



Senate Fiscal Agency
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Senate Bill 149 (S-1 as reported)
Committee: Appropriations

Throughout this document Senate means Subcommittee.

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2018-19 YEAR-TO-DATE*	FY 2019-20 SENATE SUBCOMM.	CHANGES FROM FY 2018-19 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions	2,818.3	2,818.3	0.0	0.0
GROSS	5,013,880,800	5,130,767,200	116,886,400	2.3
Less:				
Interdepartmental Grants Received	4,092,500	3,974,300	(118,200)	(2.9)
ADJUSTED GROSS	5,009,788,300	5,126,792,900	117,004,600	2.3
Less:				
Federal Funds	1,318,271,700	1,341,650,100	23,378,400	1.8
Local and Private	51,432,000	51,932,000	500,000	1.0
TOTAL STATE SPENDING	3,640,084,600	3,733,210,800	93,126,200	2.6
Less:				
Other State Restricted Funds	3,283,293,700	3,601,210,800	317,917,100	9.7
GENERAL FUND/GENERAL PURPOSE	356,790,900	132,000,000	(224,790,900)	(63.0)
PAYMENTS TO LOCALS	2,106,336,600	2,250,613,300	144,276,700	6.8

*As of March 5, 2019.

	Gross	GF/GP
FY 2018-19 Year-to-Date Appropriation	\$5,013,880,800	\$356,790,900

Changes from FY 2018-19 Year-to-Date:

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|--|-------------|---|
| 1. Road and Bridge Revenue Adjustments. The Governor distributed increased revenue to the trunkline: \$50.4 million; counties: \$99.3 million; cities/villages: \$55.4 million; local bridges: \$677,000; and movable bridges: \$114,900. The Senate concurred. | 205,966,000 | 0 |
| 2. Wayfair Earmark Restored. The Senate restored the Wayfair earmark for state and local road funding. Current law denotes the earmark will go to the Michigan Transportation Fund to be distributed in the following way: State trunkline: \$55,913,000; Counties: \$55,913,000; Cities/Villages: 31,174,000. | 143,000,000 | 0 |
| 3. Maintenance and Maintenance Materials Increases. The Governor included additional money for nonwinter maintenance, including pothole repair, labor, vegetation control, and increased materials costs. The Senate concurred. | 58,534,000 | 0 |
| 4. Comprehensive Transportation Revenue Adjustments. The Governor distributed increased revenue to Comprehensive Transportation Fund (CTF) programs, including rail operations and infrastructure: \$14.8 million; service initiatives: \$6.0 million; local bus operating: \$6.0 million; marine passenger: \$5.5 million; intercity services: \$2.5 million; specialized services: \$1.5 million; and transit capital: \$1.3 million. The Senate redistributed the surplus CTF: rail operations and infrastructure: \$4.8 million; marine passenger: \$1.1 million; intercity services: \$500,000; specialized services: \$1.0 million; transportation to work: \$500,000, transit capital: \$7.7 million; and one-time increases for listed below. | 15,596,700 | 0 |

5. Federal Inspection Compliance. The Governor included funding to support the cost of Federally-mandated inspections of trunkline signage, retaining walls, communications towers, and other ancillary structures. The Senate concurred.	10,000,000	0
6. IT Modernization. The Governor included additional funding for the development of intelligent transportation systems and to address a backlog of small IT projects. The Senate concurred.	3,000,000	0
7. Other Revenue Adjustments. The Governor distributed increased revenue to the airport safety, protection, and improvement program: \$664,100; the Detroit metropolitan Wayne County airport: \$325,000; and the transportation economic development program (TEDF): \$909,800. The Senate concurred.	1,898,900	0
8. Local Signal Energy Billing Process Improvement. The Governor included additional funding to improve billing processes for energy costs for traffic signals within local jurisdictions. The Senate concurred.	600,000	0
9. Detroit/Wayne County Port Authority. The Governor restored baseline funding to the Port Authority to the pre-FY 2017-18 level. The Senate concurred.	50,000	0
10. Fixing Michigan Roads Program. The Governor included increased funding from new gas taxes; 15 cent increases scheduled for October 1, 2019, April 1, 2020, and October 1, 2020. For FY 2019-20, the new program would not replace scheduled distributions of Michigan Transportation Fund (MTF) money to the State or local jurisdictions. Of the new revenue generated for FY 2019-20, \$834.9 million would go to roads, the majority of which would go to the trunkline, \$36.7 million to local bridges, \$27.5 million to transit and rail projects, and \$18.4 million to economic development in rural areas. The Senate removed.	0	0
11. One-Time Road Funding Removal. The Governor removed one-time funding for FY 2018-19. The Senate concurred.	(300,000,000)	(300,000,000)
12. Debt Service. The Governor reflected a 2.5% decrease in the annual debt service payment. The Senate concurred.	(5,539,600)	0
13. Interdepartmental Grants. The Governor reduced spending on interdepartmental grants, chiefly due to a \$399,600 reduction in the State Trunkline Fund (STF) grant to the Attorney General. The Senate concurred.	(317,600)	0
14. Transfer of Services. The Governor transferred certain accounting services to the Department of Agriculture and Rural Development. The Senate concurred.	(168,700)	0
15. Other Changes. The Governor did not continue supplemental funding from PA 618 of 2018 for the current year, including \$114.0 million restricted funding for road and bridge; \$52.0 million GF/GP for the Soo Locks expansion; \$4.5 million GF/GP for the Mackinac Straits Infrastructure project; and \$250,000 GF/GP for a rail study. The Senate concurred.	(170,790,900)	(56,790,900)
16. The Senate added one-time CTF funding for the demolition costs for the Carbide docks/Soo Locks project: \$1.0 million, and freight rail economic development: \$16,000,000.	17,000,000	0
17. The Senate added one-time general funding for counties and cities/villages at amounts of \$84,748,800 and \$47,251,200, respectively.	132,000,000	132,000,000
18. Economic Adjustments. Includes \$6,057,600 Gross and \$0.0 GF/GP for total economic adjustments, of which an estimated negative \$1,839,000 Gross and \$0.0 GF/GP is for legacy retirement costs (pension and retiree health). The Senate concurred.	6,057,600	0

19. **Comparison to Governor's Recommendation.** The Senate is \$647,524,800 Gross under and \$132.0 million GF/GP over the Governor.

Total Changes	\$116,886,400	(\$224,790,900)
FY 2019-20 Senate Appropriations Subcommittee Recommendation	\$5,130,767,200	\$132,000,000

Boilerplate Changes from FY 2018-19 Year-to-Date:

1. **Contingency Funds - Removed.** The Senate removed a section authorizing contingency fund spending. (Sec. 210)
2. **Disciplinary Action.** The Governor removed a section that prohibited the Department from taking disciplinary action against an employee for communicating with the Legislature. The Senate retained. (Sec. 215)
3. **Federal Rule Change Notification.** The Governor removed a section requiring the Department to notify, in advance, the legislative leaders, applicable committees, and fiscal agencies about proposed Federal rule changes. The Senate retained. (Sec. 217)
4. **Remanufactured Parts for Vehicle Fleet.** The Governor removed a section stating legislative intent for the Department to prioritize the use of remanufactured parts for maintenance and repair of the Department's vehicle fleet. The Senate retained. (Sec. 270)
5. **Commercial Lease of Department Property.** The Governor removed a section granting the Department permission to lease Department space at a competitive rate. The Senate retained. (Sec. 305)
6. **Infrastructure Bank Reporting.** The Governor removed a subsection requiring the Department to report to the Legislature on the balance, loan amounts, and outstanding loans from the State infrastructure bank. The Senate retained in full. (Sec. 313)
7. **Rest Area Signage.** The Governor removed a section requiring the Department to post signs at rest areas that include a number to call for unsafe or unclean conditions at those rest areas. The Senate retained. (Sec. 319)
8. **Prompt Payment of Contractors.** The Governor removed a section requiring the prompt payment of prime contractors. The Senate retained. (Sec. 353)
9. **Deadline for Federal Aid Project Review.** The Governor removed a section requiring the Department to complete the review process for Federal Aid Project submittals within 120 days after receiving the request. The Senate retained. (Sec. 357)
10. **Groundbreaking Ceremonies.** The Governor removed a section prohibiting the reimbursement of contractors or consultants for the costs of groundbreaking procedures. The Senate retained. (Sec. 375)
11. **Signage Study Ban.** The Governor removed a section prohibiting the Department from spending appropriations to study the effects of outdoor advertising on driver safety. The Senate retained. (Sec. 376)
12. **E-Verify Requirement.** The governor removed a section that required contractor and subcontractors use Homeland Security's E-Verify system to verify that all persons hired for construction, maintenance or engineering services be legally present and authorized to work within the United States. The Senate retained. (Sec. 381)
13. **Local Billing Deadline.** The Governor removed a section requiring the Department to send cost sharing bills to local units within two years of the Department's final contract payment. The Senate retained. (Sec. 382)
14. **Toll Credit Reporting.** The Governor removed a section requiring an annual report to the State budget director and the Legislature on the toll credit program. The Senate retained, (Sec. 386)
15. **Traffic Study Availability.** The Governor removed a section requiring the Department to post on its website within 60 days the results of any formal traffic study. The Senate retained. (Sec. 387)
16. **Long-term Contract Notification.** The Governor removed a section requiring the Department to notify the Legislature of the details of long-term contracts within 30 days of the agreement. The Senate retained. (Sec. 389)
17. **Fund Balance Reporting.** The Governor removed a section requiring the Department to report to the State Budget Director and the Legislature the prior fiscal year balances for a number of funds it manages. The Senate retained. (Sec. 390)

18. **Ban on Motor Fuel Testing.** The Governor removed a funding restriction on motor fuel quality testing by the Department. The Senate retained. (Sec. 391)
19. **Best Practices.** The Governor removed a section requiring the Department to promote certain best practices related mostly to transit services and costs. The Senate retained. (Sec. 393)
20. **Road Preservation Prioritization.** The Governor removed a section requiring the Department and local jurisdictions to make the preservation of existing road networks a funding priority. The Senate retained. (Sec. 394)
21. **Contract Eligibility Assurance.** The Governor removed a section requiring the Department to obtain assurances from contractors for non-construction contracts that they have requisite experience, labor, and financial capability to perform the contracts. The Senate retained. (Sec. 396)
22. **Community Service Infrastructure Fund - Removed.** The Governor removed language from the section that expressed legislative intent for the fund to be appropriated a specified sum annually. The Senate deleted the section as unnecessary. (Sec. 399)
23. **Available Funds for Transit Buses.** The Governor removed a section requiring the Department to apply for Federal aid for replacement buses after meeting existing needs for 5310 program recipients. The Senate retained. (Sec. 403)
24. **Recreation Improvement Fund Distribution - New.** The Governor added a section directing how funds from the fixing Michigan roads fund are distributed to the Recreation Improvement Fund under the Natural Resources and Environmental Protection Act, PA 451 of 1994. The Senate deleted. (Sec. 550)
25. **Flooding Mitigation.** The Governor removed a section directing the Department to address and report on flooding mitigation in southeast Michigan for FY 2018-19. The Senate retained. (Sec. 605)
26. **I-94 Modernization Project.** The Governor removed a section regarding engineering and design work for a rebuilding and modernization project on I-94 between M-60 and Sargent Road. The Senate retained. (Sec. 606)
27. **Dead Deer Removal.** The Governor removed a section directing the Department to prioritize the removal of dead deer. The Senate retained. (Sec. 610)
28. **Contract Incentives & Disincentives.** The Governor removed a section directing the Department to establish and report on contract incentives and disincentives for trunkline projects. The Senate retained. (Sec. 612)
29. **Project Reporting.** The Governor removed a section requiring a report on several aspects of all capital Federal aid participating construction projects. The Senate retained. (Sec. 613)
30. **Alternative Road Surface Materials.** The Governor removed a section directing the Department to report on the use of alternative road surface materials. The Senate retained. (Sec. 660)
31. **Winter Maintenance Truck Refurbishment.** The Governor removed a section directing the Department to investigate and report on the costs and benefits of refurbishing winter maintenance trucks scheduled for sale or retirement. The Senate retained. (Sec. 670)
32. **Rail Line Abandonment.** The Governor removed a section requiring the Department to report to the Legislature when a railroad company has filed to abandon a line. The Senate retained. (Sec. 703)
33. **Rail Operations and Infrastructure Report.** The Governor removed a section requiring the Department to report on rail operations and infrastructure programs. The Senate retained. (Sec. 704)
34. **Amtrak Report.** The Governor removed a section requiring the Department to report on rail passenger service provided by Amtrak. The Senate retained. (Sec. 711)
35. **Freight Economic Development Requirement.** The Governor removed a section requiring the Department to spend at least \$2.5 million on freight economic development from the comprehensive transportation fund. The Senate retained. (Sec. 750)
36. **Rail Line Earmark - Removed.** The Governor removed a section earmarking \$2.0 million for improvements to a rail line between Walton Junction and Traverse City. The Senate concurred. (Sec. 751)
37. **Meetings with the Rail Industry Trade Associations - Removed.** The Governor removed a section requiring the Department to meet with representatives of the rail industry twice a year. The Senate amended to one meeting per year. (Sec. 752)

38. **Marine Passenger Spending. (NEW)** The Senate added a section providing direction on how to spend funds appropriated for marine passenger service. (Sec. 753)
39. **Surplus Transit Capital. (NEW)** The Senate added a section providing direction on how to spend surplus funds appropriated for transit capital. (Sec. 754)
40. **Department Airports.** The Governor removed a section encouraging the Department to find private or local public agencies to assume ownership and operating responsibility for airports currently owned by the Department. The Senate retained. (Sec. 802)
41. **Aircraft Limitation - Removed.** The Governor removed a section prohibiting the Department from spending funds appropriated for air fleet operations and maintenance if the Department owns more than five aircraft. The Senate concurred. (Sec. 804)
42. **Airport Improvement Program Requirements.** The Governor updated a section to reflect Federal match requirements. The Senate concurred. (Sec. 901)
43. **One-Time General Fund Distribution for FY 2018-19.** The Governor removed a one-time section directing the distribution of FY 2018-19 one-time funding for roads. The Senate retained. (Sec. 1001)
44. **Carbide Dock. (NEW)** The Senate added a section to identifying the intended use for one-time funds appropriated for the Carbide dock/Soo Locks project.

Date Completed: 4-23-19

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