

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 5651 (S-1 as passed by the Senate)
 Committee: Appropriations

FY 2001-02 Year-to-Date Gross Appropriation \$3,076,072,400

Changes from FY 2001-02 Year-to-Date:

- | | |
|---|--------------|
| 1. Diesel Equity and Simplification. The Governor included \$44 million from a proposed \$.04 increase in the diesel fuel tax. The House did not recognize the revenue from this tax hike, but included \$100 place holders. The Senate did not include any revenue from the tax increase. | 0 |
| 2. MTF Grants to State and Treasury. The Governor included an increase in the MTF grants to the Departments of State (\$40 million) and Treasury (\$10 million) to reflect a continuation of Executive Order 2001-9. The House included an increase to State of \$20.2 million only, but did not include the grant to Treasury. The remaining funds are distributed per PA 51. The Senate included \$100 items of difference for these two grants. | 20,248,400 |
| 3. STF Grant to State Police. The Governor and House removed the \$1.4 million authorization for the grant to State Police for motor carrier enforcement. The Senate restored this grant. | 0 |
| 4. Federal Aid Program. The budget reflects additional Federal highway funds, the majority of which represent a restoration of \$24 million vetoed by the Governor. Of the total, \$11 million is dedicated for debt service on new notes. The House re-directed \$6 million of Federal bridge funds from the State program to local projects through the Critical Bridge Fund. The Senate restored the State's portion of the Federal bridge funds. | 33,535,400 |
| 5. Transportation Economic Development Fund. The Governor restored funds cut under Executive Order 2001-9, provided debt service on Build Michigan III bonds "off the top", and eliminated funding for forest road turn-outs. The House restored the funds cut in the EO and the forest road funding, but pays debt service costs entirely from the Category A allocation. The Senate concurred with the Governor, but restored the forest road funding. | 1,928,200 |
| 6. Local Bus Operating. The Governor restored the funding (\$3.2 million) cut in EO 2001-9. The House provided \$6.5 million above the Governor. The Senate provided \$3.1 million above the Governor as a result of the MTF grant reductions. | 6,312,900 |
| 7. Rail Passenger Service. The Governor added \$1.1 million. The House provided \$1 million above the Governor to match Federal funds for the Lansing-Detroit rail project. The Senate removed the \$1 million for the Lansing-Detroit rail project. | 1,078,000 |
| 8. Aeronautics. The Governor included \$5 million from the State airport tax to support debt service on bonds for the Airport Safety and Protection Plan and restricted fund adjustments. The House included a \$100 place holder for the Airport Tax earmark. The Senate did not include the \$100 place holder. | (1,133,900) |
| 9. Unclassified Salaries/Commission Per Diem. The Governor and House included funding to provide a 2% increase for salaries. The Senate included funding to provide a 5% increase for unclassified salaries and increase Commission per diem from \$100 to \$150. | 31,000 |
| 10. Economic Adjustments. Standard economic adjustments are applied for salaries and wages, total retirement, lump sum payments, workers' compensation, and building occupancy charges consistent with factors applied to all budgets. | 5,903,700 |
| 11. Other Adjustments. The budget reflects the end of payouts associated with the 1997 early retirement program, changes to reflect available restricted revenue for State and local road authorities, administrative savings, and funding for the Highway Maintenance Program. The Senate included \$100 place holder for early retirement savings. | (23,996,400) |
| 12. Comparison to Governor. \$46,391,400 Gross under the Governor's Recommendation. | |
| Total Changes | \$43,907,100 |

FY 2002-03 Senate Gross Appropriation \$3,119,979,700



Changes from FY 2001-02 Year-to-Date:

1. **Standard Sections.** The bill contains the following standard sections: payments to locals, management and budget act, abbreviations, civil service billing, hiring freeze, contingency funds, privatization, Internet reports, foreign goods, and depressed communities. (Sec. 201, 202, 203, 204, 205, 206, 207, 208, 209, 210)
2. **Deleted Sections.** The bill deletes the following current-year sections: standard weights and measures, Attorney General services, multi-modal center, BSF transfer, Build Michigan III report, rail grade separation report, UP connectivity, rail grade separation, mobile scales, soo locks project, TANF funding, eastern UP intermodal, state air fleet report. (Sec. 315, 320, 321, 325, 326, 331, 332, 346, 614, 713, 717, 718, 802)
3. **New Sections.** The bill contains the following new sections: information technology user charges, information technology work projects, early retirement savings, work first, rail grade separation. (Sec. 259, 260, 356, 722, 719)
4. **Official Transportation Map.** The House modified current-year to provide Representatives with 3 times the number of maps that Senators receive. The Senate deleted this language. (Sec. 302)
5. **Commission Per Diem.** The Senate modified to increase from \$100 to \$150 per diem. (Sec. 317)
6. **Construction Zone Traffic Enforcement.** Appropriates up to \$700,000 to cover overtime costs associated with enhanced construction zone traffic enforcement. The House modified to include the "Give 'em a Brake" campaign. The Senate removed the reference to "Give 'em a Brake" and the restriction to "overtime" costs. (Sec. 324)
7. **Construction Incentives.** The House added language to earmark \$1.5 million for lane closure incentives on M-6/US 131. The Senate did not include. (Sec. 351)
8. **All-Season Road Network.** The House added language to require the collection, submission, and reporting on the county all-season road network. The Senate did not include. (Sec. 352)
9. **Prompt Payment.** The House added language to direct the Department to review contractor payment processes to ensure that contractors and sub-contractors are paid promptly. The Senate did not include. (Sec. 353)
10. **Recycled Scrap Tires.** The House added language to direct the Department to design and build at least one project using an asphalt mixture that includes recycled scrap tires. The Senate did not include. (Sec. 355)
11. **Local Federal Aid Projects.** The Senate added language to require the Department to review all local Federal aid projects within 120 days. (Sec. 357)
12. **Critical Bridge.** The House added language to earmark Federal bridge funds for local bridges. The Senate did not include. (Sec. 405)
13. **Unsafe Pedestrian Crossings.** The House added language to earmark funds to provide a 50% match of local funds for remediation of unsafe pedestrian crossings. The Senate did not include. (Sec. 607)
14. **Barry County.** The House added language to earmark funds for an all-season road in Barry County. The Senate did not include. (Sec. 611)
15. **I-675 Study.** The Senate required a study for an exit at I-675 and Washington Ave. in Saginaw. (Sec. 612)
16. **I-75 Study.** The Senate added language to require a study for an exit at I-75 in Ogemaw County. (Sec. 613)
17. **Traffic Signal.** The Senate added language to require the installation of a signal at M-37 and Vance Rd. in Grand Traverse County. (Sec. 614)
18. **I-96 Study.** The Senate required a study for an exit at I-96 and Sternberg Road in Muskegon County. (Sec. 615)
19. **Detroit/Wayne County Port Authority.** Requires the Detroit/Wayne County Port Authority to issue a complete operations assessment and financial disclosure statement. The House added language to require a performance audit of the Authority. The Senate did not include the performance audit language. (Sec. 706)
20. **CTF Matching Funds.** The House added language to reduce CTF funds for work projects not put under contract within specified time. The Senate modified to conform with PA 51. (Sec. 721)
21. **Lansing/Detroit Rail Service.** The House added language to earmark \$1 million for a 20% match of Federal funds for this project. The Senate did not include. (Sec. 723)
22. **Detroit Intermodal Freight Terminal.** The House added language to prohibit funding for this project outside of existing rail property prior to completion of an environmental impact study. The Senate did not include. (Sec. 724)
23. **Detroit Area Regional Transportation Authority.** The House added language to require the Department to report on the start-up costs of the Detroit Area Regional Transportation Authority. The Senate concurred. (Sec. 725)
24. **Air Safety Officer.** The Senate added language to establish a jointly-funded air safety officer. (Sec. 803)

Date Completed: 5-20-02

Fiscal Analyst: Craig Thiel

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

