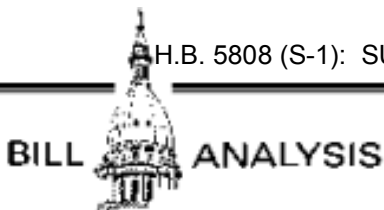




Senate Fiscal Agency  
P. O. Box 30036  
Lansing, Michigan 48909-7536



Telephone: (517) 373-2768  
Fax: (517) 373-1986  
TDD: (517) 373-0543

House Bill 5808 (S-1 as passed by the Senate)  
Committee: Appropriations

<b>FY 2007-08 Year-to-Date Gross Appropriation</b> .....	<b>\$3,360,195,600</b>
<b>Changes from FY 2007-08 Year-to-Date:</b>	
1. <b>Debt Service.</b> The Governor decreased funding for scheduled debt service payments including a decrease of \$32.1 million due to the repayment in FY08 of Federal grant anticipation notes.	(31,608,600)
2. <b>Grants to Other Departments.</b> The Governor adjusted funding grants to other departments.	(534,000)
3. <b>Federal Aid Road Construction.</b> The Governor increased expenditures for Federal aid road construction.	159,071,100
4. <b>State Restricted Revenue.</b> The Governor reduced expenditures due to anticipated revenue. The reductions are: State Trunkline Roads - \$25,060,700; County Road Commissions - \$25,294,300; Cities and Villages - \$14,102,700; and Local Bridge Program - \$1,281,600.	(65,739,300)
5. <b>Public Transportation Development.</b> The Governor reduced Bus Capital (\$10,000,000) and Transportation to Work (\$3,000,000) to reflect lower Federal/local funding for these programs.	(13,000,000)
6. <b>Comprehensive Transportation Fund.</b> The Governor reduced expenditures from the CTF to more closely align them with anticipated revenue.	(2,485,600)
7. <b>Other Revenue-based Adjustments.</b> The Governor adjusted expenditures from various funds due to anticipated revenue.	12,000
8. <b>Maintenance.</b> The Governor added maintenance funding related to additional lane miles (\$205,500) and inflationary increases (\$4,064,700).	4,270,200
9. <b>Roadside Cleaning.</b> The Governor increased funding for the Youth Corps (\$250,000) and to fund additional cleaning cycles in the Metro Region (\$1,000,000).	1,250,000
10. <b>Forest Roads.</b> The Governor eliminated TEDF funding for truck inspection stations. The House and Senate restored the funding.	0
11. <b>Innovative Transit Grants.</b> The Senate added restricted funding to provide the state match for Federal funds for innovative transit projects.	2,000,000
12. <b>Airport Improvement Programs.</b> The Senate transferred airport improvement program expenditures from the Capital Outlay budget to the Transportation operations budget.	167,491,700
13. <b>Unclassified Position.</b> The Governor included funding for an unclassified position which has been vacant and unfunded for several years.	70,600
14. <b>Agency Realignment.</b> The Governor transferred a total of \$464,900 and 5.0 FTE positions between agency programs to align the budget with actual job functions.	0
15. <b>One-time TEDF Reduction Adjustments.</b> Adjustments made to account for one-time FY 2007-08 TEDF reductions.	13,000,000
16. <b>Economic Adjustments.</b> The Governor added standard economic increases.	166,700
17. <b>Other Changes.</b> The Governor recommended adjustments: an administrative reduction for IT (\$15,600); DIT economics increases (\$57,400); and reductions due to the transfer of the HR functions (\$205,000).	(163,200)
18. <b>Comparison to Governor's Recommendation.</b> The Senate is \$169,531,700 Gross and \$0 GF/GP over the Governor.	
<b>Total Changes</b> .....	<b>\$233,801,600</b>
<b>FY 2008-09 Senate-Passed Gross Appropriation</b> .....	<b>\$3,593,997,200</b>

**Changes from FY 2007-08 Year to Date:**

1. **Legislative Reports.** The Governor removed: privatization (Sec. 207); policy changes made to implement legislation (Sec. 263); amounts received by cities and counties in a legislative district (Sec. 303); compliance with contract specifications (Sec. 308); activities of internal auditor (Sec. 314); use of women and minority-owned businesses (Sec. 334); Multi-Modal Transportation Services Bureau activities (Sec. 361); status of deferred projects (Sec. 376); travel on department-owned aircraft (Sec. 383); development of performance and road construction warranties (Sec. 601); mandrel testing of manufactured pipe (Sec. 602); contract incentives/disincentives (Sec. 612); rail line abandonment (Sec. 703); demand-response service (Sec. 714); local transit agencies' operational lift status (Sec. 732); CTF balance (Sec. 740); and progress on improvements to Ann Arbor and NW Michigan railroad (Sec. 741). The House restored the requirements except: Secs. 263, 383, 732, and 741. The Senate removed Sec. 207 and Sec. 714 and also restored Sections 263, 383, and 741.
2. **Restrictions on Departmental Operations.** The Governor removed: report retention (Sec. 211); action against an employee who speaks to the Legislature (Sec. 261); adoption of a rule with disproportionate impact on small business (Sec. 263); continuous improvement efficiency mechanisms (Sec. 264); contractor payment (Sec. 353); local Federal aid project review (Sec. 357); complaint process for charter prohibition violations (Sec. 370); electronic employee newsletters (Sec. 374); legislative approval of the distribution of Federal funds (Sec. 401); use of traffic congestion as project criteria (Sec. 603); dead animal removal (Sec. 610); use of high-quality pavement markings (Sec. 611); contract incentives/disincentives (Sec. 612); signs directing motorists to drive on right-hand side of the road (Sec. 639); signs directing motorists to yield to emergency vehicles (Sec. 640); Mackinac Bridge Authority mission (Sec. 654); congestion mitigation corridor study of US 23 (Sec. 657); use of historical data from other states when MI data not available (Sec. 659); essential bus route corridors (Sec. 709); match funds for reverse commute grants (Sec. 722); sale of state-owned intercity bus equipment (Sec. 730); intermodal facility lease charges (Sec. 731); high quality public transit (Sec. 734); and coordination of intercity passenger transportation (Sec. 736). The House restored all except Secs. 611, 639, & 640. The Senate also removed Secs. 370 & 657.
3. **Detroit River Crossing.** The Governor and House removed language included in the FY 2007-08 budget. The Senate modified the language to: allow completion of the study provided that it does not bind the state to future action; prohibit MDOT from actions including applications for Federal permits, design engineering work, right-of-way acquisition, construction, routine property acquisition, or condemnation activity; prohibit any additional expenditures without prior approval of the Legislature; require a report accounting for sources and uses of funds expended in association with the DRIC study including copies of contracts, agreements, and expenses; prohibit expenditures after the study unless the Gateway Project is completed according to Congressional intent and the House and Senate pass a concurrent resolution stating that the Gateway Project is complete and that border traffic conditions require specific evaluation (Sec. 384).
4. **Appropriation Earmarks.** The Governor removed language earmarking: \$40,000 TEDF for forest road turnouts (Sec. 608); \$32,000 for a Safe Routes to School project in Eaton Rapids (Sec. 655); and \$100,000 for intercity bus service development (Sec. 729). The House restored all but Sec. 655. The Senate also restored Sec. 655.
5. **Specified Projects.** The Governor removed language regarding specific construction projects: interchange at M-48/I-75 in Chippewa County (Sec. 615); reimbursement for traffic light in Petoskey (Sec. 616); upgrade of M-49 (Sec. 656); interchange at I-196/Phoenix Road in South Haven (Sec. 658); and construction of a Birmingham/Troy intermodal facility (Sec. 737). The House restored the language in Sec. 615. The Senate restored all of the sections.
6. **Rail Passenger Service.** The Governor removed language stipulating: a cap on the state subsidy; future support be dependent upon increased ridership and route revenue; and the subsidy will end if service is discontinued on the Port Huron-Chicago or Grand Rapids-Chicago routes (Sec. 711). The House and Senate restored the language.
7. **New Sections.** The House added language stating legislative intent that a Deputy Director for Public Transportation be hired (Sec. 391), that best practices for public transportation be supported (Sec. 393), an I-75 interchange in Flint (Sec. 607), and an I-75 service drive in Hazel Park (Sec. 617). The Senate added language limiting the number of employees attending conferences (Sec. 265), directing posted expenditures on MDOT's website (Sec. 266), directing a study of transit and road funding distribution (Sec. 394), stating intent that the state take over jurisdiction of C-56 between US 31 and M-76 (Sec. 395), stating intent that state fully fund match for Federal New Starts projects (Sec. 396), stating intent that MDOT work with affected parties to develop criteria for stations along the Ann Arbor/Detroit commuter rail corridor (Sec. 397), outlining bus operating grants (Sec 707), transferring appropriations for debt service obligations (Sec. 805).
8. **Transit Innovation Grants.** The Senate added language requiring the unencumbered balance of the CTF to be transferred to a new Transit Innovation Fund and used as the match for innovative transit projects (Sec. 742).
9. **Airport Improvement Programs.** In association with the transfer of program expenditures from the Capital Outlay budget to this budget, the Senate added language permitting the Department to award contracts for construction and improvement of publicly used airports (Sec. 806) and requiring a report on the status of airport improvement projects (Sec. 807).

Date Completed: 5-27-08

Fiscal Analyst: Debra Hollon

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

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