

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

SFA



BILL ANALYSIS

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

House Bill 5284 (S-1 as reported)

Committee: Appropriations

FY 1999-2000 Year-to-Date Gross Appropriation	\$2,840,921,700
--	------------------------

Changes from FY 1999-2000 Year-to-Date:

1. Public Act 51 of 1951. While the distribution formula for Michigan Transportation Fund revenue sunsets on September 30, 2000, the bill provides for line item funding based on the current formula contained in Public Act 51 of 1951. The bill assumes the statutory distribution formula contained in Public Act 51 of 1951 is authorization to implement the FY 2000-01 budget.	N/A
2. Distribution of State Revenue to Road Authorities. The budget includes the following increases in State funding to road authorities:	52,081,900
State Trunkline	\$2,910,000
County Road Commissions	\$31,570,200
Cities and Villages	\$17,601,700
3. Federal Aid Increases For Road Authorities.	56,100,000
a. The budget includes the following increases in Federal funding to road authorities:	
State Trunkline	\$37,124,000
Local Road Authorities	\$18,976,000
b. The House earmarked 30% of Federal aid bridge funds to locals and increased Federal aid funding to locals by \$18,490,000. The Senate rejects this increase and earmarking.	
4. Federal Increases for Public Transportation Programs. Federal adjustments include \$23,700,000 for bus capital, \$2,154,000 for nonurban operating/capital, \$200,000 for intercity bus development, and a \$1,500,000 reduction related to freight assistance.	24,554,000
5. Rail Passenger Operating Subsidy. The Senate includes GF/GP to support the state operating subsidy for rail passenger services on the International and Pere Marquette routes.	5,226,000
6. Bridge Renovations. The Senate includes GF/GP for local bridge repairs and replacement.	3,000,000
7. Interdepartmental Grants. The House shifted the grant to the Attorney General from Michigan Transportation Fund (MTF) to State Trunkline Fund (STF). The Senate restores funding from the MTF. The Senate reduces the MTF grant to the Department of State (\$763,800) and increases the STF grant to State Police (\$3,361,500) for motor carrier enforcement.	2,597,700
8. Truck Inspection Stations. The Governor eliminated \$40,000 from the Forest Roads EDF Category for 2 truck inspection stations. The House and Senate restore the program.	0
9. Unclassified Salaries. The Governor's recommendation includes funding for a 7.4% increase to the line item that funds 6.0 unclassified salaries, from \$476,500 to \$511,600.	35,100
10. Economic Adjustments.	10,482,900
11. Other Changes. Other adjustments include \$480,000 for estimated debt service, \$8,072,600 in administrative savings and one-time costs, transfer of the unreserved Comprehensive Transportation Fund balance to local bus operating, \$2,794,000 for increased maintenance for system expansion, signals and safety testing, \$1,787,500 for rest areas and roadside services, \$500,000 in interest for the Critical Bridge Program, and net \$540,600 in other adjustments.	(1,968,700)
12. Comparison to Governor's Recommendation. The Senate recommendation is over the Governor's recommendation by \$8,266,000 (\$40,000 Restricted/\$8,226,000 GF/GP).	
Total Changes	\$152,108,900
FY 2000-01 Senate Appropriations Subcommittee Gross Appropriation	\$2,993,030,600

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



Changes from FY 1999-2000 Year to Date:

1. **Standard Boilerplate Sections.** The bill includes the following standard sections; State spending (Sec. 201), compliance with DMB Act (Sec. 202), Definitions (Sec. 203), Civil Service 1% charges (Sec. 204), Contingency Funds-increased Federal contingency funds from \$40,000,000 to \$100,000,000 (Sec. 206), Privatization Evaluation (Sec. 207), Internet Reports (Sec. 208), Buy American (Sec. 209), and Depressed and Deprived Communities (Sec. 210).
2. **Deleted Sections.** The following current-year boilerplate sections are eliminated; Retention of reports (Sec. 207), Civil Rights Commission approval of affirmative action plans (Sec. 209), Year 2000 Compliance (Sec. 210), Advance Purchase Revolving Fund (Sec. 318), Right-of-Way Mapping Books (Sec. 319), U.S. 31 Beltway Study (Sec. 319), Right-of-Way Mowing (Sec. 312), Rail Grade Crossing Report (Sec. 329), Pavement Demonstration Project (Sec. 333), Motor Carrier Weight Enforcement Report (Sec. 337), State and Local Federal Aid Expenditures Annual Report (Sec. 403), All-season Road Network Report (Sec. 509), Funding Priority for programmed road projects (Sec. 601), I-94 and I-96 Traffic Patterns Study (Sec. 605), Ridesharing/Van Pooling Program (Sec. 709), Lansing to Detroit Commuter Rail Status Report (Sec. 718), Intercity Bus Equipment Program Financial Analysis (Sec. 726), Water Vehicle Operating Phase-Out (Sec. 727), Aeronautics Planning Administration Report (Sec. 803), and one-time Airport Management Program Funding (Sec. 805).
3. **New Sections Included By Senate:**
 - Requires Auditor General to conduct a performance audit of MDOT services provided to local road agencies. (Sec. 306)
 - Requires signs at rest areas that identify the agency or contractor responsible for maintenance. (Sec. 331)
 - Requires MDOT to work with FIA regarding summer youth programs (road beautification projects). (Sec. 333)
 - Requires MDOT to provide matching funds to remediate unsafe pedestrian crossings on state highways. (Sec. 336)
 - Requires MDOT to work with DDOT, SMART and Greyhound to develop multi-modal transportation center. (Sec. 338)
 - Requires MDOT to fill all vacant bridge inspector positions and report on vacancies. (Sec. 339)
 - Requires MDOT to notify local road agencies of available Federal bridge funding. (Sec. 340)
 - Earmarks up to \$5,000,000 to remove dead deer from the State Trunkline Roads (Sec. 613). Earmarks up to \$4,000,000 from the Michigan Transportation Fund to remove dead deer from county roads and requires counties to include costs associated with disposal of bovine tuberculosis infected dead deer and requires report. (Sec. 508)
 - Directs MDOT to continue with the extension and completion of the US-131 project. (Sec. 615)
 - Directs MDOT to construct an interchange on I-75 at M-30. (Sec. 616)
 - Directs MDOT to construct a pedestrian overpass. (Sec. 617)
 - Provides that the State will be ready to fund its portion of the locks project at Sault Ste. Marie. (Sec. 713)
4. **Rail Passenger Service.** Current year Section 707 requires MDOT to allocate sufficient funding to continue rail passenger service for the Pere Marquette and International on a 7-day basis; to work with Amtrak and local interests on increasing marketing efforts to promote awareness of rail passenger service and increase ridership. Requires report that includes a 5-year history on services and ridership, and a 5-year plan. House modified language by requiring MDOT to negotiate with Amtrak or another carrier and appropriates up to \$4,700,000 from the Comprehensive Transportation Fund to continue 7-day rail service. Conditions future State support on increased ridership and reduced operating costs. The Senate appropriates up to \$5,226,000 of GF/GP for 7-day service for Port Huron to Chicago and Grand Rapids to Chicago, requires cost allocation study, limits state subsidy to direct costs only, and requires Amtrak to collect and monitor customer complaints. (Sec. 730)
5. **Essential Rail Corridor.** Designates essential rail corridor. Subsection 2 requires any changes in list or sale of State-owned right-of-way to be approved by Transportation Subcommittees. Subsection 3 requires MDOT to notify the appropriations subcommittees when railroad companies file with governmental agencies for abandonment of lines. The Governor deleted this section. House restored Subsection 3 only. The Senate concurs with the House. (Sec. 705)
6. **DDOT/SMART.** Current year language requires the Regional Transit Coordinating Council (RTCC) to develop a report on all progress made in the coordination of services between DDOT and SMART. Provides for reduction of Local Bus Operating and Bus Capital Grants to RTCC if a plan to implement coordinated transit is not in place by certain dates. House replaced current year language with boilerplate that conditions funds on submission of merger/coordination reports prepared by KPMG. The Senate deletes the House language.

Date Completed: 5-17-00

Fiscal Analyst: C. Thiel

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