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Senate Bill 240 (as introduced)  
Committee: Appropriations

**FY 2006-07 Year-to-Date Gross Appropriation ..... \$3,441,865,300**

**Changes from FY 2006-07 Year-to-Date:**

- 1. **Debt Service.** The Governor increased funding for scheduled debt service payments. 15,992,200
- 2. **Grants to Other Departments.** The Governor adjusted funding for grants to other departments – an additional \$1,298,400 to the State Police and adjustments to other departments totaling a reduction of \$70,800. 1,227,600
- 3. **Administrative Reductions.** The Governor reduced funding for administrative functions. (1,500,000)
- 4. **Equated Lane Mile Adjustment.** The Governor added funding for maintenance associated with the addition of 170.2 lane miles in the state trunkline system. 1,191,600
- 5. **Safe Routes to School.** The Governor increased federal funding for this program. 3,000,000
- 6. **Federal Aid Road Construction.** The Governor increased funding for federal aid road construction. 28,716,700
- 7. **State Restricted Revenue.** The Governor reduced funding for road and bridge programs to adjust expenditures with anticipated revenue. The reductions are: State Trunkline Roads - \$61,735,500; County Road Commissions - \$26,051,100; and Cities and Villages - \$14,524,600. (102,311,200)
- 8. **Comprehensive Transportation Fund.** The Governor adjusted expenditures from the CTF to more closely align them with anticipated revenue. (14,047,700)
- 9. **Other Revenue-based Adjustments.** The Governor adjusted expenditures from various funds due to anticipated revenue. (8,019,700)
- 10. **Transportation Economic Development Fund.** The Governor recommended the redirection of funds from the TEDF to the General Fund. Note: This recommendation requires the passage of legislation. (13,000,000)
- 11. **Intercity Bus Service.** The Governor increased federal funding for this program. 1,000,000
- 12. **Line Item Roll-up.** The Governor recommended the combination of several distinct appropriation line items. 0
- 13. **Agency Realignment.** The Governor transferred a total of \$6,042,700 and 55.6 FTE between agency programs. 0
- 14. **Economic Adjustments.** The Governor included standard economic increases. 8,998,000
- 15. **Other Changes.** The Governor recommended other adjustments including: an additional \$400,000 for a software pilot project; an additional \$1,935,300 for building occupancy charges; the reduction of \$33,800 for the DIT rate; and the reduction of \$158,700 and 1.0 FTE related to the human resources consolidation. 2,142,800

Total Changes..... (\$76,609,700)

**FY 2007-08 Governor's Recommendation..... \$3,365,255,600**

**Changes from FY 2006-07 Year to Date:**

1. **Contingency Funds.** The Governor added contingency fund language. (Sec 206)
2. **Legislative Reports.** The Governor removed a number of reports: privatization (Sec 207); report retention (Sec 211); amounts received by cities and counties in a legislative district (Sec 303); 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); state aircraft usage (Sec 383); development of performance and road construction warranties (Sec 601); rail line abandonment (Sec 703); demand-response service (Sec 714); and local transit agencies' operational lift status. (Sec 732)
3. **Restrictions on Departmental Operations.** The Governor removed a number of restrictions on departmental operations: disciplinary action against an employee who speaks to the Legislature (Sec 261); reduction of administrative costs (Sec 309); contractor payment (Sec 353); local Federal Aid-project review (Sec 357); electronic employee newsletters (Sec 374); Comprehensive Transportation Fund expenditures for planning activities for transit agencies (Sec 379); Multi-Modal Transportation Services Bureau appropriations (Sec 380); departmental television program (Sec 381); dead animal removal (Sec 610); pilot project on wet reflective pavement markers (Sec 611); contract incentives/disincentives (Sec 612); Mackinac Bridge Authority mission (Sec 654); appropriations to Rail Infrastructure Loan program (Sec 705); amount of grants to Detroit Transportation Corporation (Sec 707); match funds for job access 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); coordination of intercity passenger transportation (Sec 736); construction of a Birmingham/Troy intermodal facility (Sec 737); rehabilitation of rail track between Hillsdale and Quincy (Sec 738); and limitation on size of buses on certain routes. (Sec 739)
4. **Rest Area Signs.** The Governor removed language requiring signs to be posted at rest areas identifying the agency responsible for maintenance and a departmental phone number for comments. (Sec 319)
5. **Charter Prohibition.** The Governor removed language which requires the department to establish a complaint process for transit agencies that violate the charter prohibition. (Sec 370)
6. **Detroit River Crossing.** The Governor removed language prohibiting expenditures for design or right-of-way acquisition for a new crossing. (Sec 384)
7. **Deputy Directors.** The Governor removed language requiring separate deputy directors for public transportation and aeronautics. (Sec 391)
8. **Distribution of Federal Funds.** The Governor removed language requiring legislative approval of the distribution of federal funds. (Sec 401)
9. **Unsafe Pedestrian Crossings.** The Governor removed language requiring local match funds for unsafe pedestrian crossings on state highways. (Sec 607)
10. **Appropriation Earmarks.** The Governor removed language earmarking: \$40,000 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)
11. **Driving on the Right-hand Side of the Road.** The Governor removed language directing the department to post signs on highways informing motorists to drive on the right-hand side of the road. (Sec 639)
12. **Emergency Vehicles.** The Governor removed language directing the department to post signs on highways informing motorists to yield to emergency vehicles. (Sec 640)
13. **Upgrade of M-49.** The Governor removed language directing the department to upgrade a section of M-49 from M-99 to US 12. (Sec 656)
14. **Congestion Mitigation Study.** The Governor removed language requiring a congestion mitigation corridor study of US 23 in Washtenaw and Livingston counties. (Sec 657)
15. **Essential Bus Route Corridors.** The Governor removed a listing of the essential bus route corridors in Michigan. (Sec 709)
16. **Rail Passenger Service.** The Governor removed language which: requires that the subsidy be equal to route revenue; requires a report on the five-year history of ridership and route revenue; stipulates that future state support be dependent upon increased ridership and route revenue; and stipulates that the subsidy will not be provided if Amtrak discontinues service on the Port Huron-Chicago or the Grand Rapids-Chicago routes. (Sec 711)

Date Completed: 2-14-07

Fiscal Analyst: Debra Hollon

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