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BILL ANALYSIS

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Senate Bill 1097 (S-1 as passed by the Senate)
Committee: Appropriations

FY 2005-06 Year-to-Date Gross Appropriation	**$3,387,807,500**
Changes from FY 2005-06 Year-to-Date:	
1. **Debt Service.** The budget reduced funding for scheduled debt service payments.	(33,123,500)
2. **Grants to Other Departments.** The Governor increased funding for transportation services provided to the department by other State departments and agencies. The Senate reduced the grant to Treasury by $1,500.	1,575,000
3. **Safe Routes to School.** The budget included Federal funding for a new program to encourage non-motorized transportation to school.	4,050,000
4. **Performance Excellence.** The Senate reduced the appropriation for this line by $693,000 and directed that revenue to State road and bridge projects.	(693,000)
5. **Highway Maintenance.** The budget increased funding for highway maintenance programs. The budget included $300,000 for the Summer Youth Corp Program.	10,682,800
6. **Federal Aid to Road Agencies.** The budget increased funding for the State Road and Bridge Program by $13 million and funding for local road agencies by $697,000.	13,708,000
7. **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
8. **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.	(22,694,200)
9. **Aeronautics Program.** The budget reduced funding to the Aeronautics Program to reflect anticipated restricted revenue.	(1,009,800)
10. **Economic Development Fund.** The Governor included funding for various economic development programs based on revenue availability. The Senate maintained current year funding for target industries Category A grants and forest roads.	(140,200)
11. **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 and the revenue will be deposited into the General Fund.	10,961,200
12. **Local Transit Match.** The budget included additional local revenue for transit projects.	16,400,000
13. **Economic Adjustments.** The Governor included standard economic increases. The Senate also made adjustments requested by the State Budget Office.	9,254,600
14. **Other Changes.** The budget funded other adjustments for human resource user charges, information technology, local revenue for State road and bridge projects, and local/Federal restricted revenue in the public and freight transportation programs.	28,060,300
15. **Comparison to Governor's Recommendation.** The Senate Substitute is $11,116,500 Gross under the Governor's Recommendation.	
Total Changes..........	$43,461,100
FY 2006-07 Senate Gross Appropriation	**$3,431,268,600**

Changes from FY 2005-06 Year to Date:

1. **Contingency Funds.** The Governor included contingency fund language. The Senate did not include this section.
2. **Reports Removed.** The Governor and Senate removed reports on the emerald ash borer, the Mackinac Bridge Authority, and intelligent transportation service centers.
3. **Legislative Reports Retained.** The Governor removed and the Senate 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 lifts status (732).
4. **Restrictions on Departmental Operations.** The Governor removed and the Senate 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 5-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).
5. **Rest Area Signs.** The Governor removed the requirement to post signs at rest areas regarding maintenance responsibility. The Senate retained it. (Sec. 319)
6. **Charter Prohibition.** The Governor removed language requiring the department to develop a complaint process for transit agencies that violate the charter prohibition. The Senate directed the Department to maintain the program. (Sec. 370)
7. **Detroit River Crossing.** The Senate included language prohibiting expenditures to support or implement the Detroit River International Crossing study. (Sec. 384)
8. **Local Federal Aid Buyout.** The Senate allowed local jurisdictions to exchange Federal aid for State Restricted funds if the State or another local jurisdiction agree. Exchanged funds must be used for the original purpose. (Sec. 402)
9. **Unsafe Pedestrian Crossings.** The Governor removed language requiring matching funding for unsafe pedestrian crossings. The Senate retained the language. (Sec. 607)
10. **Forest Roads.** The Governor and Senate removed $40,000 for forest road turn-outs.
11. **Driving on Right-Side of Road.** The Governor removed language directing the department to develop a plan to place signs on highways informing motorists to drive on the right-side of the road. The Senate required a report on the program by Nov. 1, 2006. (Sec. 639)
12. **Emergency Vehicles.** The Governor removed language directing the department to develop a plan to place signs on highways informing motorists to yield to emergency vehicles. The Senate required a report on the program by Nov. 1, 2006. (Sec. 640)
13. **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 Senate retained the language. (Sec. 709)
14. **Amtrak Subsidy.** The Governor increased the operating subsidy to $7.1 million and removed language that would provide an additional $1.0 million subsidy to Amtrak if it moves maintenance facilities to Michigan. The Senate limits the subsidy to the amount of related route revenue, up to $6.1 million. (Sec. 711)
15. **Road Projects.** The Senate included language directing resources to specific road projects for Michigan International Speedway signage (613), widening US-127 (614), an interchange in Chippewa County (615), a traffic light in Petoskey (616), and a nonmotorized vehicle bridge in Traverse City (617).

Date Completed: 5-24-06 Fiscal Analyst: Jessica Runnels