



Senate Fiscal Agency
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BILL ANALYSIS

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FY 2005-06 Year-to-Date Gross Appropriation	\$3,424,910,200
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Changes from FY 2005-06 Year-to-Date:

Items Included by the Senate and House

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| 1. Debt Service. The budget reduced funding for scheduled debt service payments. | (33,123,500) |
| 2. Safe Routes to School. The budget included Federal funding for a new program to encourage nonmotorized transportation to school. | 4,050,000 |
| 3. Highway Maintenance. The budget increased funding for highway maintenance programs. The budget included \$300,000 for the Summer Youth Corp Program. | 10,682,800 |
| 4. Federal Aid to Road Agencies. The budget increased funding for the State Road and Bridge Program by \$13.0 million and funding for local road agencies by \$697,000. | 13,708,000 |
| 5. State Revenue to Local Agencies. The budget included funding distributed to county road commissions and cities and villages pursuant to PA 51 of 1951. The budget also included revenue adjustments to the Local Bridge Fund. | 6,429,900 |
| 6. Aeronautics Program. The budget reduced funding to the Aeronautics Program to reflect anticipated restricted revenue. | (1,009,800) |
| 7. Local Transit Match. The budget included additional local revenue for transit projects. | 16,400,000 |
| 8. Economic Adjustments. The Governor included standard economic increases. The Conference Committee also made adjustments requested by the State Budget Office. | 9,254,600 |

Conference Agreement on Items of Difference

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| 9. Grants to Other Departments. The Governor increased funding for transportation services provided to the Department by other State departments and agencies. The Conference Committee concurred. | 1,576,500 |
| 10. Performance Excellence. Senate reduced the appropriation for this line by \$693,000 and directed that revenue to State road and bridge projects. Conf. Committee restored the funding. | 0 |
| 11. State Revenue to MDOT. The budget reduced State revenue to MDOT for road and bridge projects based on revenue availability. The Senate added funding of \$693,000 that was removed from Performance Excellence. The Conference Committee concurred with the Governor. | (23,387,200) |
| 12. Economic Development Fund. The Governor included funding for various economic development programs based on revenue availability. The Conference Committee concurred. | 717,000 |
| 13. Comprehensive Transportation Fund. The Governor increased funding for various public and freight transportation programs to reflect additional revenue to the CTF and MTF. The Senate removed \$10.0 million of CTF appropriations to deposit the revenue into the General Fund. The Conference Committee restored the \$10.0 million. | 19,858,100 |
| 14. Other Changes. The budget funded other adjustments for human resource user charges, information technology, local revenue for State road and bridge projects, local/Federal restricted revenue in the public and freight transportation programs, and removed on-time supplemental items in FY 2005-06. | (7,899,300) |

Total Changes.....	\$17,257,100
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FY 2006-07 Conference Report Gross Appropriation	\$3,442,167,300
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Amount Over/(Under) GF/GP Target: \$0

Changes from FY 2005-06 Year to Date:Items included by the Senate and House

1. **Contingency Funds.** The Conference Committee did not include contingency fund authorization.
2. **Legislative Reports Retained.** The Governor removed and the Conference Committee retained a number of legislative reports: privatization (207), report retention (211), internal auditor activity (314), Multi-Modal Transportation Services Bureau activities (361), deferred projects status (376), State aircraft usage (383), railroad abandonment (703), and local transit agencies operational bus lifts status (732).
3. **Charter Prohibition.** The Conference Committee directed the Department to maintain a complaint process for transit agencies that violate the charter prohibition. (Sec. 370)
4. **Restrictions on Departmental Operations.** The Governor removed and the Conference Committee retained a number of restrictions on Departmental operations: disciplinary action against an employee for communicating with the Legislature (261), contractor payment (353), local Federal-aid project review (357), employee newsletters (374), comprehensive transportation fund expenditures for planning activities for transit agencies (379), Multi-Modal Bureau appropriations (380), Departmental television program (381), congestion as criteria in five-year program (603), removal of dead deer from State highways (610), use of high quality pavement marking materials (611), contract incentives/disincentives (612), sale of state-owned intercity bus equipment (730), intermodal facility lease charges (731).

Conference Agreement on Items of Difference

5. **Auditor General Report.** The Conference Committee required the report within nine months after the CAFR is published. (Sec. 306)
6. **Federal/Local Funding.** The Conference Committee removed a prohibition on using funds to support the Federal advance construction program at the local level. (Sec. 311)
7. **Rest Area Signs.** The Governor removed the requirement to post signs at rest areas regarding maintenance responsibility. The Conference Committee retained it. (Sec. 319)
8. **Detroit River Crossing.** The Conference Committee included language prohibiting expenditures for design or right-of-way acquisition for a new Detroit River crossing. (Sec. 384)
9. **Deputy Directors.** The Conference Committee stated legislative intent to have two separate positions for public transportation and aeronautics. (Sec. 391)
10. **Local Federal Aid Buyout.** The Conference Committee allowed local jurisdictions to exchange Federal aid for State Restricted funds. Exchanged funds must be used for the original purpose. (Sec. 402)
11. **Cost Allocation Plan.** The Conference Committee required the State Treasurer to develop a cost allocation plan on the cost of collecting motor fuel taxes. (Sec. 504)
12. **Unsafe Pedestrian Crossings.** The Governor removed language requiring matching funding for unsafe pedestrian crossings. The Conference Committee retained the language. (Sec. 607)
13. **Forest Roads.** The Conference Committee restored \$40,000 for forest road turn-outs. (Sec. 608)
14. **Road Projects.** The Conference Committee included language directing resources to specific road projects for Michigan International Speedway signage (613), an interchange in Chippewa County (615), and a traffic light in Petoskey (616).
15. **Special Road Signs.** The Conference Committee directed the Department to develop a plan to place signs on highways informing motorists to drive on the right-side of the road and yield to emergency vehicles and report on the programs by November 1, 2006. (Sec. 639 and Sec. 640)
16. **Intent Language.** The Conference Committee included legislative intent to support Federal funds for school sidewalk routes in Eaton Rapids (655), that M-49 be upgraded to a "green" designated highway (656), to conduct a congestion mitigation study on US-23 (657), and rehabilitation of rail track between Hillsdale and Quincy (738).
17. **Duplication of Existing Transit Routes.** The Governor removed language prohibiting local transit agencies from establishing new routes that duplicate existing routes served by intercity carriers. The Conference Committee retained the language. (Sec. 709)
18. **Amtrak Subsidy.** The Conference Committee limits the subsidy to the amount of related route revenue, up to \$7.1 million. (Sec. 711)

Date Completed: 7-11-06

Fiscal Analyst: Jessica Runnels

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations.