

**STATE OF MICHIGAN
91ST LEGISLATURE
REGULAR SESSION OF 2002**

Introduced by Reps. Kilpatrick, Thomas, Allen, Lipsey, Kolb, McConico, Scranton, Godchaux, Woodward and Reeves

Reps. Clark, Clarke, Daniels, DeRossett, DeWeese, Garza, Hansen, Hardman, Jacobs, Jannick, Kowall, Lemmons, Minore, Raczkowski, Richner, Shulman, Stewart and Waters named co-sponsors

ENROLLED HOUSE BILL No. 5467

AN ACT to create the Detroit area regional transportation authority; to transfer certain powers of authorities to the Detroit area regional transportation authority; to provide regional transportation for senior citizens, citizens with disabilities, citizens without the economic means to provide their own personal transportation, and all other citizens; to continue the suburban mobility authority for regional transportation; to prescribe certain powers and duties of the authorities; to provide for the addition and withdrawal of certain local entities from the authority; to provide for the powers and duties of certain state agencies with respect to the authority; to provide for the issuance of bonds and notes; to provide for the state to guarantee payment of certain claims against the authority and give the state a lien in satisfaction of payment; to protect the rights of employees of existing public transportation systems; to provide for the pledge of taxes, revenues, assessments, tax levies, and other funds for bond and note payments; to authorize certain local entities to levy property taxes and make special assessments to fulfill their obligations under certain contracts with the authority; and to repeal acts and parts of acts.

The People of the State of Michigan enact:

ARTICLE I

Sec. 1. This act shall be known and may be cited as the "Detroit area regional transportation authority act".

Sec. 2. As used in this act:

(a) "Authority" means the Detroit area regional transportation authority created under this act.

(b) "Board" means the governing and administrative body of the authority.

(c) "Chief executive officer" means, with respect to a city, the mayor of the city and, with respect to a county, either the county executive of the county or, for a county not having a county executive, the chairperson of the county board of commissioners. Chief executive officer means, with respect to the authority or SMART, the chief executive officer of the authority or SMART.

(d) "Comprehensive regional public transportation service plan" means the comprehensive regional public transportation service plan described in section 4(3).

(e) "Local governmental consortium" means a legal or administrative entity described in section 7 of the urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.507, and provided for in an interlocal agreement entered into pursuant to that act between cities, villages, or townships within a county in the region that contains a city with a population of 500,000 or more, and in existence prior to January 1, 2002.

(f) "Political subdivision" means a county, city, township, village, local governmental consortium, or school district located within the region.

(g) "Public transportation" means the transportation or conveyance of persons within the region or SMART region by means available to the general public, including, but not limited to, senior citizens, citizens with disabilities, and citizens without the economic means to provide their own personal transportation. Public transportation does not include transportation by automobiles not used for conveyance of the general public as passengers.

(h) "Public transportation facility" means all property, real and personal, public or private, used for providing public transportation. Public transportation facility includes, but is not limited to, automated guideways, overpasses and skywalks, street railways, buses, tramlines, subways, monorails, rail rapid transit, bus rapid transit, and tunnel, bridge, and parking facilities used in connection with public transportation facilities. Public transportation facility does not include taxis, limousines, state, county, or local roads, highways, ports, airports, motor bus charter services or operations that are not acquired by the authority or SMART, sightseeing services, private intercity bus services, or transportation that is used exclusively for school or church purposes.

(i) "Region" means Macomb, Monroe, Oakland, Washtenaw, and Wayne counties and those local governmental consortiums, cities, townships, and villages within those counties. Region includes any county or local governmental consortium that becomes a member under section 6. Region does not include any county or local governmental consortium that has withdrawn from the authority under section 5.

(j) "SMART" means the suburban mobility authority for regional transportation described in section 30.

(k) "SMART board" means the governing and administrative body of SMART.

(l) "SMART region" means Oakland, Wayne, Monroe, and Macomb counties and the cities, townships, and villages within those counties. The term does not include any county that has withdrawn from SMART or the cities, townships, or villages within that county.

(m) "Transit system" means any individual, partnership, corporation, association, municipal corporation, limited liability company, public authority, public benefit agency, unit of government, or any person or entity other than the authority, or SMART that provides public transportation.

ARTICLE II

Sec. 3. (1) The authority is established, and the initial members of the authority are all counties, cities, townships, and villages within the region.

(2) The authority is an agency and instrumentality of the state and except as provided in this act has all of the powers of a public corporation if exercised for 1 or more of the following purposes:

- (a) Planning public transportation facilities.
- (b) Designing public transportation facilities.
- (c) Constructing public transportation facilities.
- (d) Operating public transportation facilities.
- (e) Administering public transportation facilities.
- (f) Acquiring public transportation facilities.
- (g) Contracting to provide public transportation facilities.
- (h) Maintaining, replacing, improving, and extending public transportation facilities.
- (i) Exercising the powers of a public transportation facility.

(3) The authority shall not have the authority to design, construct, or operate ports or airports. The authority may provide service to and at ports and airports for the purpose of conveying the public to ports and airports.

(4) The authority shall not spend any public funds on political activities.

(5) The authority shall take all reasonable measures to provide regional transportation for senior citizens, citizens with disabilities, and citizens without the economic means to provide their own personal transportation. The authority shall take all reasonable measures to see that regional transportation services for those citizens are the first services provided by the authority and that regional transportation services for those citizens are the last services reduced by the authority if the authority reduces services.

(6) The authority shall take all reasonable measures to provide adequate transportation services to citizens other than senior citizens, citizens with disabilities, or citizens without the economic means to provide their own personal transportation.

Sec. 4. (1) The authority shall provide for public transportation facilities for the region. In providing for public transportation facilities, the authority may exercise the powers enumerated in section 3(2). The authority shall fulfill its

obligations under section 3(5), and shall take all reasonable and necessary measures to ensure that it meets its obligations under section 3(5) and (6) in the most cost-effective manner possible.

(2) It is the intent of the legislature that, by October 1, 2002, the board shall become the designated recipient for purposes of receiving federal funds under chapter 53 of title 49 of the United States Code, 49 U.S.C. 5307, 5308, 5309, 5310, 5311, and 5313, and the regulations promulgated under that chapter. As the designated recipient, the board shall apply for federal and state transportation operating and capital assistance grants, and the board may designate the authority, a city with a population of more than 750,000, SMART, and other transit systems not included in a city of more than 750,000 population as subrecipients of federal and state transportation funds. To the extent required by chapter 53 of title 49 of the United States Code, 49 U.S.C. 5307, 5308, 5309, 5310, 5311, and 5313, the board shall execute an agreement conferring on a city with more than 750,000 population, SMART, and other transit systems not included in the city of more than 750,000 population the right to receive and dispense grant funds and containing any other provisions that federal law and regulations require. On behalf of the board, the secretary of the board shall submit in a timely manner the region's application for federal and state transportation funds to the responsible federal and state agencies. The application shall designate the distribution of all capital and operating funds that are paid directly to the authority, a city with a population of more than 750,000, SMART, and the other transit systems not included in a city of more than 750,000 in population. Except as otherwise provided in 1951 PA 51, MCL 247.651 to 247.675, and subject to subsections (5) and (6), if the authority is the recipient of federal or state funds, the chief executive officer of the authority shall remit to a city with a population of more than 750,000, SMART, and the other transit systems not included in the city of more than 750,000 in population their designated distribution of those funds in a manner consistent with the application.

(3) The authority shall develop, implement, and update a comprehensive regional public transportation service plan for providing public transit services in the region. The authority shall present the initial comprehensive regional public transportation service plan to the legislature, the governor, and the state transportation department within 1 year after the selection of the chief executive officer of the authority. In each succeeding year, the authority shall update the comprehensive regional public transportation service plan and present it to the legislature, the governor, and the state transportation department. The comprehensive regional public transportation service plan shall contain all of the following:

(a) A specific plan for providing regional transportation for senior citizens, citizens with disabilities, and citizens without the economic means to provide their own personal transportation.

(b) A cost-benefit analysis of the necessity and effectiveness of the proposed plan, including an average cost per mile of services provided and an average cost per rider of services provided.

(c) An economic impact analysis of the ratio of public dollars expended on public transit services relative to the amount of private dollars invested in the region as a result of public transit services.

(d) A full accounting of all funding sources for the plan and, if any new taxes or special assessments are called for, an analysis of how much each individual taxpayer, participating local municipality, and county will pay versus what they currently pay for mass transit, and an analysis of how much of the tax or special assessment will be returned to the individual taxpayer, local municipality, and county in the form of public transit services.

(e) A discussion of how the plan provides for a fair distribution of services throughout the region.

(f) A discussion of how the specific and identifiable public transportation needs of the region are addressed in the plan.

(g) A discussion of how the plan delivers measurable benefits.

(4) Subject to the availability of funds, the authority shall provide or contract to provide those services that are required for the implementation and execution of the comprehensive regional public transportation service plan. The authority may contract with transportation operators within the region to provide services that the authority considers necessary for implementation and execution of the comprehensive regional public transportation service plan.

(5) This subsection does not apply to any private transit entities that have not contracted with the authority. If the coordination of any of the following functions does not result in the reduction in the number of represented employees employed by SMART or DDOT, the authority shall coordinate all of the following functions between different owners and operators of public transportation facilities within the region relative to transit services:

(a) Service overlap.

(b) Rates.

(c) Routing.

(d) Scheduling.

(e) Any other function that the authority considers necessary to coordinate in order to implement or execute the comprehensive regional transportation service plan.

(6) The authority shall provide notices of its coordination decisions under this section to owners and operators of public transportation facilities in the region. Any owner or operator of a public transportation facility within the region

who fails to comply with the authority's notice of coordination decision may be declared ineligible for grant assistance from the authority, and, if the authority declares that the owner or operator is ineligible for grant assistance, shall not receive any transportation operating or capital assistance grants from the authority.

(7) To the extent possible, the authority shall facilitate and encourage connections with other forms of transportation, including, but not limited to, taxicabs.

(8) Within 1 year after the selection of the chief executive officer of the authority, the authority shall present to the legislature, the members of the appropriations committees of the house of representatives and the senate, and the governor its recommendations for legislation to fund the implementation of the comprehensive regional public transportation service plan and for legislation to establish a dedicated funding stream for the authority. The recommendations for legislation shall include an analysis of the availability of funding sources for the dedicated funding stream and the information described in subsection (3).

Sec. 5. (1) Subject to subsection (5), a county in the region with a population of 750,000 or less that chooses not to participate in the authority may withdraw from the authority by a resolution of withdrawal that is approved by a majority vote of the members of the county board of commissioners.

(2) Subject to subsection (5), on January 1, 2005, a county in the region that does not contain a city with a population of more than 750,000, but is a county that has a population of more than 750,000, may withdraw from the authority by meeting both of the following:

(a) Within 60 days, the county board of commissioners by a 2/3 vote adopts a resolution to place the question of withdrawing from the authority on the ballot of the next regularly scheduled November general election in the county. If the county seeking withdrawal under this subsection has an elected executive under 1966 PA 293, MCL 45.501 to 45.521, or 1973 PA 139, MCL 45.551 to 45.573, the county executive may veto the resolution.

(b) A majority of the electorate within each local unit of government within the county approves of the question of withdrawal from the authority at the next regularly scheduled November general election.

(3) Subject to subsection (5), on January 1, 2005, a local governmental consortium may withdraw from the authority by meeting both of the following:

(a) Within 60 days, the governing board of the local governmental consortium by a majority vote adopts a resolution to place the question of withdrawing from the authority on the ballot of the local governmental units in the local governmental consortium.

(b) A majority of the electorate of each local governmental unit within the consortium approves of the question of withdrawal from the authority at the next regularly scheduled November general election.

(4) A county or local governmental consortium that withdraws from the authority shall lose its seat on the board and shall not, except on the unanimous affirmative vote of the board, contract for public transportation services with the authority.

(5) If a county or local governmental consortium elects to withdraw from the authority under this section, both of the following apply:

(a) The county or local governmental consortium shall pay or make provision to pay all of its obligations to the authority. Beginning 60 days after the withdrawing county or local governmental consortium gives notice of its intent to withdraw, the withdrawing county or local governmental consortium shall incur no further obligation to the authority until the withdrawal has been completed. Obligations of a transit system within the withdrawing county or local governmental consortium owed directly to the authority are not obligations of the county or local governmental consortium for purposes of this subsection. After the county or local governmental consortium has withdrawn from the authority, the state transportation department shall reduce the level of state funding to the authority by the amount allocable directly to the withdrawing county or local governmental consortium and transmit those funds directly to the withdrawing county or local governmental consortium.

(b) Any transit system within the withdrawing county or local governmental consortium shall pay or make provision to pay all of its obligations to the authority. After the county or local governmental consortium has withdrawn from the authority, the state transportation department shall reduce the level of state funding to the authority by the amount allocable directly to that transit system and transmit those funds directly to that transit system.

Sec. 6. (1) A county may become a member of the authority if all of the following are met:

(a) Any part of the county is not more than 90 miles from the city limits of a city with a population of more than 750,000.

(b) The county is contiguous to another county that is a member of the authority.

(c) A resolution is adopted by a majority vote of the county board of commissioners of the county requesting membership.

(2) If the county seeking membership under this section has an elected county executive under 1966 PA 293, MCL 45.501 to 45.521, or 1973 PA 139, MCL 45.551 to 45.573, the county executive may veto the resolution. The county board of commissioners for the county seeking membership under this section may override the veto by a 2/3 vote of the county board of commissioners.

Sec. 7. (1) The authority shall be governed by a board that shall consist of the following:

(a) Two members from each city in the region that has a population over 750,000.

(b) Two members from each county in the region that has a population over 750,000 and less than 1,750,000.

(c) One member from each county in the region that has a population of 750,000 or less.

(d) Two members from each county in the region that has a population over 1,750,000 so long as those members are not residents of a city in that county that has a population over 750,000.

(e) One member and 1 alternate from each governmental consortium, selected by a majority vote of its governing board. A member or alternate described in this subdivision is a nonvoting member of the board.

(2) The chief executive officer of each city that is entitled to membership on the board shall select the members to represent the city. The appointment of a board member shall require the concurrence of a majority of the city council. The members that are appointed and approved shall serve on the board at the pleasure of the chief executive officer and can be removed from the board by the chief executive officer at any time. A board member appointed under this subsection shall be a resident of the city that the board member represents.

(3) The chief executive officer of each county that is entitled to membership on the board shall select the member or members to represent the county. The appointment of a board member shall require the concurrence of a majority of the county board of commissioners. The members that are appointed and approved shall serve on the board at the pleasure of the chief executive officer and can be removed from the board by the chief executive officer at any time. A board member appointed under this subsection shall be a resident of the county that the board member represents.

(4) The first board shall be appointed within 30 days after the effective date of this act.

(5) The board shall conduct its first meeting within 60 days after the effective date of this act.

Sec. 8. (1) The board shall do all of the following:

(a) Select and retain a chief executive officer of the authority.

(b) Adopt bylaws and rules and procedures governing the board meetings.

(c) Establish policies to implement day-to-day operation of the authority.

(d) Review and approve the authority's capital and operating budgets to assure that the budgets are reported and administered in accordance with the uniform budgeting and accounting act, 1968 PA 2, MCL 141.421 to 141.440a.

(e) As required by state or federal law to receive or disburse funds to SMART or any transit system in the region, review, or review and approve, the capital or operating budgets of SMART or that transit system.

(f) Conduct an annual audit in accordance with the uniform budgeting and accounting act, 1968 PA 2, MCL 141.421 to 141.440a.

(g) Adopt the comprehensive regional public transportation service plan developed by the authority under section 4.

(h) Develop performance measures of the efficiency and effectiveness of the provision of public transportation services to the region.

(i) Develop and specify uniform data requirements to assess the costs and benefits of public transportation services.

(j) Formulate procedures for establishing priorities in the allocation of funds for public transportation services.

(k) Establish and implement a standardized reporting and accounting system under which transit systems that receive funds directly or indirectly from the authority make quarterly reports on revenues and expenditures and submit annual and proposed budgets to the authority.

(l) Establish and implement standards relating to operating efficiency and cost control of transit systems.

(m) Establish public transportation policy for the region.

(2) Except as otherwise provided in this subsection, the board shall act by a majority vote of its membership that is entitled to vote. A vote for the adoption of bylaws, for the adoption of rules of procedure, or for the transaction of business shall not be effective unless the vote includes at least 1 affirmative vote from a member that represents each city in the authority that has a population of 750,000 or more and at least 1 affirmative vote from each county in the authority immediately contiguous to each city in the authority with a population of 750,000 or more.

(3) The board shall meet regularly but not less than quarterly.

(4) Except as provided in this subsection, a board member shall not designate another representative to serve in his or her place on the board. Each county and city entitled to membership on the board in the region shall have the ability

to appoint 1 alternate to serve if a permanent member is absent from a board meeting. The board shall not engage in proxy voting.

(5) The board shall conduct the business that it may perform at meetings held in compliance with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275. Public notice of the time, date, and place of the meetings shall be given in the manner required by the open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

(6) The board shall appoint a citizens advisory committee that consists of region residents. Forty percent of the committee shall be made up of users of public transportation. At least 25% of the users of public transportation on the committee shall be seniors or persons with disabilities. Two users of public transportation from Wayne county, 2 users of public transportation from Oakland county, 2 users of public transportation from Macomb county, 2 users of public transportation from each city in the authority region that has a population of 750,000 or more, and 1 user of public transportation from each additional member county shall be on the committee. Thirty percent of the committee shall be made up of individuals from organizations representing seniors and persons with disabilities. Thirty percent of the committee shall be made up of individuals representing business, labor, community, and faith-based organizations. The citizens advisory committee shall meet at least on a quarterly basis. The citizens advisory committee may make reports to the board, including recommendations, if any, at each board meeting. The citizens advisory committee shall do all of the following:

(a) Review and comment on the comprehensive regional public transportation service plan and all annual updates.

(b) Advise the board regarding the coordination of functions between different owners and operators of public transportation facilities within the region.

(c) Review and comment on the specialized services coordination plan required by section 10e(4)(c)(i)(A) of 1951 PA 51, MCL 247.660e.

(d) Provide recommendations on other matters that concern public transportation in the region.

(7) The board shall establish a ridership committee that consists of a representative group of transit system riders who live in the region. The ridership committee shall report their concerns to the board on a regularly scheduled basis.

(8) The board may change the name of the authority by a unanimous vote of the members. The board shall notify the state transportation department within 10 days after a name change is implemented.

(9) The authority may give assistance to transit systems that are operated within the region by any city or public agency.

(10) The board shall employ an independent certified public accounting firm to provide annual financial audits for the authority and to review the audits of SMART and other operators of transit systems that receive funds directly or indirectly from the authority. The cost associated with the audits and reviews required under this subsection shall be the responsibility of the operator of the transit system being audited.

(11) The board may elect to become a participating municipality on behalf of all authority employees, including acquired employees under section 17, but only pursuant to section 2c(2) of the municipal employees retirement act of 1984, 1984 PA 427, MCL 38.1502c.

Sec. 9. The authority may:

(a) Adopt rules to accomplish the purposes of this act.

(b) Plan, acquire, construct, operate, maintain, replace, improve, extend, and contract for transportation facilities within the region. If there is no transit system established or operating public transportation facilities within 10 miles beyond any portion of the region, the authority shall have the powers stated in this subdivision for 10 miles beyond that portion of the region.

(c) Acquire and hold, by purchase, lease, grant, gift, devise, bequest, condemnation, or other legal means, real and personal property, including, but not limited to, franchises, easements, and rights-of-way on, under, or above property within the region. If there is no transit system established and operating public transportation facilities within 10 miles beyond any portion of the region, the authority shall have the powers enumerated in this subdivision for 10 miles beyond that portion of the region.

(d) Apply for and accept grants, loans, or contributions from any source. The authority shall use the proceeds of the grants, loans, or contributions solely for the purposes of this act. The authority may do anything within its power to secure the grants, loans, or other contributions.

(e) Sell, lease, or use any property that the authority acquires. For purposes of this subdivision, "use" includes, but is not limited to, the leasing of advertising space and the granting of concessions for the sale of articles or for services.

(f) Grant to public or privately owned utilities the right to use any property that the authority has acquired.

(g) Grant to any other public transportation facility the right to use the property that the authority has acquired.

(h) Contract with, or enter into agreements with, any unit of government including transportation authorities or transit systems located inside or outside the region or private enterprise for service contracts, joint use contracts, and

contracts for the construction or operation of any part of the transportation facilities or for any other reason the authority determines is necessary.

(i) Borrow money to finance and perform its powers and duties.

(j) Receive the proceeds of taxes, special assessments, and charges imposed, collected, and returned to the authority under the law.

(k) Exercise all other powers that are necessary, incidental, or convenient for the carrying out of the purposes of this article.

Sec. 10. (1) The authority shall fix rates, fares, tolls, rents, and other charges for the use of public transportation facilities and the services provided by the authority within the region that the authority owns, has contracted for, or operates.

(2) The authority shall give a public notice of its intent to apply for money from the comprehensive transportation fund to the residents of the counties, cities, townships, and villages affected by the local transportation program. The authority shall make the application available for review for 30 days by the residents of the affected counties, cities, townships, and villages. All public comments that the authority receives under this subsection shall be included in its application for comprehensive transportation funds and transmitted to the board and the state transportation department.

(3) The authority shall hold a public meeting annually on the comprehensive regional transportation service plan and all plan updates. The public meeting shall be held before the adoption of the plan or update by the board. A summary of the comments made at the public meeting shall be provided to the board.

(4) The authority shall conduct a public hearing before the implementation of changes to the fares charged for authority services. A transcript of the public hearing shall be transmitted to the board before consideration of proposed fare changes.

Sec. 11. Before any state or federal funds are distributed to the authority, a financial audit of the operations for the fiscal year before the most recently completed fiscal year shall be provided to the department of treasury. The department of treasury may waive this requirement on a temporary basis. Each audit shall be conducted in accordance with sections 6 to 13 of the uniform budgeting and accounting act, 1968 PA 2, MCL 141.426 to 141.433.

Sec. 12. (1) This state guarantees the payment of claims for benefits arising under the worker's disability compensation act of 1969, 1969 PA 317, MCL 418.101 to 418.941, during the time the authority is approved as a self-insured employer if all of the following occur:

(a) The authority ceases to exist or is dissolved.

(b) A successor agency is not created to assume the assets and liabilities and perform the functions of the authority.

(c) The authority is authorized to secure the payment of compensation under section 611(1)(a) of the worker's disability compensation act of 1969, 1969 PA 317, MCL 418.611.

(2) This state shall be entitled to a lien that shall take precedence over all other liens in the amount of all the payment of claims made by this state on behalf of the authority under this section. The lien shall be on the assets of the authority.

Sec. 13. A community or group of communities in the region may create citizen advisory councils to relate concerns to the board on a regularly scheduled basis. Citizen advisory councils shall be composed of members representative of the neighborhoods within the community or group of communities.

Sec. 14. The authority created under this act shall not be dissolved and its powers shall not be diminished except as provided in this act.

Sec. 15. In the exercise of its powers within the region, the authority is exempt from all of the following acts:

(a) The motor carrier act, 1933 PA 254, MCL 475.1 to 479.20.

(b) The motor bus transportation act, 1982 PA 432, MCL 474.101 to 474.141.

(c) The township and village public improvement and public service act, 1923 PA 116, MCL 41.411 to 41.419.

Sec. 16. (1) By March 20, 2003, the board shall select and retain a chief executive officer.

(2) The chief executive officer shall administer the authority in accordance with the comprehensive regional public transportation service plan, the operating budget, the general policy guidelines established by the board, the applicable governmental procedures and policies, and this act. The chief executive officer is responsible for the supervision of all authority employees.

(3) All terms and conditions of the chief executive officer's employment, including length of service, shall be specified in a written contract.

Sec. 17. (1) The authority shall have the right to bargain collectively and enter into agreements with labor organizations.

(2) The authority shall be bound by existing collective bargaining agreements with publicly or privately owned entities that are acquired, purchased, or condemned by the authority. Members and beneficiaries of any pension or retirement system established by the acquired transportation system, and beneficiaries of any of the benefits established by the acquired transportation system shall continue to have rights, privileges, benefits, obligations, and status under the acquired pension or retirement system or benefits. The authority shall assume the obligations of public transportation facilities or transit systems that the authority acquires with regard to all of the following:

- (a) Wages and salaries.
- (b) Hours and working conditions.
- (c) Sick leave and health and welfare benefits.
- (d) Pension or retirement benefits, including retiree health care benefits.

(3) No employee of an acquired transportation system who is transferred to a position with the authority shall, by reason of the transfer, be placed in a worse position with respect to any of the following:

- (a) Worker's compensation.
- (b) Pension.
- (c) Seniority.
- (d) Wages.
- (e) Sick leave.
- (f) Vacation.
- (g) Health and welfare benefits.
- (h) Any other benefits that he or she enjoyed as an employee of the acquired transportation system.

(4) Employees of the acquired transportation system who left the acquired transportation system to enter into military service of the United States shall have the same rights with respect to the authority under 1951 PA 263, MCL 35.351 to 35.356, as they would have had as employees of the acquired transportation system.

(5) For federally funded activities, the authority shall enter into and comply with the arrangements that the U.S. secretary of labor certifies as fair and equitable in compliance with 49 U.S.C. 5333(b).

(6) Before beginning to operate any new transit service or public transportation facility or entering into any contract or other arrangements for the operations of the transit service or public transportation facility, the authority shall extend to the employees providing public transportation services directly for or by contract with the authority, in order of the employee's seniority with the employee's employer, the first opportunity for reasonably comparable employment in any new jobs with respect to the operations for which the employee can qualify after a reasonable training period. The authority shall provide for the first opportunity required under this subsection in any contract to operate a new transit service or public transportation facility. Employers shall comply with all collective bargaining agreements in accordance with the national labor relations act, chapter 372, 49 Stat. 449, and the public employment relations act of 1947, 1947 PA 336, MCL 423.201 to 423.217.

(7) The authority shall contract only with SMART and DDOT for any public transportation or related service that SMART or DDOT offered as of May 22, 2002 unless DDOT or SMART has been declared ineligible for grant assistance under section 4(6) of this act. Nothing in this act requires the authority to provide funds to either DDOT or SMART beyond those received by the authority as the designated recipient under section 4(2).

Sec. 18. (1) The authority shall not levy taxes. Except as otherwise provided in this section, the authority shall not pledge the credit or taxing power of the state or any political subdivision. The authority may pledge the receipts of taxes, special assessments, or charges that the state or a political subdivision collects so long as the receipts of the taxes, special assessments, or charges are returnable and payable by law or contract to the authority. The authority may pledge the pledge of a political subdivision of this state of its full faith and credit in support of its contractual obligations to the authority.

(2) In addition to any other method of financing authorized by law, public transportation facilities may be financed by 1 or more of the following:

- (a) Fares, rates, tolls, and rents.
- (b) Other income or revenue from whatever source available, including, but not limited to, appropriations and contributions and other revenue of the participating counties and political subdivisions in the region.

(c) Grants, loans, and contributions from federal, state, or other governmental units.

(d) Grants, contributions, gifts, devises, or bequests from any other source.

(e) Taxes, special assessments, or charges that are imposed by law and collected by a state or political subdivision and returned or paid to the authority under the law or pursuant to contract.

Sec. 19. (1) The chief executive officer shall prepare and the board shall approve an operating budget and a capital budget for the authority for each fiscal year. Each budget shall be approved by the February 1 immediately preceding the beginning of the fiscal year of the authority.

(2) The chief executive officer shall prepare and the board shall approve a capital program and an operating budget to cover 5 years. The first capital program and operating budgets shall be submitted to the board within 270 days after selection of the chief executive officer of the authority. The chief executive officer shall revise and update the capital program and operating budgets on an annual basis and submit the revised capital program and operating budgets to the board each fiscal year.

(3) The authority shall submit its annual operating and capital budget, financial audits, and construction plans to a regional governmental and coordinating agency if a regional governmental and coordinating agency exists in the region. The submittal shall allow a reasonable time for review and comment.

Sec. 20. (1) Except as otherwise provided in this section and section 21, competitive bids shall be secured before any purchase or sale, by contract or otherwise, is made or before any contract is awarded, or before any contract is renewed, for construction, alteration, supplies, equipment, repairs, maintenance, and the rendering of services to the authority.

(2) Except as otherwise provided in this section, all purchases and sales in excess of \$50,000.00 shall be awarded after advertising in a manner determined by the board and set forth in a written purchasing policy. Bids shall be publicly opened and read aloud at a date, time, and place designated in the invitation to bid. Invitations to bid shall be sent at least 1 week before the bid opening to at least 3 potential bidders who are qualified technically and financially to submit bids, or a memorandum shall be kept on file showing that less than 3 potential bidders who are qualified and responsible exist in the general market area within which it is practicable to obtain quotations.

(3) Except as otherwise provided in this section, written price quotations from at least 3 qualified and responsible vendors shall be obtained for all purchases and sales of \$50,000.00 or less but greater than \$5,000.00, or a memorandum shall be kept on file showing that less than 3 qualified and responsible vendors exist in the market area within which it is practicable to obtain quotations.

(4) Competitive bidding is not required in 1 or more of the following circumstances:

(a) The purchase of unique articles.

(b) The purchase of articles that cannot be obtained in the open market.

(c) Purchases or sales under \$5,000.00.

(d) The rendering of professional services.

(e) An emergency exists that directly and immediately affects service or public health, safety, or welfare and that requires immediate delivery of supplies, materials, equipment, or services as determined under procedures approved and determined by the board.

(5) The board shall expressly approve or deny in advance the purchase of unique articles or articles that cannot be obtained in the open market without competitive bidding if the amount of the purchase in either case is in excess of \$50,000.00.

Sec. 21. Concessions for the sale of products or the rendition of services for a consideration on authority property, and renewal of any of those concessions, shall be awarded by the authority only pursuant to written specifications after competitive bidding to the highest responsible bidder under procedures similar to those required under section 20. The requirement for competitive bidding does not apply to a concession involving the estimated receipt by the authority of less than \$1,000.00 over the period for which the concession is granted.

Sec. 22. (1) The authority may acquire facilities, assets, and rights of existing and operating private or public transportation systems. Except as provided in section 17, no liability, other than for equipment and facilities, shall be assumed or contracted for. Except as otherwise provided in this subsection, the authority shall not be required to comply with any statutory or charter limitations or prerequisites to an acquisition.

(2) If the contract between the authority and the existing and operating private or public transportation system provides only for operation of the existing system by the authority or only for acquisition without consideration, the transaction is not considered a sale of a public utility within any constitutional, statutory, or charter limitation or within any revenue bond ordinance.

(3) If the negotiation between the authority and an existing private or public transportation system does not reach a conclusion, the authority shall notify the owner of the existing private or public transportation system in writing that the matter shall proceed to binding final arbitration under the rules and procedures of the American arbitration association.

Sec. 23. Except as otherwise provided in this section, claims that arise in connection with the authority shall be presented as ordinary claims against a common carrier of passengers for hire. Written notice of any claim based on injury to persons or property shall be served on the authority not later than 60 days after the occurrence that gave rise to the claim. The disposition of the claim shall rest in the discretion of the authority. Claims that may be allowed and final judgment shall be paid from authority funds. Claims against the authority shall only be brought in a court of competent jurisdiction in a county in the region in which the authority principally carries on its functions.

Sec. 24. All counties and other political subdivisions and agencies, public or private, may assist, cooperate with, and contribute services, money, or property in aid of the authority and its purposes.

Sec. 25. The property of the authority and its income and operations are exempt from all taxes of this state or a political subdivision of this state, and the property of the authority is exempt from local zoning.

Sec. 26. Records and other writings prepared, owned, used, in the possession of, or retained by the authority in the performance of an official function shall be available to the public during normal business hours in compliance with the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

Sec. 27. Notwithstanding any other provision of this act, if an emergency financial manager has been appointed for the authority under the local government fiscal responsibility act, 1990 PA 72, MCL 141.1201 to 141.1291, then that emergency financial manager may exercise the authority and responsibilities provided in this act to the extent authorized by the local government fiscal responsibility act, 1990 PA 72, MCL 141.1201 to 141.1291.

Sec. 28. The authority shall prepare and publish a detailed public report and financial statement of its operations at the end of each fiscal year.

Sec. 29. The fiscal year of the authority shall commence October 1 and continue through September 30.

ARTICLE III

Sec. 30. (1) Beginning October 1, 2002, SMART, established in the metropolitan transportation authorities act of 1967, 1967 PA 204, MCL 124.401 to 124.426, is continued under this article. The chief executive officer of SMART and SMART board serving under that act on October 1, 2002, shall continue as the first chief executive officer of SMART and SMART board under this article. The members of SMART are Oakland, Wayne, Monroe, and Macomb counties.

(2) Subject to subsections (3) and (4), a county with a population of 750,000 or less that chooses not to participate in SMART may withdraw from SMART by a resolution of withdrawal that is approved by a majority vote of the members of the county board of commissioners.

(3) If the county seeking withdrawal under this section has an elected county executive under 1966 PA 293, MCL 45.501 to 45.521, or 1973 PA 139, MCL 45.551 to 45.573, the county executive may veto the resolution. A veto may be overridden by a 2/3 vote of the county board of commissioners from the county seeking to withdraw from SMART.

(4) A county that withdraws from SMART shall lose its seat on the SMART board and shall not, except on the unanimous affirmative vote of the SMART board, contract for public transportation services with SMART.

(5) SMART is an agency and instrumentality of the state and except as provided in this article has all of the powers of a public corporation if exercised for 1 or more of the following purposes:

- (a) Planning public transportation facilities.
- (b) Designing public transportation facilities.
- (c) Constructing public transportation facilities.
- (d) Operating public transportation facilities.
- (e) Administering public transportation facilities.
- (f) Acquiring public transportation facilities.
- (g) Contracting to provide public transportation facilities.
- (h) Maintaining, replacing, improving, and extending public transportation facilities.
- (i) Exercising the powers of a public transportation facility.

(6) If SMART ceases to operate or is dissolved and a successor agency is not created to assume its assets and liabilities, and perform its functions, and if SMART is authorized to secure the payment of compensation under section 611(1)(a) of the worker's disability compensation act of 1969, 1969 PA 317, MCL 418.611, then the state guarantees the payment of claims for benefits arising under the worker's disability compensation act of 1969, 1969 PA 317, MCL 418.101 to 418.941, against SMART during the time they were approved as a self-insured employer. The state shall be entitled to a lien which shall take precedence over all other liens on its portion of the assets of SMART in satisfaction of the payment of claims for benefits under the worker's disability compensation act of 1969, 1969 PA 317, MCL 418.101 to 418.941.

(7) A community or group of communities in the SMART region may create citizens planning and advisory councils to relate their particular concerns to the SMART board on a regularly scheduled basis. These councils shall have memberships representative of the various neighborhoods within those cities.

Sec. 32. (1) The SMART board shall be composed of the chief executive officers of each county in which a city having a population of 750,000 or more is located within the area served by SMART and of all other counties immediately contiguous to that city, and the representative of each chief executive officer to be designated in the sole discretion of, and serve at the sole pleasure of, that chief executive officer. Every county with a population of less than 750,000 that is served by SMART shall have 1 seat on the SMART board. A chief executive officer may designate an alternate to serve in his or her place on the SMART board.

(2) The SMART board by a majority vote shall adopt bylaws and rules of procedure governing its meetings. A majority vote for the adoption of bylaws and rules of procedure and for the transaction of business shall not be effective unless it includes at least 1 vote from each county in which a city having a population of 750,000 or more is located, and at least 1 vote from each county immediately contiguous to that city.

(3) The business of the SMART board shall be conducted at a public meeting of the board held in compliance with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275. Public notice of the time, date, and place of the meeting shall be given in the manner required by the open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

(4) Records and other writings prepared, owned, used, in the possession of, or retained by SMART in the performance of an official function shall be available in compliance with the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(5) SMART may:

(a) Adopt rules to accomplish the purposes of this act.

(b) Plan, acquire, construct, operate, maintain, replace, improve, extend, and contract for transportation facilities within the SMART region. If there is no authority or transit system established or operating public transportation facilities within 10 miles beyond any portion of the SMART region, SMART shall have the powers stated in this subdivision for 10 miles beyond that portion of the SMART region.

(c) Acquire and hold, by purchase, lease, grant, gift, devise, bequest, condemnation, or other legal means, real and personal property, including, but not limited to, franchises, easements, and rights-of-way on, under, or above property within the SMART region. If there is no authority or transit system established and operating public transportation facilities within 10 miles beyond any portion of the SMART region, SMART shall have the powers enumerated in this subdivision for 10 miles beyond that portion of the SMART region.

(d) Apply for and accept grants, loans, or contributions from any source. SMART may use the proceeds of the grants, loans, or contributions for any of the purposes of this act. SMART may do anything within its power to secure the grants, loans, or other contributions.

(e) Sell, lease, or use any property that SMART acquires. For purposes of this subdivision, "use" includes, but is not limited to, the leasing of advertising space and the granting of concessions for the sale of articles or for services.

(f) Grant to public or privately owned utilities the right to use any property that SMART has acquired.

(g) Grant to any other public transportation facility the right to use the property that SMART has acquired.

(h) Contract with any unit of government or private enterprise for service contracts, joint use contracts, and contracts for the construction or operation of any part of the transportation facilities.

(i) Receive the proceeds of taxes, special assessments, and charges imposed, collected, and returned to SMART under the law.

(j) Elect to become a participating municipality for acquired employees under section 34, pursuant to section 2c(2) of the municipal employees retirement act of 1984, 1984 PA 427, MCL 38.1502c.

(k) Exercise all other powers that are necessary, incidental, or convenient for the carrying out of the purposes of this article.

(6) SMART shall not spend any public funds on political activities.

(7) SMART shall take all reasonable measures to provide regional transportation for senior citizens, citizens with disabilities, and citizens without the economic means to provide their own personal transportation. SMART shall take all reasonable measures to see that regional transportation services for those citizens are the first services provided by SMART and that regional transportation services for those citizens are the last services reduced by SMART if SMART reduces services.

(8) SMART may provide adequate transportation services to citizens other than senior citizens, citizens with disabilities, or citizens without the economic means to provide their own personal transportation only to the extent it does not impair or preclude SMART's obligations under subsection (7).

Sec. 33. The SMART board shall do all of the following:

(a) Adopt bylaws and rules and procedures governing the SMART board meetings.

(b) Establish or continue broad policies to implement day-to-day operation of SMART.

(c) Review and approve the capital and operating budgets of SMART to assure that the budgets are reported and administered in accordance with the uniform budgeting and accounting act, 1968 PA 2, MCL 141.421 to 141.440a.

(d) Conduct an annual audit in accordance with the uniform budgeting and accounting act, 1968 PA 2, MCL 141.421 to 141.440a.

(e) Employ a general manager of SMART.

Sec. 34. (1) The SMART board shall appoint a general manager who shall be the chief executive and operating officer of SMART. The general manager shall have management of the properties and business of SMART and its employees. He or she shall direct the enforcement of all resolutions, rules, and regulations of the SMART board, and shall enter into contracts as necessary under the general control of the SMART board. The general manager shall serve at the pleasure of the SMART board.

(2) The general manager shall have the authority to appoint officers, employees, and agents necessary to carry out the purposes of SMART under the general policy direction of the SMART board. The general manager shall classify all the offices, positions, and grades of regular employment required under a merit rating system; except that a maximum of 5% of the employees and officers shall be exempt from the provisions of the merit rating system.

Sec. 35. (1) The general manager shall prepare and the SMART board shall approve a separate operating and capital budget for each fiscal year. These budgets shall be approved at least 30 days before the beginning of each new fiscal year. In addition, capital program and operating budgets shall be prepared to cover periods of 5 years. These shall be revised and updated annually before submission to the SMART board.

(2) SMART shall submit its annual operating and capital budget, financial audits, and construction plans to the authority, far enough in advance of any final approval requirement for the board to have a reasonable time for review, comments, and revision.

Sec. 36. SMART may not levy taxes nor may it pledge the credit or taxing power of the state or any political subdivision except for the pledging of receipts of taxes, special assessments, or charges collected by the state or a political subdivision and returnable or payable by law or by contract to SMART and except for the pledge by a political subdivision of the state of its full faith and credit in support of its contractual obligations to SMART as authorized by law. Transportation facilities shall be financed, in addition to other methods of financing provided by law, by 1 or more of the following methods:

(a) By fares, rates, tolls, and rents.

(b) By other income or revenues from whatever source available, including appropriations or contributions of whatever nature or other revenues of the participating counties and political subdivisions within the geographical boundaries of SMART.

(c) By loans from any public agency and grants, contributions, gifts, devises, or bequests from any source.

(d) By proceeds of taxes, special assessments, or charges imposed pursuant to law and collected by the state or a political subdivision and returned or paid to SMART pursuant to law or contract.

Sec. 37. All claims that may arise in connection with SMART shall be presented as ordinary claims against a common carrier of passengers for hire. Written notice of any claim based upon injury to persons or property shall be served upon SMART no later than 60 days from the occurrence through which such injury is sustained. Disposition of the claim shall rest in the discretion of SMART, and all claims that may be allowed and final judgment obtained shall be paid from SMART funds. Only the courts located in the counties in which SMART principally carries on its function are the proper counties in which to commence and try action against SMART.

Sec. 38. (1) SMART may fix rates, fares, tolls, rents, and other charges for the use of public transportation facilities and the services provided by SMART within the SMART region.

(2) SMART shall give a public notice of its intent to apply for money from the comprehensive transportation fund to the residents of the counties, townships, villages, and cities affected by the local transportation program and shall make its application available for a period of 30 days. All comments received by SMART shall be transmitted to the board, the SMART board, and the state transportation department along with the application for funds.

(3) SMART shall conduct a public hearing before the SMART board implements changes to the fares charged for the services provided by SMART. A transcript of the public hearing shall be transmitted to the SMART board before the consideration of the fare changes.

Sec. 39. (1) SMART may borrow money and issue bonds to finance and to carry out its powers and duties. The bonds shall be payable from and may be issued in anticipation of payment of the proceeds of any of the methods of financing as may be provided by law. A political subdivision within the geographical boundaries of SMART may contract to make payments, appropriations, or contributions to SMART of the proceeds of taxes, special assessments, or charges imposed and collected by the political subdivision or out of any other funds legally available and may pledge its full faith and credit in support of its contractual obligation to SMART. The contractual obligation shall not constitute an indebtedness of a political subdivision within a statutory or charter debt limitation. If SMART has issued bonds in anticipation of payments, appropriations, or contributions to be made to SMART pursuant to contract by a political subdivision having the power to levy and collect ad valorem taxes, the political subdivision may obligate itself by the contract, and thereupon may levy a tax on all taxable property in the political subdivision, which tax as to rate or amount will be as provided in section 6 of article IX of the state constitution of 1963 for contract obligations in anticipation of which bonds are issued, to provide sufficient money to fulfill its contractual obligation to SMART.

(2) The bonds of SMART shall be issued and sold in compliance with the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821, except that the bonds may be issued for any period of years, not exceeding 40 years.

(3) A political subdivision may advance or deliver property to SMART to finance or carry out its powers and duties. SMART may agree to repay the advances or pay for the property within a period not exceeding 10 years, from the proceeds of its bonds or from other funds legally available to SMART, with or without interest as may be agreed to at the time of advance or repayment. The obligation of SMART to make the payment or repayment may be evidenced by a contract or note that may pledge the full faith and credit of SMART. The contract or note that is evidence of SMART's obligation shall not be an obligation under the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

(4) A political subdivision desiring to enter into a contract under subsection (1) shall authorize, by resolution of its governing body, the execution of the contract, which resolution shall be published in a newspaper of general circulation within the political subdivision, and the contract may be executed without a vote of the electors on the contract upon the expiration of 90 days after the date of the publication unless, within the 90-day period, a petition signed by not less than 5% of the registered electors residing within the limits of the political subdivision is filed with the clerk of the political subdivision requesting a referendum upon the execution of the contract, and in that event the contract shall not be executed until approved by the vote of a majority of the electors of the political subdivision qualified to vote and voting on the contract at a general or special election to be held not more than 90 days after the filing of the petition.

(5) If the bonds or notes sold by SMART involve the pledge or use of state collected or administered funds, SMART shall seek the approval of the board and the state transportation commission.

(6) Notwithstanding any other provision of this section, SMART shall not issue bonds, nor use the revenues of the sale of bonds, for the construction, reconstruction, maintenance, or operation of a subway unless approved by concurrent resolution by the legislature.

Sec. 40. In the exercise of its powers within the SMART region, SMART is exempt from all of the following acts:

- (a) The motor carrier act, 1933 PA 254, MCL 475.1 to 479.20.
- (b) The motor bus transportation act, 1982 PA 432, MCL 474.101 to 474.141.
- (c) The township and village public improvement and public service act, 1923 PA 116, MCL 41.411 to 41.419.

Sec. 41. (1) SMART shall have the right to bargain collectively and enter into agreements with labor organizations.

(2) SMART shall be bound by existing collective bargaining agreements with publicly or privately owned entities that are acquired, purchased, or condemned by SMART. Members and beneficiaries of any pension or retirement system established by the acquired transportation system, and beneficiaries of any of the benefits established by the acquired transportation system shall continue to have rights, privileges, benefits, obligations, and status under the acquired pension or retirement system or benefits. SMART shall assume the obligations of public transportation facilities or transit systems that SMART acquires with regard to all of the following:

- (a) Wages and salaries.
- (b) Hours and working conditions.

(c) Sick leave and health and welfare benefits.

(d) Pension or retirement benefits, including retiree health care benefits.

(3) No employee of an acquired transportation system who is transferred to a position with SMART shall, by reason of the transfer, be placed in a worse position with respect to any of the following:

(a) Worker's compensation.

(b) Pension.

(c) Seniority.

(d) Wages.

(e) Sick leave.

(f) Vacation.

(g) Health and welfare benefits.

(h) Any other benefits that he or she enjoyed as an employee of the acquired transportation system.

(4) Employees of the acquired transportation system who left the acquired transportation system to enter into military service of the United States shall have the same rights with respect to SMART under 1951 PA 263, MCL 35.351 to 35.356, as they would have had as employees of the acquired transportation system.

(5) For federally funded activities, SMART shall enter into and comply with the arrangements that the U.S. secretary of labor certifies as fair and equitable in compliance with 49 U.S.C. 5333(b).

(6) Before beginning to operate any new transit service public transportation facility or entering into any contract or other arrangements for the operations of the transit service or public transportation facility, the authority shall extend to the employees providing public transportation services directly for or by contract with the SMART, in order of the employee's seniority with the employee's employer, the first opportunity for reasonably comparable employment in any new jobs with respect to the operations for which the employee can qualify after a reasonable training period. SMART shall provide for the first opportunity required under this subsection in any contract to operate a new transit service or public transportation facility. Employers shall comply with all collective bargaining agreements in accordance with the national labor relations act, chapter 372, 49 Stat. 449, and the public employment relations act of 1947, 1947 PA 336, MCL 423.201 to 423.217.

Sec. 42. (1) Except as otherwise provided in this section and section 43, competitive bids shall be secured before any purchase or sale, by contract or otherwise, is made or before any contract is awarded for construction, alteration, supplies, equipment, repairs, maintenance, and the rendering of services to SMART.

(2) Except as otherwise provided in this section, all purchases and sales in excess of \$50,000.00 shall be awarded after advertising in a manner determined by the SMART board and set forth in a written purchasing policy. Bids shall be publicly opened and read aloud at a date, time, and place designated in the invitation to bid. Invitations to bid shall be sent at least 1 week before the bid opening to at least 3 potential bidders who are qualified technically and financially to submit bids, or a memorandum shall be kept on file showing that less than 3 potential bidders who are qualified and responsible exist in the general market area within which it is practicable to obtain quotations.

(3) Except as otherwise provided in this section, written price quotations from at least 3 qualified and responsible vendors shall be obtained for all purchases and sales of \$50,000.00 or less but greater than \$5,000.00, or a memorandum shall be kept on file showing that less than 3 qualified and responsible vendors exist in the market area within which it is practicable to obtain quotations.

(4) Competitive bidding is not required in 1 or more of the following circumstances:

(a) The purchase of unique articles.

(b) The purchase of articles that cannot be obtained in the open market.

(c) Purchases or sales under \$5,000.00.

(d) The rendering of professional services.

(e) An emergency exists that directly and immediately affects service or public health, safety, or welfare and that requires immediate delivery of supplies, materials, equipment, or services as determined under procedures approved and determined by the SMART board.

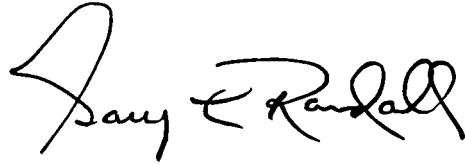
(5) The SMART board shall expressly approve or deny in advance the purchase of unique articles or articles that cannot be obtained in the open market without competitive bidding if the amount of the purchase in either case is in excess of \$50,000.00.

Sec. 43. Concessions for the sale of products or the rendition of services for a consideration on SMART property shall be awarded by SMART only pursuant to written specifications after competitive bidding to the highest responsible bidder under procedures similar to those required under section 42. The requirement for competitive

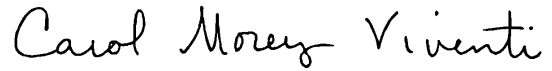
bidding does not apply to a concession involving the estimated receipt by SMART of less than \$1,000.00 over the period for which the concession is granted.

Enacting section 1. This act takes effect October 1, 2002.

Enacting section 2. The metropolitan transportation authorities act of 1967, 1967 PA 204, MCL 124.401 to 124.426, is repealed effective October 1, 2002.



Clerk of the House of Representatives.



Secretary of the Senate.

Approved

Governor.