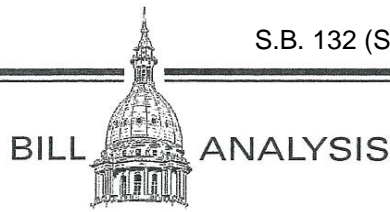




Senate Fiscal Agency
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Senate Bill 132 (S-1 as reported)
Committee: Appropriations

Throughout this document Senate means Appropriations Committee.

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2014-15 YEAR-TO-DATE	FY 2015-16 SEN. FULL COMM.	CHANGES FROM FY 2014-15 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions.....	2,912.3	2,912.3	0.0	0.0
GROSS	3,725,062,600	3,635,722,500	(89,340,100)	(2.4)
Less:				
Interdepartmental Grants Received	3,786,900	3,928,500	141,600	3.7
ADJUSTED GROSS.....	3,721,275,700	3,631,794,000	(89,481,700)	(2.4)
Less:				
Federal Funds.....	1,205,821,500	1,257,488,000	33,888,500	2.8
Local and Private	50,277,100	50,393,500	(7,649,600)	(13.2)
TOTAL STATE SPENDING.....	2,439,633,100	2,323,912,500	(115,720,600)	(4.7)
Less:				
Other State Restricted Funds.....	2,154,985,200	2,184,391,400	29,406,200	1.4
GENERAL FUND/GENERAL PURPOSE.....	284,647,900	139,521,100	(145,126,800)	(51.0)
PAYMENTS TO LOCALS	1,316,686,400	1,253,964,100	(62,722,300)	(4.8)

FY 2014-15 Year-to-Date Gross Appropriation	\$3,725,062,600
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Changes from FY 2014-15 Year-to-Date:

1. **GF/GP One-Time Federal Match Increase.** The Governor and the Senate increased one-time Federal match appropriations by \$473,200 for a total of \$139.5 million Gross and GF/GP. \$113.0 million Gross and \$113.0 million GF/GP is recommended for State trunkline roads and bridges. (The Governor included \$12.0 million redirected from TEDF, and the Senate included \$2.0 million from the TEDF; see items 3 and 4.), \$25.0 million GF/GP for transit and rail, and \$1,521,100 GF/GP for aeronautics. In FY 2014-15, the budget included the following one-time Federal match items: \$127.0 million GF/GP for State trunkline roads and bridges, \$10.0 million GF/GP for transit and rail, and \$2.0 million for aeronautics. 473,200
2. **Elimination of One-Time GF/GP Funding for State and Local Roads and Bridges.** The Governor and the Senate removed this one-time appropriation of \$144.5 million Gross, \$144.5 million GF/GP, of which approximately \$56.5 million was distributed to the State trunkline fund, \$56.5 million to county road commissions, and \$31.5 million to cities and villages. (144,500,000)
3. **Transportation Economic Development Fund (TEDF) Redirect to State Trunkline Fund.** The Senate included a redirection of \$2.0 million, and the Governor included a redirection of \$12.0 million, in license fees that fund the TEDF program in order to meet Federal match requirements. The Senate also redirected \$2.0 million to one-time airport safety funding. The license fee revenue was previously redirected to the State trunkline from FY 2010-11 to FY 2013-14, and the fee revenue was restored to the TEDF in FY 2014-15 to meet increased program demand. (4,000,000)

FY 2015-16 TRANSPORTATION BUDGET

4. Highway Maintenance Funding. The Senate did not include additional funding for highway maintenance, and kept these funds within State trunkline construction for Federal match requirements. The Governor reduced State trunkline construction to increase funding for highway maintenance by \$10.0 million, for a total of \$324.7 million appropriated to the program. According to the Department, an increase would allow the Department to keep up current maintenance levels, and is required to offset the increased costs of road maintenance. Maintenance cost increases primarily stem from increased prices for salt, sand, asphalt, and other road construction materials.	0
5. Additional Increase for Airport Safety, Protection, and Improvement Program. The Senate included an additional \$2.0 million for airport safety. These funds were redirected from the TEDF license fees (see item 3).	2,000,000
6. Federal Transit and Rail Grants. The Governor and the Senate included grant increases from the Federal Transit Administration and the Federal Railroad Administration. This included a \$50 million increase in Federal aid to rail operations and infrastructure, an \$840,000 increase in Federal aid to nonurban buses, and a \$300,000 increase in Federal aid to the transit capital program.	51,140,000
7. Restoration of Vetoed Funds for Regional Planning Councils. In FY 2014-15, the Governor vetoed a pedestrian crossing study, which affected the grants to regional planning councils program. The Governor and Senate included additional funding for this program in FY 2015-16 to restore those funds.	80,000
8. Revenue Adjustments. A revenue increase is expected for the Michigan Transportation Fund (MTF), resulting in the following program increases: \$57.7 million in local road funding, and \$1.3 million in the TEDF. Other revenue adjustments result in the following program decreases: \$663,300 in aeronautics services, \$3.9 million in rail operations and infrastructure, and \$3.9 million in transit capital, service initiatives, and transportation to work. The airport safety, protection and improvement program was increased by \$1.0 million. The Governor and the Senate included these adjustments.	51,446,800
9. Blue Water Bridge Fund Adjustment. This adjustment would realign the fund with available toll revenue. In FY 2013-14 and FY 2014-15, appropriations to the fund were increased to prepare for a customs plaza project. The Governor and Senate included a total of \$10.6 million for the fund after accounting for this adjustment.	(14,054,000)
10. IDG Adjustments. Technical adjustments to IDG grants to other departments totaled a negative \$414,800, and adjustments to IDGs from other departments totaled a negative \$11,100.	(425,900)
11. Debt Service Adjustment. Debt service obligations decreased. In FY 2014-15, \$242.3 million, \$0 GF/GP was appropriated to debt service. The Governor and Senate included \$238.9 million, \$0 GF/GP to debt service in FY 2015-16.	(3,457,500)
12. Economic Adjustments. Included a negative \$3,073,700 Gross and \$0 GF/GP for OPEB and \$1,525,000 Gross and \$0 GF/GP for other economic adjustments.	(1,548,700)
13. Other Changes. The Governor and Senate increased finance, contracts and support services by \$150,000 Gross, \$0 GF/GP, and deleted the one-time appropriation of \$1.1 million Gross, \$1.1 million GF/GP in startup funds for the Regional Transit Authority.	(950,000)
14. Comparison to Governor's Recommendation. The Senate is \$0 Gross and \$0 GF/GP over the Governor.	
Total Changes	(\$89,340,100)
FY 2015-16 Senate Appropriations Committee Gross Appropriation	\$3,635,722,500

Boilerplate Changes from FY 2014-15 Year-to-Date:

1. **Billboards and Motorist Behavior.** The Senate included a restriction against the department spending funds to examine the relationship between billboards and motorist behavior. (Sec. 376)
2. **Statement of Legislative Intent Regarding NITC.** The Senate included language specifying that the Legislature's actions with regard to permission for project activities or reporting requirements are not legislative approval of the crossing agreement. (Sec. 205)
3. **Disciplinary Action.** The Governor deleted and the Senate retained a prohibition against MDOT from taking disciplinary action against an employee for communicating with the Legislature. (Sec. 215)
4. **Notice of Proposed Federal Regulations.** The Senate included language that would require the Department to notify the legislature regarding proposed Federal Rule changes. The notice would have to be given within 10 days of the proposed rule being posted to the Federal Register. (Sec. 204)
5. **Remanufactured Parts and Alternative Road Materials.** The Governor deleted and the Senate retained a requirement for MDOT to prioritize the use of remanufactured parts as the primary means of vehicle maintenance (Sec. 270), and a requirement that MDOT evaluate the use of materials which incorporate crumb rubber from scrap tires (Sec 660).
6. **Effects of Policy Changes; Small Businesses.** The Governor and the Senate deleted a requirement for MDOT to report on policy changes made to implement public acts, and a prohibition against funds being used in a way that would have a disproportionate economic impact on small businesses. (Sec. 263)
7. **Contractor-Related Requirements.** The Governor deleted and the Senate retained the following requirements and prohibitions: 1) MDOT must post signs regarding the contractor responsible for rest area maintenance (Sec. 319); 2) MDOT must review its contractor payment process and ensure prompt payment and prime contractor compliance (Sec. 353); 3) MDOT must complete any required inspections for local Federal aid projects within 120 days of submission (Sec. 357); 4) MDOT may not reimburse contractors for certain costs (e.g., groundbreaking ceremonies) from appropriated funds (Sec. 375); 5) as a condition of each contract for construction, maintenance, or engineering services, MDOT must require the contractor to use the E-Verify system (Sec. 381); 6) in administering a local government contract, within two years of final payment to a contractor, MDOT must submit the final cost-sharing bill to the local government (Sec. 382).
8. **Department-Owned Aircraft Reports.** The Governor included language from boilerplate prior to FY 2014-15. In FY 2014-15, the language was amended and included more specific reporting requirements. The Senate included the language from FY 2014-15. (Sec. 383)
9. **Dead Animal Removal.** The Governor deleted and the Senate retained a provision that MDOT must consider the removal of large animal remains from highway shoulders a priority. (Sec. 610)
10. **Report Requirements.** The Governor and the Senate deleted a requirement that MDOT must retain all reports in compliance with Federal and State guidelines. (Sec. 212). The Governor and the Senate also deleted requirements that MDOT must provide a report or information regarding the following: expenditures for administration and planning associated with local governments (Sec. 233); money to be received by each local government within a legislator's district (Sec. 303); the amount of Federal aid for allocations to certain State and local programs (Sec. 401); a railroad company's abandonment of a railroad line (Sec. 703); a rail feasibility study between Holland and Detroit (Sec. 712); the encumbered and unencumbered balances of the CTF (Sec. 740); and rollover test standards for transit buses (Sec. 741). The Governor and the Senate deleted requirements to provide the State Budget Office with: GF/GP appropriation lapses by program area (Sec. 228); and estimates regarding State fund balances, revenues, and expenditures (Sec. 229). The Governor deleted and the Senate retained the following report requirements: a rolling five-year plan of all construction projects (Sec. 307), and associated criteria for the plan (Sec. 603); MDOT's activities related to the prequalification of construction contractors (Sec. 308); the status of the State infrastructure bank (Sec. 313(3)); contract incentives for State trunkline projects (Sec. 612); the status of airport improvement projects (Sec. 902); and timely production of copies of agendas and approved minutes for monthly commission meetings (Sec. 310).
11. **Warranty Development.** The Governor deleted and the Senate modified a requirement for MDOT to work with the road construction industry and engineering consulting community to develop performance and road construction warranties. (Sec. 601)
12. **Benchmarks and Performance Measurement.** The Governor deleted and the Senate retained a requirement for the Department to measure performance relating to expenditures for programs over \$0.5 million, and report on proposed benchmarks. (Sec. 204)

13. **Pedestrian Crossing Study (vetoed in FY 2014-15).** The Governor and the Senate deleted a requirement for the department to study the feasibility of a pedestrian crossing over Bear River in Petoskey along US Highway 131, which was initially included and vetoed in FY 2014-15. (Sec. 311)
14. **Service Consolidation Workgroup.** The Governor and the Senate deleted a requirement for MDOT to conduct a workgroup aimed at consolidating transportation services for low-income, elderly, and disabled individuals. (Sec. 312)
15. **Best Practices.** The Governor and the Senate deleted a requirement for the Department to promote best practices in public transportation services, and to report on efforts taken to implement best practices. (Sec. 393)
16. **Existing Roads as Priority.** The Governor deleted and the Senate retained a requirement for the department and local road agencies to make preservation of existing roads a funding priority. (Sec. 394)
17. **Highway Maintenance Outcomes & Measures.** The Governor included a requirement that the increase in highway maintenance must support safety-related, high-priority and deferred routine maintenance needs. The Senate did not include the corresponding increase or the requirement. (Sec. 605)
18. **Elimination of One-Time Appropriations.** The Governor and the Senate deleted provisions regarding State trunkline Federal match (Sec. 1001); State and local road funding (Sec. 1002); reporting requirements regarding transit capital and rail infrastructure (Sec. 1003), a high-speed rail crossing pilot program (Sec. 1004, which was vetoed in FY 2014-15), and startup funding for the Regional Transit Authority (Sec. 1005). The Governor deleted and the Senate modified reporting requirements regarding a freight-rail tunnel from Detroit to Windsor (Sec. 1006).
19. **Bicycle Roadway Safety.** The Senate included a boilerplate appropriation of \$14,000 for bicycle safety education and training related to roadways and bicycle lanes. (Sec. 1007)

Date Completed: 4-23-15

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