



COUNTY ROAD ASSOCIATION OF MICHIGAN

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Talking Points- HB 4848

Summary:

House Bill 4848, introduced by Rep. Joel Sheltroun (D-Ogemaw), would allow counties to transfer up to fifty percent (50%) of the funds for primary roads to the local system if required to match other local funds.

CRAM position:

CRAM supports this legislation.

Corresponding CRAM Legislative Priority- Primary/Local Road Fund Transfers

The Michigan Transportation Fund (MTF) internal formula, as part of Public Act 51 of 1951, provides for the distribution of specific monies to be expended on primary and local roads. As part of this distribution, road commissions are permitted to transfer, with board approval, up to thirty percent (30%) of the funds for primary roads to the local system. In order to promote more participation by townships and others, and maximize limited state or federal funding in improvements of the local road system, changes to this language are vital.

CRAM supports legislation to amend the language of Public Act 51 of 1951 to allow individual road commissions the flexibility to transfer up to fifty percent (50%) of the funds for primary roads to the local system if required to match other local funds.

Talking Points:

- MTF funds are not sufficient to meet the needs of either the primary or local road system. Per the internal formula, a smaller share of MTF revenues is distributed for use on local roads because they carry smaller traffic volumes.
- CRAM recently changed their legislative priority to embrace the concept of transferring an additional 20% increase from the primary road system to the local road system because many road commissions were unable to match the funds that townships provide for local road projects. Some counties, especially those with primary road millages, had the ability to transfer more than 30% of primary road funds to the local roads, without negatively impacting the primary road system.