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Senate Bill 1164 (S-1, Draft 1 as reported)
Committee: Appropriations

Throughout this document Senate means Subcommittee.

FY 2009-10 Year-to-Date Gross Appropriation	\$3,268,472,300
Changes from FY 2009-10 Year-to-Date:	
1. Debt Service. Governor/Senate reduced funding for scheduled debt service payments.	(4,824,300)
2. Grants to Other Departments. The Governor and Senate adjusted funding for grants to other departments, included were adjustments to account for the Department of Information Technology/Department of Management & Budget merger, the elimination of the Department of History, Arts, and Libraries, and MDOT becoming an accounting service center for the Department of Agriculture.	2,360,700
3. State Restricted Revenue. The Governor and Senate decreased expenditures for road and bridge programs to align them with anticipated revenue. The reductions were: State Trunkline Roads - \$46,598,600; County Road Commissions - \$17,584,700; Cities and Villages - \$9,804,200; Local Bridge Program - \$105,200; Other - \$4,444,300.	(78,537,000)
4. Transportation Economic Development Fund. The Governor and Senate recommended \$1,000,000 to fulfill a statutory requirement to contribute matching funds that would allow a nonprofit street railway to receive Federal funding. The matching funds for the nonprofit street railway would require additional legislation but would come from existing funding.	0
5. Capital Outlay and Related. The Governor and Senate increased payments for special maintenance and salt/sand storage facility replacement. \$11.5 million in new funding was provided for the replacement facilities associated with the Blue Water Bridge expansion. The increases were offset by reductions in miscellaneous airport improvement projects.	13,052,500
6. Federal Debt Service Savings. The Governor and Senate redirected a portion of Federal revenue no longer needed to fund debt service to road and bridge programs.	12,331,400
7. Lost Federal Funding. The Governor lowered Federal aid due to insufficient funding match from State funds: a \$575.0 million reduction offset by \$100.0 million in additional match made possible by \$20.0 million in STF reductions from other programs (including \$12,786,300 from highway maintenance) that were moved to road and bridge programs.	(475,000,000)
8. Other Revenue-based Adjustments. Governor and Senate adjusted expenditures to reflect anticipated revenue to various funds, including \$2,932,500 in increases to reflect statutory floors established in Public Act 51, \$2,222,900 in Federal funding increases for various programs, and \$10,834,800 in Federal/local reductions (including ARRA exhaustion).	(5,679,400)
9. Economic Adjustments. The Governor and Senate added standard economic increases, none of which were funded through the General Fund.	16,816,400
10. Maximize Federal Matching Revenue. The Senate provides various reductions to shift \$84.0 million into road and bridge program to utilize available Federal revenue. Changes include: \$15.1 million from the TEDF balance, \$12.0 million in current TEDF revenue, \$10.9 million in other STF reductions, an additional \$40.3 million reduction in highway maintenance, and \$5.6 million in reductions of various items funded with CTF revenue.	502,152,500
11. Other Changes. The Governor and Senate recommended other adjustments including: restored funding for the Give 'Em a Brake safety campaign and intercity bus marketing - \$600,000 (See boilerplate section); Amtrak funding increases - \$467,000; and technical reallocations of costs and savings - (\$1,090,300).	(23,300)
12. Comparison to the Governor's Recommendation. Senate is \$490,192,500 above the Governor. Neither the Governor nor the Senate has GF/GP revenue in the budget.	
Total Changes.....	(\$17,350,500)
FY 2010-11 Senate Appropriations Subcommittee Gross Appropriation	\$3,251,121,800

Changes from FY 2009-10 Year to Date:

1. **Reporting Requirements.** The Governor deleted reporting requirements from a variety of sections, including issues associated with privatization efforts (Sec. 207), policy changes in implementing legislation (Sec. 263), continuous improvement efforts (Sec. 264), local road funding by legislative district (Sec. 303), compliance with contract specifications (Sec. 308), reports from internal audits (Sec. 314), regarding women- and minority-owned businesses (Sec 334), FTE positions (Sec. 358), electronic newsletters (Sec. 374), select deferred projects (Sec. 376), use of State-owned aircraft (Sec. 383), funding distribution formulas (Sec. 394), performance and construction warranties (Sec. 601), manufactured pipes for drainage (Sec. 602), the Ann Arbor & NW Michigan Railroad (Sec. 741), and capital outlay projects at airports (Sec. 902). The Governor also deleted language requiring notification regarding railroad line abandonment (Sec. 703). The Governor imposed new reporting requirements on a nonprofit street railway (Sec. 398). The Senate restored the reporting requirements.
2. **Hiring Freeze.** The Governor deleted language imposing a hiring freeze. The Senate restored the language. (Sec. 205)
3. **Records Retention.** Governor deleted language provides guidelines for records retention. Senate restored language. (Sec. 211)
4. **Travel Restrictions.** The Governor deleted language allowing exceptions to the guidelines on out-of-State travel as well as reporting of any exceptions. Also deleted were sections regarding travel for professional development. The Senate restored the language. (Secs. 260, 265)
5. **Discipline for Legislative Communication.** The Governor deleted language prohibiting the Department from disciplining employees for communicating with the Legislature. The Senate restored the language. (Sec. 261)
6. **Small Business Rules.** The Governor deleted language prohibiting the development of rules that would have a disproportionate impact on small business. The Senate restored the language. (Sec. 263)
7. **Transparency.** The Governor deleted language requiring the Department to post information regarding expenditures on its website. The Senate restored the language. (Sec. 266)
8. **Public Passenger Transportation Properties.** The Governor and Senate added language to allow revenue to pay costs to improve property, rather than just maintain property, as under current law. (Sec. 305)
9. **Restored Vetoes.** Gov. restored funding for "Give 'Em a Brake" Program and marketing of intercity bus services but deleted boilerplate sections regarding the programs. Senate restored language for "Give 'Em a Brake" Program. (Secs. 324, 729)
10. **Detroit River International Crossing (DRIC).** The Governor deleted language regarding the crossing. The language allowed completion of a study; certain preliminary activities to prepare a proposal for the Legislature (applications for permits, preliminary design work, preliminary utility planning and relocation, preliminary financial and funding arrangements); required a quarterly report; and allowed advanced property acquisitions during the study. No allowed action could bind the State to future action. The language also required proposals be submitted to the Legislature by May 1, 2010, required a traffic study, limited expenditures to \$2.5 million, and specified intent. The Senate replaced the existing language with reporting requirements regarding any activities and prohibiting any expenditures unless enabling legislation for DRIC is enacted. (Sec. 384)
11. **Legislative Intent.** The Governor deleted a number of sections specifying legislative intent, especially regarding construction or road operations (Secs. 395, 399, 607, 610, 612, 615, 654, 655, 656, 658, 661, 737, 743, and 744). The Senate restored the Sections 395, 612, 615, 654, 656, 658, 661, and added Sections 662 and 663.
12. **Rest Area Maintenance Signs.** The Governor deleted language requiring posting of signs identifying responsible parties. The Senate restored the language. (Sec. 319)
13. **Changes in Operations.** The Governor deleted language regarding the prompt payment of contractors and subcontractors (Sec. 353), the promotion of best practices (Sec. 393), requiring the use of traffic congestion as a criteria in the 5-year plan (Sec. 603), an earmark of \$40,000 for two additional truck inspection stations on forest roads (Sec. 608), use of historical data on pavement projects (Sec. 659), promotion of using recycled materials in projects (Sec. 660), designation of essential bus corridors (Sec. 709), rates charges on State-owned intermodal facilities (Sec. 731), and protocols for public transit agencies (Sec. 734). The Senate restored the language.
14. **NEW -- IRS Debt Service Refinancing.** The Governor restricted certain funds from the CTF refunding bonds issued in 2009 to reflect IRS requirements. (Sec. 745)
15. **Matching Funds.** The Governor deleted language regarding the use of certain appropriated funds used as matching funds for FTA bus acquisition (Sec. 721) and reverse commute grants (Sec. 722). The Senate restored Section 721.

Date Completed: 5-12-10

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