



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



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

FY 2011-12 Year-to-Date Gross Appropriation \$3,328,270,700

Changes from FY 2011-12 Year-to-Date:

Items Included by the Senate and House

- 1. **Removal of One-Time Funding.** Governor removed FY 2011-12 one-time funding of \$500,000 for maintenance of two swing bridges. Conference concurred. (500,000)
- 2. **One-Time Boilerplate Appropriations.** Governor included \$119.0 million in one-time GF/GP funding for Federal aid match requirements. Senate reduced GF/GP funding by \$96.0 million and moved remaining funds to a new unit in Part 1. House and Conference concurred with Senate. 23,000,000
- 3. **State Aeronautics Fund.** Governor restored funding for two programs: \$185,100 for aviation services and \$600,000 for air service programs. House and Senate concurred. 785,100
- 4. **Comprehensive Transportation Fund Adjustments.** Programs were adjusted by the Governor to meet Federal match requirements: \$16.9 million for transit capital; \$612,000 for van pooling; \$450,000 for service initiatives; and \$7.8 million for rail passenger services. Conference concurred with Governor. 25,781,500
- 5. **Intercity Bus Services.** Governor increased funding for replacement of old buses. Conference concurred with Governor. 1,650,000
- 6. **Debt Service.** Governor included reductions in funding for scheduled debt service payments. The primary reduction results from Department's change from short-term borrowing to long-term borrowing for the \$40.0 million bond related to the FY 2010-11 target agreement. Conference concurred with Governor. (47,198,900)
- 7. **Interdepartmental Grants (IDGs).** Governor adjusted funding for grants to several other departments. Largest adjustment is a reduction of \$6.1 million to the Dept. of Treasury to align funding with the estimated cost allocation study amount. House and Senate concurred. (6,396,600)
- 8. **Airport Safety, Protection, & Improvement Program.** Governor reduced funding by \$12.0 million to align with available revenue. Senate and House increased funding by \$10.0 million in Aeronautic Funds. (2,017,400)
- 9. **State Employee Lump-Sum Payments.** Governor added \$3,260,800 for one-time payments that are required by contract. Senate and House moved funding to a new unit in Part 1. 3,260,800
- 10. **Economic Adjustments.** Includes \$44.6 million for other post-employment benefits (OPEB) and a negative \$12.9 million for Department economic adjustments. 31,688,700
- 11. **Other Changes.** Governor recommended miscellaneous adjustments in several line items to reflect changes in State restricted & Federal revenue estimates: increase of \$110,000 for public transportation; reductions of \$122,800 for accounting service center; \$168,000 for Transportation Economic Development Fund revenue; and \$60,000 for bus equipment & facility fees. Senate and House concurred. (240,800)

Conference Agreement on Items of Difference

- 12. **Road and Bridge Funding.** STF funding includes \$6.3 million for counties and \$3.5 million for cities and villages. Reductions include \$1.3 million for Federal aid and \$488,800 for local bridge programs. Senate increased funding for Roads and Bridges by \$96.0 million by converting the Governor's one-time GF/GP funding to STF funds. House increased STF funding by \$100 million. Conference concurred with House. 108,007,200
- 13. **Unclassified Salaries.** Conference added \$97,200 to the unclassified salaries line item per target agreement. 97,200

Total Changes \$137,916,800

FY 2012-13 Conference Report Ongoing/One-Time Gross Appropriation \$3,466,187,500

Amount Over/(Under) GF/GP Target: \$0

Changes from FY 2011-12 Year-to-Date:Items Included by the Senate and House

1. **Remanufactured Parts.** Governor removed language requiring the Department to use remanufactured parts when possible for maintenance and repair of State owned vehicles. Conference retained the language. (Sec. 270)
2. **Toll Credits.** Gov. removed language requiring the Dept. to use available toll credits provided by private toll facilities to match available Federal aid highway funds. In addition, those the credits cannot be used to finance the construction of any international bridge crossing within five miles of a privately tolled bridge. Conf. retained the section. (Sec. 385)
3. **State Aeronautics Fund (SAF).** Senate and House added language stating that \$10.0 million of the SAF funding in Part 1 represents estimated revenue from the passage of House Bill 4025 and is intended to ensure that the State is able to match all available Federal airport improvement program grant funds. (Sec. 905)
4. **One-Time Appropriations.** Governor provided for one-time appropriations totaling \$122.3 million: \$119.0 million GF/GP for Federal aid match requirement and \$3.3 million in State restricted revenue for State employee lump sum payments. Senate and House reduced GF/GP funding by \$96.0 million. The remaining \$23.0 million in GF/GP and the \$3.3 million for lump sum payments were moved to a new funding unit in Part 1.

Conference Agreement on Items of Difference

5. **State Trunkline Funds (STF).** Senate added language stating that \$96.0 million of the STF funding in Part 1 represents estimated revenue from the passage of S.B. 351 and is intended to ensure that the State is able to match all available Federal-aid highway funds. Conference increased amount to \$100.0 million (Sec. 661)
6. **DTMB Office Space Plan.** House added new section directing State executive branch agencies to cooperate with DTMB office space consolidation plan. Conference concurred with House. (Sec. 219)
7. **Principal Measurable Outcomes.** House added language directing the Dept. to identify 10 principal measurable outcomes and submit a report to the Legislature, fiscal agencies, and budget director by October 31, 2012. Conf. concurred with House. (Sec. 230)
8. **E-Verify System Usage.** House added new section requiring the Dept. to verify, using the E-Verify System, that all new Dept. employees and new hire contract and subcontract employees are legally present in the United States. Requires a report by March 1, 2013, certifying that it has been verified. Conf. concurred with House but removed Department from requirement. (Sec. 381)
9. **State Aircraft Fleet.** Requires Department and State Budget Office to provide for an independent study of State's need for a State aircraft fleet. They must report their findings to the Legislature by March 30, 2012. Senate removed language. House changed language stating that it is Legislative intent that a study to be done only once every five years. Conference concurred with House. (Sec. 382)
10. **Detroit River International Crossing (DRIC).** Gov. removed language prohibiting any funds from being used for any costs related to DRIC or a renamed successor until legislation is adopted allowing for its construction. Senate retained section. House added that funds can only be spent if Gateway Project is completed. Conference concurred with House. (Sec. 384)
11. **Unclassified Salaries and Gateway Project.** House added new section stating funds appropriated in Part 1 for unclassified salaries cannot be expended until Gateway Project is completed in accordance with the 2004 Gateway Project implementation agreement, as amended. Conference removed salary restriction and changed language to make it Legislative intent only that project be completed. (Sec. 395)
12. **Expanded use of Welcome Centers and Highway Rest Areas.** House added language (Sec. 399) directing the Dept. to work with the Michigan Department of Agriculture and Rural Development to facilitate the use of welcome centers and highway rest areas for farmer's markets. Conference did not include.
13. **Bus Rollover Test Standards.** Senate added new section requiring a feasibility and cost study and report for increasing the safety standard of transit buses procured by Michigan transit agencies by requiring a federally approved rollover test standard. House did not include. Conference concurred with Senate. (Sec. 741)
14. **Sale of State-Owned Turbo Prop Airplane.** House added new section (Sec. 802) requiring Dept. to sell one of two Beechcraft King Air twin engine turbo prop airplanes by Sept. 30, 2013. Conference did not include.
15. **One-Time Transit/Rail GF/GP Lapse.** House added new section directing that unexpended GF/GP funds lapse to the General Fund and establishes reporting requirements. Conference added encumbered funds. (Sec. 1002)

Date Completed: 5-29-12

Fiscal Analyst: Joe Carrasco