a court-approved judgment, settlement, award, or claim results in a change from current statute, the department shall notify the legislature. (3) This section does not apply to compensation and other relief to individuals wrongfully imprisoned as required under the wrongful imprisonment compensation act, 2016 PA 343, MCL 691.1751 to 691.1757.		**Conference modifies:** **Sec. 236.** The department shall report on any court settlement that may require further legislative review of state statutory programs or regulations.

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	HOUSE	SENATE	CONFERENCE
		NEW ***Private Funds Report*** **Sec. 237.** Not later than November 15, the department must disclose on a publicly accessible website private and other third-party funds received by the department in the previous fiscal year. The report must include the amount of funding received, the specific source of funding received, the purpose for which funding was expended, and the amount of any remaining funds. The report must be submitted to the standard report recipients and to the chairpersons of the senate and house appropriations committees.		**Concurs with House.**
		NEW ***DEI Prohibition*** **Sec. 238.** State funds must not be used for diversity, equity, and inclusion (DEI) initiatives or programs and as outlined in **federal** Executive Orders 14151 "Ending Radical and Wasteful Government DEI Programs and Preferencing", 14168 "Defending Women from Gender Ideology Extremism and Restoring Biological Truth to the Federal Government", and 14173 "Ending Illegal Discrimination and Restoring Merit-Based Opportunity".		**Not included.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	HOUSE	SENATE	CONFERENCE
			NEW ***Unenforceable Sections*** **Sec. 231.** (1) Within 10 days after the effective date of this act, the department must provide a report to the standard report recipients containing the following information: (a) A list of any sections in this act that the department determines to be unenforceable, with a detailed legal rationale for those determinations, as applicable. (b) If a determination under subdivision (a) would affect the operations of a program or programs within the department, the department must report the estimated difference in cost between the policy outlined in the section determined to be unenforceable and the policy the department intends to pursue.	**Not included.**
			(2) The department may coordinate with the executive office of the governor or other state departments or agencies to compile a statewide report for any departments or agencies required to submit a report substantially similar to the report described under subsection (1).	**Not included.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	HOUSE	SENATE	CONFERENCE
Sec. 250 - Report on Grant Sponsors and Grant Recipients ***(Not printed in this Decision Document.)***	**Not Included.**	**See Sec. 227, above.**	**No change from current law.**	**Modified language included as Sec. 239.** ***(Printed at the end of this Decision Document.)***
DEPARTMENTAL ADMINISTRATION AND SUPPORT ***Permit Fees*** **Sec. 301.** The department may establish a fee schedule and collect fees sufficient to cover the costs to issue the permits that the department is authorized by law to issue upon request, unless otherwise stipulated by law. All permit fees are nonrefundable application fees and shall be credited to the appropriate fund to recover the direct and indirect costs of receiving, reviewing, and processing the requests.	**No change from current law.**	**No change from current law.**	**No change from current law.**	**No change from current law.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
		Debt Service Report **Sec. 302.** Not later than **February 1, 2026**, the department shall report to the house and senate appropriations subcommittees on transportation, the house and senate fiscal agencies, and the state budget office on STF debt service. The report must include all of the following: (a) An accounting of the prior fiscal year's STF debt service payments, including a calculation of STF debt service payments as a percentage of STF revenue secured by constitutionally restricted revenue. (b) A projection of STF debt service obligations for the fiscal year ending **September 30, 2026**, including a calculation of STF debt service obligations as a percentage of estimated STF revenue secured by constitutionally restricted revenue. (c) A description of all bond sales planned for the fiscal year ending September 30, 2026**.**		**Not Included.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	HOUSE	SENATE	CONFERENCE
		Signage for Bond-Financed Projects **Sec. 303.** (1) When the department places signs identifying trunkline construction projects as bond-financed, the signs shall identify the total cost of the project and the estimated borrowing costs associated with the bonds used to finance the project. Text and numeric figures identifying estimated borrowing costs associated with bonds used to finance projects shall be the same font and font size as the text and numeric figures identifying trunkline construction projects as bond-financed.		**Not Included.**
		(2) The department must remove all signs identifying trunkline construction projects as bond-financed that are not in compliance with this section.		**Not Included.**
Confidentiality of Bid Documents **Sec. 304.** If, as a requirement of bidding on a highway project, the department requires a contractor to submit financial or proprietary documentation as to how the bid was calculated, that bid documentation shall be kept confidential and shall not be disclosed other than to a department representative without the contractor's written consent. The department may disclose the bid documentation if necessary to address or defend a claim by a contractor.	**No change from current law.**	**No change from current law.**	**No change from current law.**	**No change from current law.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	HOUSE	SENATE	CONFERENCE
Practice and Polices Regarding Homelessness **Sec. 305.** (1) The department shall consult with the Michigan state housing development authority interagency council on homelessness or the Michigan homeless policy council to assess current practices and policies regarding interactions with homeless populations generally and for situations of clearing homeless encampments from public rights-of-way. The assessment must include all of the following at a minimum: (a) Additional costs to the department. (b) The impact on operations. (c) The safety of department staff. (d) The impact on homeless individuals. (e) The impact on addressing the overall rate of homelessness. (f) The effectiveness of strategy in reducing the negative impacts of homeless encampments on rights-of-way.	**Not Included.**	**Not Included.**	**No change from current law.**	**Not Included.**
(2) The department shall undertake a hazardous materials cleanup of homeless sites on the department's property.	**Not Included.**	**Not Included.**	**No change from current law.**	**Not Included.**
(3) The department shall coordinate with local law enforcement, social assistance organizations, homeless assistance agencies, and continuum of care agencies.	**Not Included.**	**Not Included.**	**No change from current law.**	**Not Included.**
(4) Before clearing a homeless encampment site, the department shall do both of the following: (a) Communicate and post information of the date that the site will be cleared, including posting that information at the site. (b) Create a plan for clearing the site of possessions and reunifying the possessions with their owners.	**Not Included.**	**Not Included.**	**No change from current law.**	**Not Included.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
Use of Transportation Funds by Other State Agencies **Sec. 306.** (1) The amounts appropriated in part 1 to support tax and fee collection, law enforcement, and other program services provided to the department and to transportation funds by other state departments shall be expended from transportation funds pursuant to annual contracts between the department and those other state departments. The contracts shall be executed prior to the expenditure or obligation of those funds. The contracts shall provide, but are not limited to, the following data applicable to each state department: (a) Estimated costs to be recovered from transportation funds. (b) Description of services provided to the department and/or transportation funds and financed with transportation funds. (c) Detailed cost allocation methods appropriate to the type of services being provided and the activities financed with transportation funds.	**No change from current law.**	**No change from current law.**	**No change from current law.**	**No change from current law.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
(2) Not later than 2 months after publication of the state of Michigan annual comprehensive financial report, each state department receiving funding pursuant to an interdepartment contract with the department shall submit a written report to the department, the state budget director, the house and senate fiscal agencies, and the auditor general stating by spending authorization account the amount of estimated funds contracted with the department, the amount of funds expended, the amount of funds returned to the transportation funds, and any unreimbursed transportation-related costs incurred but not billed to transportation funds.	**No change from current law.**	**No change from current law.**	**No change from current law.**	**No change from current law.**
Rolling 5-Year Transportation Plan **Sec. 307.** Before March 1 of each year, the department will provide to the legislature, the state budget director, and the house and senate fiscal agencies its rolling 5-year plan listing by county or by county road commission all highway construction projects for the fiscal year and all expected projects for the ensuing fiscal years.	**Technical Changes.**	**No change from current law.**	**No change from current law.**	**No change from current law.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	HOUSE	SENATE	CONFERENCE
			NEW ***Apprenticeship*** **Sec. 308.** Funds appropriated under part 1 or this part must not be used for construction, repair, or remodeling of a building or structure owned or leased by this state unless the construction, repair, or remodeling is performed by contractors that participate in a registered apprenticeship program for the training of their apprentices, as that term is defined in 29 USC 50c, that is certified as approved by the United States Secretary of Labor as described in 29 USC 50c.	**Not included.**
		[See House Sec. 356, below]	**NEW** ***Pavement Marking Material*** **Sec. 309.** Notwithstanding any other law, a state contract for a pavement marking project or for the purchase of materials for a pavement marking project must include in the contract a requirement that any yellow paint product procured must have organic yellow pigments 65 (HTS 3204.17.9086), 74 (HTS 3204.17.9055), or both permanently incorporated in the material, and that the pigment must be manufactured in this state according to the rules of origin under the United States-Mexico-Canada agreement, Public Law 116-113.	**NEW** ***Pavement Marking Material*** **Sec. 309.** Notwithstanding any other law, a state contract for a pavement marking project or for the purchase of materials for a pavement marking project must include in the contract a requirement that, in any yellow water-based paint product procured, all yellow based pigments permanently incorporated in the material must be manufactured in the United States according to the rules of origin under the United States-Mexico-Canada agreement, Public Law 116-113.

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	HOUSE	SENATE	CONFERENCE
State Transportation Commission Minutes/Agenda **Sec. 310.** The department shall post in a timely manner copies of the agenda, approved minutes, and audio recording of state transportation commission meetings.	**No change from current law.**	**No change from current law.**	**No change from current law.**	**No change from current law.**
Local Bridge Bundling Initiative **Sec. 311.** (1) The department shall prepare a report on all of the following: (a) CRRSAA – highway infrastructure – local bridge bundling initiative established in section 113(2) of article 14 of 2021 PA 87. (b) Local bridge bundling initiative established in section 118 of article 15 of 2023 PA 119.	**Not Included.**	**No change from current law.**	**No change from current law.**	**No change from current law.**
(2) The report must identify the status of bridge projects selected, funds expended under the program, and funds remaining.	**Not Included.**	**No change from current law.**	**No change from current law.**	**No change from current law.**
(3) The report shall be submitted to the standard report recipients on or before March 30, 2025.	**Not Included.**	**No change from current law other than report date reference.**	**No change from current law other than report date reference.**	**No change from current law other than report date reference.**
				New Section ***Property Management*** **Sec. 312.** By March 31, the department shall report to the senate and house appropriations subcommittees on transportation, the senate and house fiscal agencies, and the state budget office on the utilization of department properties, including, but not limited to, salt storage facilities, garages, and regional offices.

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
State Infrastructure Bank (SIB) **Sec. 313.** (1) From funds appropriated in part 1, the department may increase a state infrastructure bank program and grant or loan funds in accordance with regulations of the state infrastructure bank program of the United States Department of Transportation. The state infrastructure bank is to be administered by the department for the purpose of providing a revolving, self-sustaining resource for financing transportation infrastructure projects.	**No change from current year.**	**No change from current year.**	**No change from current year.**	**No change from current year.**
(2) In addition to funds provided in subsection (1), money received by the state as federal grants, repayment of state infrastructure bank loans, or other reimbursement or revenue received by the state as a result of projects funded by the program and interest earned on that money shall be deposited in the revolving state infrastructure bank fund and shall be available for transportation infrastructure projects. At the close of the fiscal year, any unencumbered funds remaining in the state infrastructure bank fund shall remain in the fund and be carried forward into the succeeding fiscal year.	**No change from current year.**	**No change from current year.**	**No change from current year.**	**No change from current year.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
(3) The department shall prepare a report on the status of the state infrastructure bank and submit the report to the standard report recipients on or before **December 31, 2024**. The report shall include the following: (a) The balance in the state infrastructure bank at **September 30, 2024,** including a breakdown of the balance by cash and cash equivalents, outstanding loans, and balance available for loan to local agencies. (b) A breakdown of the state infrastructure loan balance by amounts originating from federal sources and the amounts originating from nonfederal sources. (c) A list of outstanding loans by agency, original loan amount, project description, loan term, and amount outstanding.	**No change from current year, other than date references.**	**No change from current year, other than date references.**	**No change from current year, other than date references.**	**No change from current year, other than date references.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
	NEW ***MI Contracting Opportunity*** **Sec. 314.** (1) The MI contracting opportunity loan fund is created within the state treasury. (2) Funds deposited into the MI contracting opportunity loan fund originally created in section 1003 of article 15 of 2024 PA 121 or money received by the state as repayment of loans or interest earned on loan funds are appropriated and shall be available for future loans. (3) At the close of the fiscal year, any unencumbered funds remaining in the fund shall be carried forward into the succeeding fiscal year.	**Not included**	**Concurs with Executive.**	**Concurs with Executive.**
			NEW ***Movable Bridge Fund for Local Bridge Inspections*** **Sec. 315.** The department shall use any additional funds in the moveable bridge fund to cover other costs for any required local federal bridge load analysis, inspection, or other local federal mandate.	**Concurs with Senate.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	HOUSE	SENATE	CONFERENCE
		Rest Area Signage **Sec. 319.** The department shall post signs at each rest area to identify the agency or contractor responsible for maintenance of the rest area. The signs shall include a department telephone number and shall indicate that unsafe or unclean conditions at the rest area may be reported to that telephone number.		**Not Included.**
		Subcontractor Prompt Payment **Sec. 353.** The department shall review its contractor payment process and ensure that all prime contractors are paid promptly. The department shall ensure that prime contractors are in compliance with special provision 109.10 regarding the prompt payment of subcontractors.		**Not Included.**
		NEW ***Contract Specifications*** **Sec. 356**. For all contracts and procurements funded under this act, the department shall prioritize the award of contracts to Michigan-based manufacturers and businesses that employ Michigan residents, including but not limited to: a. pigment for road markings b. cement for road building and other concrete building projects.		**Not Included.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	HOUSE	SENATE	CONFERENCE
		NEW ***Local Federal-Aid – 120 day Review Clock*** ***Sec. 357.*** When presented with complete local federal aid project submittals, the department shall complete all necessary reviews and inspections required to let local federal aid projects within 120 days of receipt. The department shall implement a system for monitoring the local federal aid project review process.		**Not Included.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
		NEW ***Bridge Bundling*** ***Sec. 358.*** Except as required to receive federal funding, the department shall not utilize bridge bundling contracting methods for projects involving the construction, rehabilitation, or replacement of state or locally owned bridges. If a bridge bundling contracting method is required as a condition of federal participation in project costs, all of the following conditions apply: (a) A bridge bundling project package is limited to a maximum of 5 bridges. (b) Each bridge bundling project package must be confined to a single department region. (c) Except for standard prequalification requirements, the department shall not limit the number of eligible bidders for a bridge bundling project package.		**Not Included.**
		NEW ***Groundbreaking Ceremonies*** ***Sec. 375.*** The department is prohibited from reimbursing contractors or consultants for costs associated with groundbreaking ceremonies, receptions, open houses, or press conferences related to transportation projects funded, in whole or in part, by revenue appropriated in part 1.		**Not Included.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
		NEW – Bond Repayment Fund **Sec. 381.** (1) The bond repayment fund is created within the department of treasury and shall be administered by the state transportation department. (2) From the unexpended and unencumbered funds appropriated in 2021 PA 87, 2022 PA 166, 2023 PA 119, and 2024 PA 121 that were designated as work project appropriations, the state transportation department shall work with the state budget director to lapse a total of $2,400,000,000.00. The $2,400,000,000.00 in work project lapse funds must be made available for expenditure for debt service payments on STF refunding and rebuilding Michigan bonds issued after January 2020.		**Not Included.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
		NEW ***Local Federal Aid – 2-Years to Final Project*** **Sec. 382.** In administering a contract with a county road commission, city, or village that allocates costs of construction or reconstruction of highways, roads, and streets as provided in section 18d of 1951 PA 51, MCL 247.668d, the department shall submit the final cost-sharing bill to the county road commission, city, or village not later than 2 years after the date of the final contract payment to the construction contractor.		**Not Included.**
Report on Use of State Airfleet **Sec. 383.** (1) The department shall prepare a report on use of department-owned aircraft during the fiscal year ending September 30, 2024. With respect to each department-owned aircraft, the report shall include all of the following: (a) Total hours of usage. (b) Description of specific flights including dates of travel, names of passengers including state agency, university, or local government affiliation, travel origin and destination, and total estimated costs associated with the air travel.	**Not Included.**	**No change from current law, other than date reference.**	**Not Included.**	**No change from current law, other than date reference.**
(2) The department shall submit the report as required under section 205 no later than February 1, 2025.	**Not Included.**	**No change from current law, other than date reference; reference to Sec. 205 changed to "standard report recipients."**	**Not Included.**	**No change from current law, other than date reference; reference to Sec. 205 changed to "standard report recipients."**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
(3) The department shall maintain a system for recovering the cost of operating department-owned aircraft through charges to aircraft users.	**Not Included.**	**No change from current law.**	**Not Included.**	**No change from current law.**
Gordie Howe International Crossing **Sec. 384.** (1) Except as otherwise provided in subsection (2), the department shall not obligate this state to expend any state transportation revenue for construction planning or construction of the Gordie Howe International Crossing or a renamed successor. In addition, except as provided in subsection (2), the department shall not commit this state to any new contract related to the construction planning or construction of the Gordie Howe International Crossing or a renamed successor that would obligate this state to expend any state transportation revenue. An expenditure for staff resources used in connection with project activities that is subject to full and prompt reimbursement from Canada is not considered an expenditure of state transportation revenue.	**No change from current law.**	**No change from current law.**	**No change from current law.**	**No change from current law.**
(2) If the legislature enacts specific enabling legislation for the construction of the Gordie Howe International Crossing or a renamed successor, subsection (1) does not apply once the enabling legislation goes into effect.	**No change from current law.**	**No change from current law.**	**No change from current law.**	**No change from current law.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
Gordie Howe Bridge – Reporting Requirement **Sec. 385.** (1) The department shall submit monthly reports to the standard report recipients, the speaker of the house of representatives, the house of representatives minority leader, the senate majority leader, and the senate minority leader on all of the following: (a) All expenditures made by this state related to the Gordie Howe Bridge. (b) All reimbursements made by Canada under section 384(1) of this part to this state for expenditures for staff resources used in connection with project activities. (c) All eminent domain and condemnation powers used, the related real estate involved in any governmental taking, the price paid for those properties, and the beneficiary's name or associated corporation.	**No change from current law.**	**No change from current law.**	**No change from current law.**	**No change from current law.**
(2) The department shall submit the initial report required under subsection (1) on or before December 1, 2024. The initial report must cover the fiscal year ending September 30, 2024.	**No change from current law, other than date reference.**	**No change from current law, other than date reference.**	**No change from current law, other than date reference.**	**No change from current law, other than date reference.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	HOUSE	SENATE	CONFERENCE
		NEW ***Toll Credit Report*** **Sec. 386.** On or before May 1 of each year, the department shall submit a report to the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies on its toll credit program. The report shall include the following information: a. The amount of toll credits earned and certified by the DOT-FHWA in the prior fiscal year. b. The value of toll credits used by programs and projects in the previous fiscal year. c. The balance of available toll credits at the end of the prior fiscal year. d. A discussion of the department's strategy for using toll credits.		**Not Included.**
		NEW ***Traffic Studies*** **Sec. 387.** (1) Within 90 days of completion of any formal traffic study, formal traffic control study, or formal traffic mitigation study, the department shall post the results of the study on the department's website.		**Not Included.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
		NEW ***I-375 Project Grant*** **Sec. 388**. From the funds appropriated in part 1, the department shall not expend any state funds or other resources in support of federal U.S. Department of Transportation grant 693JJ22440000Y430MI24A0815.		**Concurs with House.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
Long-Term Obligations **Sec. 389.** (1) Within 30 days after entering into a long-term agreement with a private contractor, a public agency, or a partnership between 1 or more private contractors or public agencies, the department shall notify the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies of the agreement, including the subject of the agreement, the term of the agreement, and financial obligations under the agreement.	**Not Included.**	**No change from current law.**	**No change from current law.**	**Concurs with Senate.**
(2) As used in this section, "long-term agreement" means an agreement that obligates the department for a period of 5 years or more and that actually or contingently obligates the department to make payments over the contract period of $5,000,000.00 or more.	**Not Included.**	**No change from current law.**	**No change from current law other than reporting threshold to $10.0 million.**	**Concurs with Senate.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	HOUSE	SENATE	CONFERENCE
		NEW ***Outdoor Advertising*** **Sec. 390.** For the 2025 and 2026 budget, the department shall not expend or continue to expend funds in eminent domain proceedings in pending or future litigation or otherwise regarding the valuation of outdoor advertising structures and their leaseholds where the department is presented with lawful relocation opportunities for replacement at alternate locations or other reasonable and lawful accommodations that the affected owner advises the department that the owner is willing to accept in lieu of the payment of all or a portion of offered just compensation. when no accommodation in lieu of just compensation can be reached, the department will value the affected outdoor advertising structure and its leasehold using an income or market-based valuation approach and not a cost-based valuation approach for all pending or future condemnation proceedings.		**Not Included.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
Public Transportation Best Practices **Sec. 393.** (1) The department shall promote best practices for public transportation services in this state, including, but not limited to, any of the following: (a) Transit vehicle rehabilitation to reduce life-cycle cost of public transportation through midlife rehabilitation of transit buses. (b) Cooperation between entities using transit, including school districts, cities, townships, and counties with a view to promoting cost savings through joint purchasing of fuel and other procurements. (c) Coordination of transportation dollars among state departments that provide transit-related services, including the department of health and human services. Priority should be given to use of public transportation services where available. (d) Promotion of intelligent transportation services for buses that incorporate computer and navigation technology to make transit systems more efficient, including stoplight coordinating, vehicle tracking, data tracking, and computerized scheduling.	**Not Included.**	**Not Included.**	**No change from current law.**	**Not Included.**
		Preservation as Funding Priority **Sec. 394.** The department and local road agencies shall make the preservation of their existing road networks a funding priority.		**Concurs with House.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
Authority to Transfer Between Construction and Maintenance **Sec. 395.** From the funds appropriated in part 1 for state trunkline federal aid road and bridge construction, the department may expend up to $10,000,000.00 on highway maintenance activities to support safety-related, high-priority, and other deferred routine maintenance needs on the state trunkline network.	**No change from current law.**	**No change from current law.**	**Not Included.**	**No change from current law.**
Towards Zero Deaths **Sec. 398.** The department shall continue to work to eliminate fatalities and serious injuries on the state trunkline network and shall maintain the Toward Zero Deaths statewide safety campaign.	**No change from current law.**	**No change from current law.**	**No change from current law.**	**No change from current law.**
Capital Preventive Maintenance **Sec. 399.** In developing its state trunkline road and bridge construction program, the department shall prioritize spending on capital preventative maintenance. From the funds appropriated in part 1 for state trunkline road and bridge construction, not less than $100,000,000.00 must be allocated for capital preventative maintenance treatments for pavement preservation.	**Not Included.**	**No change from current law.**	**Modified** **Sec. 399.** In developing its state trunkline road and bridge construction program, the department shall prioritize spending on capital preventative maintenance.	**Concurs with Senate.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	HOUSE	SENATE	CONFERENCE
		FEDERAL **Sec. 402.** A portion of the federal DOT-FHWA highway research, planning, and construction funds made available to this state shall be allocated to transportation programs administered by local jurisdictions in accordance with section 10o of 1951 PA 51, MCL 247.660o. A local road agency, with respect to a project approved for federal aid funding in a state transportation improvement program, may enter into a voluntary buyout agreement with the department or with another local road agency to exchange the federal aid with state restricted transportation funds as agreed to by the respective parties. The state restricted transportation funds received in exchange for federal aid funds shall be used for the same purpose as the federal aid funds were originally intended.		**Not Included.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
MICHIGAN TRANSPORTATION FUND ***Motor Carrier Act*** **Sec. 501.** The money received under the motor carrier act, 1933 PA 254, MCL 475.1 to 479.42, and not appropriated to the department of licensing and regulatory affairs or the department of state police is deposited in the Michigan transportation fund.	**No change from current law.**	**No change from current law.**	**No change from current law.**	**No change from current law.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
TEDF/Local Bridge Fund Lapse **Sec. 503.** (1) At the close of the fiscal year, funds appropriated in part 1 for the transportation economic development program shall lapse to the transportation economic development fund.	**No change from current law.**	**No change from current law.**	**No change from current law.**	**No change from current law.**
(2) At the close of the fiscal year, funds appropriated in part 1 for the local bridge program shall carry forward and are appropriated for the purposes defined in section 10(5) of 1951 PA 51, MCL 247.660.	**No change from current law.**	**No change from current law.**	**No change from current law.**	**No change from current law.**
(3) Interest earned in the transportation economic development fund and local bridge fund shall remain in the respective funds and shall be allocated to the respective programs based on actual interest earned at the end of each fiscal year.	**No change from current law.**	**No change from current law.**	**No change from current law.**	**No change from current law.**
(4) In addition to the funds appropriated in part 1, the transportation economic development fund and local bridge fund may receive federal, local, or private funds or restricted source funds such as interest earnings. These funds are appropriated for projects that are consistent with the purposes of the respective funds.	**No change from current law.**	**No change from current law.**	**No change from current law.**	**No change from current law.**
(5) None of the funds statutorily dedicated to the transportation economic development fund and local bridge fund shall be diverted to other projects.	**No change from current law.**	**No change from current law.**	**No change from current law.**	**No change from current law.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
MTF Distribution **Sec. 504.** Funds from the Michigan transportation fund shall be distributed to the comprehensive transportation fund, the economic development fund, the recreation improvement fund, and the state trunkline fund, in accordance with this part and part 1 and part 711 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.71101 to 324.71108, and may only be used as specified in this part and part 1, 1951 PA 51, MCL 247.651 to 247.675, and part 711 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.71101 to 324.71108.	**No change from current law.**	**No change from current law.**	**No change from current law.**	**No change from current law.**
		NEW ***Local Bridge Inspection*** **Sec. 505. (1)** The part 1 appropriation for local road agency bridge inspection program must be used for the costs incurred by local road agency bridge owners in attaining compliance with FHWA national bridge inspection standards codified under 23 CFR 650, subpart C.		**Not Included.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	HOUSE	SENATE	CONFERENCE
STATE TRUNKLINE FUND		**NEW** ***Warranty Reporting*** **Sec. 601.** (1) The department shall maintain documentation to support initial acceptance of warrantied projects, interim and final inspections, and notifications to contractors that the warranty period had expired. The department also shall review and evaluate consultant evaluation requirements or recommendations and update existing policies and procedures accordingly.		**Not Included.**
		(2) The department shall review its warranty administration processes, procedures, and associated manuals to ensure that all of the following occur: (a) Initial notifications of needed corrective action are sent prior to warranty expiration. (b) Consistent and timely second notifications of needed corrective action are sent if contractors do not respond within 30 days of an initial notification. (c) The department has an effective process to establish time frames for corrective action completion. (d) Daily inspector reports on all warranty segments are completed consistently.		**Not Included.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	HOUSE	SENATE	CONFERENCE
		3) The department shall report on the review described in subsection (2) and changes resulting from the review. The department shall submit the report to the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies not later than March 31, 2026.		**Not Included.**
		NEW ***Mackinac Bridge Report*** **Sec. 603**. The department shall report to the senate and house appropriations subcommittees on transportation by December 31, **2025** on the operational condition of the Mackinac bridge, its long-term viability, the costs of preventative maintenance and potential upgrades, and the cost and feasibility of constructing a separate method of transporting commercial, emergency, and passenger vehicle traffic.		**Not Included.**
State Trunkline Fund Carryforward **Sec. 604.** At the close of the fiscal year, any unencumbered and unexpended balance in the state trunkline fund shall remain in the state trunkline fund and shall carry forward and is appropriated for federal aid road and bridge programs for projects contained in the annual state transportation program.	**No change from current law.**	**No change from current law.**	**No change from current law.**	**No change from current law.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
Incentive/Disincentive Contracts **Sec. 612.** (1) The department shall report on incentives and disincentives provided under state trunkline construction contracts. The report must include all of the following: (a) Guidelines governing use of incentive and disincentive provisions. (b) A list of incentive and disincentive payments made on projects completed in the prior calendar year, including the amount of incentive or disincentive payments by contract or project, and the reason for the incentive or disincentive payment.	**Not Included.**	**No change from current law.**	**Not Included.**	**Not Included.**
(2) The department shall submit the report described in this section to the standard report recipients by not later than March 31, 2025.	**Not Included.**	**No change from current law, other than report due date.**	**Not Included.**	**Not Included.**
Industrial Magnet Roadway Sweepers **Sec. 613.** (1) From the funds appropriated in part 1 for state trunkline operations, $350,000.00 must be allocated to provide each department maintenance garage an industrial magnet roadway sweeper. As used in this section, "industrial magnet roadway sweeper" means an industrial-strength magnet that mounts to the front of road maintenance vehicles and is used to remove metal debris from roadway and highway shoulders.	**Not Included.**	**Not Included.**	**Not Included.**	**Not Included.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
(2) Industrial magnet roadway sweepers procured by the department must meet the following specifications: (a) They must fit or be capable of being retrofitted on existing maintenance vehicles. (b) The vehicle operator must be able to turn the magnet on and off from inside the vehicle cab. (c) The magnet must not exceed a 2% loss of magnet life per 100 years.	**Not Included.**	**Not Included.**	**Not Included.**	**Not Included.**
(3) The department must give preference to vendors headquartered in this state.	**Not Included.**	**Not Included.**	**Not Included.**	**Not Included.**
		NEW ***M-53 in Macomb County*** **Sec. 614.** From the funds appropriated in part 1, the department shall use $60.000.00 for safety enhancements, including but not limited to cabling and guardrail, on M-53 in Washington township, Macomb county.		**Not Included.**
Use of Alternative Materials – **Sec. 660.** (1) The legislature encourages the department to examine the use of alternative road surface materials and develop criteria and specifications for their use in both department-managed and contracted projects.	**Not Included.**	**No change from current law.**	**Not Included.**	**Not Included.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
(2) From funds appropriated in part 1, the department shall establish the Michigan state transportation innovation council to review innovative road materials and innovative road and bridge design and construction specifications. The Michigan state transportation innovation council shall include, but is not limited to, a representative of the DOT-FHWA, an appointee chosen by the speaker of the house of representatives, and an appointee chosen by the senate majority leader. ***DEEMED UNENFORCEABLE BY GOVERNOR***	**Not Included.**	**No change from current law.**	**Not Included.**	**Not Included.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	HOUSE	SENATE	CONFERENCE
TRANSIT AND RAIL RELATED FUNDS ***Intercity Bus and Facility Fund*** **Sec. 701.** The department shall establish an intercity bus equipment and facility fund as a subsidiary fund within the comprehensive transportation fund created under section 10b of 1951 PA 51, MCL 247.660b. Proceeds received by this state from the sale of state-owned intercity bus equipment shall be credited to the intercity bus equipment and facility fund for the purchase and repair of intercity bus equipment, as appropriated. Security deposits not returned to a lessee of state-owned intercity bus equipment under terms of the lease agreement shall be credited to the intercity bus equipment and facility fund for the repair of intercity bus equipment, as appropriated. Money received by the department from lease payments for state-owned intercity bus equipment, and facility maintenance charges under terms of leases of state-owned intercity facilities, shall be credited to the intercity bus equipment and facility fund for the purchase and repair of intercity bus equipment or for the maintenance and rehabilitation of state-owned intercity facilities, as appropriated. At the close of the fiscal year, any funds remaining in the intercity bus equipment and facility fund shall remain in the fund and be carried forward into the succeeding fiscal year.	**No change from current law.**	**No change from current law.**	**No change from current law.**	**No change from current law.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
Rail Freight Fund **Sec. 702.** Money that is received by this state as repayment for loans made for rail or water freight capital projects, and as a result of the sale of property or equipment used or projected to be used for rail or water freight projects shall be deposited in the rail freight fund created by section 17 of the state transportation preservation act of 1976, 1976 PA 295, MCL 474.67. At the close of the fiscal year, any funds remaining in the rail freight fund shall remain in the fund and be carried forward into the succeeding fiscal year.	**No change from current law.**	**No change from current law.**	**No change from current law.**	**No change from current law.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
		NEW ***Local Bus Operating – Efficiency Incentive*** **Sec. 703.** (1) The department shall distribute the funds appropriated in part 1 for Local bus operating – efficiency incentive to eligible authorities and eligible governmental agencies as a percentage of eligible operating expense. (2) The distribution of Local bus operating – efficiency incentive funds shall be made only to eligible authorities and eligible governmental agencies that achieve the following farebox recovery as a percentage of eligible operating expense: (a). For service provided in an area with a population greater than 100,000, 10%. (b). For service provided in a area with a population less than or equal to 100,000, 6%. (3) As used in this section, "eligible authority" and "eligible governmental agency" means those terms as defined in Section 10c of 1951 PA 51.		**Not Included.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
Rail Operations and Infrastructure Report **Sec. 704.** From the funds appropriated in part 1, the department shall prepare and transmit a report that includes the department's current rolling 5-year rail plan and detail regarding the department's obligations for programs funded under the appropriation in part 1 for rail operations and infrastructure. The report must include a breakdown of the appropriation by program, year-to-date obligations under each program itemized by project, and an estimate of future obligations under each program itemized by project for the remainder of the fiscal year. The department shall submit the report to the standard report recipients on or before December 1, 2025.	**Revised as follows:** **Sec. 704.** From the funds appropriated in part 1, the department shall prepare and transmit a report that provides detail regarding the department's obligations for programs funded under the appropriation in part 1 for rail operations and infrastructure. The report shall include a breakdown of the appropriation by program, year-to-date obligations under each program itemized by project, and an estimate of future obligations under each program itemized by project for the remainder of the fiscal year. The report shall also include a listing of all active rail related federal grants. The initial report shall be submitted to standard report recipients on or before March 1. The department also shall update and resubmit a final report on or before September 30.	**No change from current law.**	**Concurs with Executive.**	**Concurs with Executive/Senate.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
		NEW ***Rail Abandonment Notice*** ***Sec. 705.*** After receiving notification from a railroad company pursuant to section 8 of the state transportation preservation act of 1976, 1976 PA 295, MCL 474.58, the department shall immediately notify the house of representatives and senate appropriations subcommittees on transportation and the state budget office that the railroad company has filed with the appropriate governmental agencies for abandonment of a line.		**Concurs with House.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
		NEW ***Detroit/Wayne County Port Authority*** **Sec. 706.** The Detroit/Wayne County Port Authority shall issue a complete operations assessment and a financial disclosure statement. The operations assessment shall include operational goals for the next 5 years and recommendations to improve land acquisition and development efficiency. The report shall be completed and submitted to the house and senate appropriations subcommittees on transportation, the state budget director, and the house and senate fiscal agencies by June 30 of each fiscal year for the prior fiscal year.		**Not Included.**
Rail Strategic Plan **Sec. 707.** (1) Before March 1, 2025, the department shall provide to the legislature, the state budget office, and the house and senate fiscal agencies its rail strategic plan. The strategic plan must include, but is not limited to, a rolling 5-year rail plan and a summary of the department's obligations for programs funded under the appropriation in part 1 for rail operations and infrastructure.	**Not Included.**	**No change from current law, other than date reference.**	**No change from current law, other than date reference.**	**No change from current law, other than date reference.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
(2) The rolling 5-year rail plan must include, but is not limited to, all of the following: (a) A listing by county of all rail infrastructure projects on rail lines within this state utilizing state funds, and the estimated cost of each project. (b) The actual or projected state expenditures for operation of passenger rail service. (c) The actual or projected state expenditures for maintenance of passenger service rail lines.	**Not Included.**	**No change from current law.**	**No change from current law.**	**No change from current law.**
(3) The period of the rolling 5-year rail plan must include the fiscal year ending September 30, 2025 and the immediately following 4 fiscal years.	**Not Included.**	**No change from current law.**	**No change from current law.**	**No change from current law.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
(4) The summary of the department's obligations for programs funded under the appropriation in part 1 for rail operations and infrastructure must include a breakdown of the appropriation by program, year-to-year obligations under each program itemized by project, and an estimate of future obligations under each program itemized by project for the remainder of the fiscal year.	**Not Included.**	**No change from current law.**	**No change from current law.**	**No change from current law.**
(5) From the funds appropriated in part 1 for rail operation and infrastructure, not less than $20,000,000.00 must be allocated for the support of rail-related economic development projects and rail freight system preservation projects.	**Not Included.**	**Not Included.**	**No change from current law.**	**No change from current law.**
		NEW ***Farebox Recovery*** **Sec. 720.** It is the intent of the legislature that all transit agencies in Michigan should strive to achieve a farebox recovery rate of not less than 6%.		**Concurs with House.**
		NEW ***Maritime and Port Facility Fund*** ***Sec. 721.*** The part 1 appropriation for maritime and port facility fund must be credited to the maritime and port facility fund established in 2022 PA 159.		**Concurs with House.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
		Rail Grade Separation Fund ***Sec. 722.*** The part 1 appropriation for rail grade separation fund must be credited to the local grade separation fund created under 2023 PA 66.		**Not Included.**
		Non-motorized Trails ***Sec. 723.*** The part 1 appropriation for non-motorized trails shall be used to establish and maintain a system of trails in this state for non-motorized use.		**Concurs with House.**
		State Aeronautics Fund ***Sec. 724.*** The part 1 appropriation for state aeronautics fund deposit shall be credited to the state aeronautics fund established under the state aeronautics code [cite] and used for capital improvements and air service improvements at general aviation airports in this state.		**Concurs with House.**
Street Railway Appropriation **Sec. 735.** For the fiscal year ending September 30, 2025, the appropriation to a street railway pursuant to section 10e(22) of 1951 PA 51, MCL 247.660e, is $0.	**No change from current law other than date reference.**	**No change from current law other than date reference.**	**No change from current law other than date reference.**	**No change from current law other than date reference.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
		Straits of Mackinac Pipeline Project **Sec. 736.** No funds from the appropriations in part 1 may be used for a rail freight development project to support the cessation of energy pipeline operations across the Straits of Mackinac.		**Not Included.**
		Rail Industry Meeting **Sec. 752.** The legislature encourages the department to meet with representatives of a rail industry trade association to provide information on the availability of rail infrastructure loan and grant funding programs and freight economic development project opportunities.		**Not Included.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
		NEW ***Railroad Heritage Preservation*** ***Sec. 753.*** From the funds appropriated in part 1 for the railroad heritage preservation program, the department shall establish a railroad heritage preservation program to provide funding to organizations for the promotion of railroading in this state with a focus on Michigan railroad history. The department shall administer the program as a competitive grant program. Applicants must be qualified tax exempt organizations under section 501(c)(3) of the internal revenue code, 26 USC 501. Grants must be awarded only for capital infrastructure repair or rehabilitation.		**Concurs with House.**
AERONAUTICS FUND ***State Aeronautics Fund*** **Sec. 801.** Except as otherwise provided in section 903 of this part for capital outlay, at the close of the fiscal year, any unobligated and unexpended balance in the state aeronautics fund created in the aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.1 to 259.208, shall lapse to the state aeronautics fund and be appropriated by the legislature in the immediately succeeding fiscal year.	**No change from current law.**	**No change from current law.**	**No change from current law.**	**No change from current law.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
		NEW ***Air Service Prioritization*** **Sec. 802.** From the funds appropriated in part 1 for aviation services, the department shall re-establish and maintain air service between Marquette and Lansing with priority service as follows: a. emergencies b. routine travel for elected state officials c. other uses		**Concurs with House.**
CAPITAL OUTLAY ***Aeronautics Capital Program*** **Sec. 901.** (1) From federal-state-local project appropriations contained in part 1 for the purpose of assisting political entities and subdivisions of this state in the construction and improvement of publicly used airports and landing fields within this state, the state transportation department may permit the award of contracts on behalf of units of local government for the authorized locations not to exceed the indicated amounts, of which the state allocated portion shall not exceed the amount appropriated in part 1.	**No change from current law.**	**No change from current law.**	**No change from current law.**	**No change from current law.**
(2) Political entities and subdivisions shall provide not less than 5% of the cost of any project under this section, unless a total nonfederal share less than 10% is otherwise specified in federal law. State money shall not be allocated until local money is allocated. State money for any 1 project shall not exceed 1/3 of the total appropriation in part 1 from state funds for airport improvement programs.	**No change from current law.**	**No change from current law.**	**No change from current law.**	**No change from current law.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
(3) The Michigan aeronautics commission may take those steps necessary to match federal money available for airport construction and improvement within this state and to meet the matching requirements of the federal government. Whether acting alone or jointly with another political subdivision or public agency or with this state, a political subdivision or public agency of this state shall not submit to any agency of the federal government a project application for airport planning or development unless it is authorized in this part and part 1 and the project application is approved by the governing body of each political subdivision or public agency making the application and by the Michigan aeronautics commission.	**No change from current law.**	**No change from current law.**	**No change from current law.**	**No change from current law.**
Capital Outlay Carryforward **Sec. 903.** The appropriations in part 1 for capital outlay shall be carried forward at the end of the fiscal year consistent with the provisions of section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.	**No change from current law.**	**No change from current law.**	**No change from current law.**	**No change from current law.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	HOUSE	SENATE	CONFERENCE
ONE-TIME ONLY APPROPRIATIONS				
			Local Infrastructure Projects **Sec. 1001** defines $50.0 million in Local Infrastructure projects.	**Not Included.**
Federal Aid Match **Sec. 1001.** Funds appropriated in part 1 for federal aid match shall be used to provide funding necessary to ensure the department secures all federal funding made available to the department from the federal highway administration under the infrastructure investment and jobs act, Public Law 117-58.	**Not Included.**	**Not Included.**	**Senate language defining the $90.0 million part 1 "Match every federal dollar" line item is found in Sec. 1002:** **Sec. 1002.** Funds appropriated in part 1 for match every federal dollar shall be used to provide the funding necessary to ensure the department secures all federal funding made available to the department from the Federal Highway Administration under the infrastructure investment and jobs act, Public Law 117-58.	**Not Included.**
			Grants to Local Business and Municipalities **Section 1003** - Due to length, this section is not shown in this Decision Document:	**Not Included.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	HOUSE	SENATE	CONFERENCE
			Wrong Way Driving Deterrence **Sec. 1004.** Funds appropriated in part 1 for wrong way driver deterrence shall be used to provide funding for the deployment of additional wrong way driver detection and driver alertness technology.	**Not Included.**
			Road Usage Charge Pilot **Sec. 1005.** [***Due to length this section is not printed in full in this document.***]	***Road Usage Charge Pilot*** **Sec. 1005** [***Due to length this section is copied at the end of this Decision Document.***]
MI Contracting Opportunity **Sec. 1003.** [***Due to length this section is not printed in full in this document.***]	**Not Included.**	**Not Included.**	**Not Included.**	**Not Included.**
Air Service/Airport Revitalization **Sec. 1101.** [***Due to length this section is not printed in full in this document.***]	**Not Included.**	**Not Included.**	**Not Included.**	**Not Included.**
Lake Michigan Car Ferry **Sec. 1102.** From the funds appropriated in part 1 for Lake Michigan car ferry, $2,000,000.00 shall be used for decarbonization planning and implementation of clean-energy maritime technology on the S.S. Badger.	**Not Included.**	**Not Included.**	**Not Included.**	**Not Included.**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	HOUSE	SENATE	CONFERENCE
Local Road and Material Research Program — PARTIALLY UNENFORCEABLE **Sec. 1104.** [***Due to length this section is not printed in full in this document.***]	**Not Included.**	**Not Included.**	**Not Included.**	**Not Included.**
New Technology/Mobility Grants **Sec. 1105.** [***Due to length this section is not printed in full in this document.***]	**Not Included.**	**Not Included.**	**Not Included.**	**Not Included.**
School Zone Automated Speed Enforcement Pilot Project **Sec. 1106.** (1) [***Due to length this section is not printed in full in this document.***]	**Not Included.**	**Not Included.**	**Not Included.**	**Not Included.**
Supplier Risk and Information Subscription Service **Sec. 1107.** From the funds appropriated in part 1 for supplier risk and information subscription, the department shall use not less than $50,000.00 for a comprehensive supplier risk and information subscription service for precontract risk assessment.	**Not Included.**	**Not Included.**	**Not Included.**	**Not included**
Best Environmental Practices Report **Sec. 1108.** By not later than September 30, 2025, the department shall provide to the senate and house transportation committees and the standard report recipients a list of projects from across this state and within the 2025 construction season that benefited from the incorporation of best environmental practices, including, but not limited to, the use of bioswales, biofilters, and other vegetated channels.	**Not Included.**	**Not Included.**	**Not Included.**	**Not included**

DEPARTMENT OF TRANSPORTATION – BOILERPLATE

FY 2024-25 CURRENT LAW	FY 2025-26 EXECUTIVE	FY 2025-26 HOUSE	FY 2025-26 SENATE	FY 2025-26 CONFERENCE
Complete Streets Policy Report **Sec. 1109.** By not later than September 30, 2025, the department shall provide to the senate and house transportation committees and the standard report recipients the newly aligned complete streets policy as adopted by the state transportation commission.	**Not Included.**	**Not Included.**	**Not Included.**	**Not included**
One-Time Local Bus Operating/ARP Funds **Sec. 1110.** From the funds appropriated in part 1 for ARP – One-time local bus operating, the department shall distribute funds to eligible authorities and eligible governmental agencies as those terms are defined in section 10c of 1951 PA 51, MCL 247.660c, in accordance with the provisions of section 10e(4)(a) of 1951 PA 51, MCL 247.660e.	**Not Included.**	**Not Included.**	**Not Included.**	**Not included**
Sec. 1111. ***Critical Infrastructure*** [***Due to length this section is not printed in full in this document.***]	**Not Included.**	**Not Included.**	**Senate bill includes Sec. 1001 defining $50.0 million Local Infrastructure Projects line item.** [***Due to length this section is not printed in full in this document.***]	**Not included**

FY 2025-26
Section 239
Report on Grant Sponsors and Grant Recipients

Sec. 239. (1) Not later than 30 days after enactment of this act, the legislature shall provide to the department and the state budget director a list of legislatively directed spending items, which may be referred to in this section as grants or direct appropriation grants, funded in part 1 consistent with the house or senate rules and this section. The list must include all information and documents pertaining to the funded items as publicly disclosed in accordance with the house or senate rules and this section.

(2) Notwithstanding any other conditions or requirements for direct appropriation grants, the department shall perform, at a minimum, at least all of the following activities to administer the grants described in subsection (1):

(a) Establish a process to review, complete, and execute a grant agreement with a grant recipient. The department shall not execute a grant agreement unless all necessary documentation has been submitted and reviewed.

(b) Verify to the extent possible that a grant recipient is a not-for-profit entity and will use funds as publicly disclosed and for a public purpose that serves the economic prosperity, health, safety, or general welfare of the residents of this state.

(c) Review and verify all necessary information to ensure the grant recipient is reasonably able to execute the grant agreement, perform its fiduciary duty, and comply with all applicable state and federal statutes. The department may deduct the cost of background checks and any other efforts performed as part of this verification from the amount of the designated grant award.

(d) Disburse the grant money per the grant disbursement schedule in the executed grant agreement on a reimbursement basis after the grantee has provided sufficient documentation, as determined by the department, to verify that expenditures were made in accordance with the project purpose.

(e) If the state budget director determines that information provided by the grantee does not meet the disclosure requirements, that the grant will be used to pay a tax lien, delinquent tax, or other obligation owed to this state, or that the grant will create a conflict of interest, the department shall not release the grant money to the grantee. Money that is not released under this subdivision lapses at the end of the fiscal year. There is not a conflict of interest if the sponsoring legislator certifies that the sponsoring legislator's immediate family members, legislative staff members that have worked for the sponsoring legislator within the past 2 years, and the sponsoring legislator do not have a direct or indirect pecuniary interest in the legislatively directed spending item.

(3) An executed grant agreement under this section between the department and a grant recipient must include at least all of the following:

(a) All necessary identifying information for the grant recipient, including any tax and financial information necessary for the department to administer grant money under this section.

(b) A description of the project for which the grant money will be expended, including tentative timelines and the estimated budget. Project budget must include how all grant money will be used and must indicate if any grant money will be provided to a third party or subrecipient. The department shall not reimburse expenditures that are outside of the project purpose, as stated in the executed grant

agreement, from appropriations in part 1. The grantee shall return to the state treasury any interest in excess of $1,000.00 earned on the grant money while unexpended and in possession of the grantee.

(c) Unless otherwise specified in department policy, a requirement that funds appropriated for the grants described in subsection (1) may be used only for expenditures that occur on or after the effective date of this act.

(d) A requirement for reporting by the grant recipient to the department and the legislative sponsor that provides the status of the project and an accounting of all money expended by the grant recipient, as determined by the department.

(e) A clawback provision that allows the department of treasury to recoup or otherwise collect any grant money that is declined, unspent, or otherwise misused.

(f) The documents publicly disclosed under subsection (1).
(4) If appropriate to improve the administration or oversight of a grant described in subsection (1), the department may adopt a memorandum of understanding with another state department to perform the required duties under this section.

(5) A grant recipient shall respond to all reasonable information requests from the department related to grant expenditures and retain grant records for not less than 7 years, and the grant may be subject to monitoring, site visits, and audit as determined by the department. The grant agreement required under this section must include signed assurance by the chief executive officer or other executive officer of the grant recipient authorized to bind the grant recipient that the requirements of this subsection will be met.

(6) The grant recipient shall expend all grant money awarded and complete all projects not later than September 30, 2030. If at that time any unexpended money remains, the grant recipient shall return that money to the state treasury. If a grant recipient does not provide information sufficient to execute a grant agreement not later than June 1, 2026, the department shall return money associated with the grant to the state treasury.

(7) Any grant money that is awarded to a state department is appropriated in that department for the purpose of the intended grant.

(8) Except as otherwise provided in subsection (9), beginning March 15 of the current fiscal year, the department shall post a report in a publicly accessible location on its website. The report must list the grant recipient, project purpose, and location of the project for each grant described in subsection (1), the status of money allocated and disbursed under the grant agreement, and the legislative sponsor, if applicable. The department shall update the report and post the updated report in a publicly accessible location on its website not later than June 15 of the current fiscal year and again not later than September 15 of the current fiscal year. The department shall include in the report the most comprehensive information the department has available at the time of posting for grants awarded.

(9) If the state budget office determines that it is more efficient for the state budget office to compile all affected departments' information and post a report of the compiled information rather than the report

required under subsection (8) being posted by individual departments, the state budget office may compile that information across all affected departments and post the compiled report and any updates on the same time schedule as identified in subsection (8).

(10) If the department reasonably determines that the money allocated for an executed grant agreement under this section was misused or that use of the money was misrepresented by the grant recipient, the department shall not award any additional funds under the executed grant agreement and shall refer the grant for review following internal audit protocols, which may include referral for criminal investigation.

FY 2025-26
Section 1005
Road Usage Pilot Project

Sec. 1005. (1) No later than December 31, 2025, the department shall begin a road usage charge study and pilot program as described in this section. The total cost of the road usage charge study and pilot program must not exceed $7,650,000.00.

(2) No later than 90 days after the effective date of this act, the department must create a road usage charge technical advisory committee. All of the following apply to the technical advisory committee:

(a) Meetings of the technical advisory committee must be held in compliance with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

(b) The purpose of the technical advisory committee is to guide the development and evaluation of a road usage charge study and pilot program to assess the potential and positive and negative findings for mileage-based revenue collection for this state's roads and highways as an alternative to the fuel tax system.

(c) The technical advisory committee may include members of the department, private industry, and interested stakeholders.

(d) The technical advisory committee must study road usage charge alternatives to the fuel tax. The technical advisory committee must gather public comment on issues and concerns related to the road usage charge study and pilot program and must make recommendations to the director on the design of a road usage charge study to test alternative road usage charge approaches. The technical advisory committee may also make recommendations on the criteria to be used to evaluate the road usage charge study.

(e) The technical advisory committee shall consult with highway users and transportation stakeholders, including representatives of vehicle users, vehicle manufacturers, and fuel distributors, as part of its duties under subdivision (d).

(3) It is the intent of the legislature that the road usage charge study and pilot program be completed by December 31, 2026 and the department must prepare and submit a report of its finding based on the results of the road usage charge study and pilot program to the governor, the senate and house appropriations committees, the senate and house subcommittees on transportation, the senate and house fiscal agencies, the technical advisory committee, and the public. The report must also be available on the department's website

(4) Funds appropriated in part 1 for road user charge study and pilot program shall be expended for a road usage charge study and pilot program and are designated as a work project appropriation. Any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to fund a road usage charge study and pilot program.

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

(c) The total estimated cost of the project is $7,650,000.00.

(d) The tentative completion date is December 31, 2026.

(5) As used in this section, "technical advisory committee" means the road usage charge technical advisory committee.