



Senate Fiscal Agency
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FY 2006-07 Year-to-Date Gross Appropriation \$3,408,192,000

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

Items Included by the Senate and House

1. In an effort to expedite the process and move the bill into conference, the House zeroed the line items for the department's budget. As a result, all items were items of difference.

Conference Agreement on Items of Difference

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| 2. Debt Service. Gov./Conf. Report increased funding for scheduled debt service payments. | 15,992,200 |
| 3. Grants to Other Departments. Gov./Conf. Rpt. adjusted funding for grants to other departments – an additional \$1,298,400 to the State Police and reductions to other departments totaling \$70,800. | 1,227,600 |
| 4. Administrative Reductions. Gov./Conf. Report reduced funding for administrative functions. | (1,500,000) |
| 5. Equated Lane Mile Adjustment. Gov./Conference Report added funding for maintenance. | 1,191,600 |
| 6. Safe Routes to School. Gov./Conference Report increased federal funding for this program. | 3,000,000 |
| 7. Forest Roads. Gov. removed and Conference Report restored TEDF funding for forest roads. | 40,000 |
| 8. Federal Aid Road Construction. Gov./Conference Report increased federal aid road construction. | 28,716,700 |
| 9. State Restricted Revenue. Gov./Conf. Rpt. 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) |
| 10. Comprehensive Transportation Fund. Gov./Conference Report adjusted expenditures from the CTF to more closely align them with anticipated revenue. | (14,047,700) |
| 11. Other Revenue-based Adjustments. Gov./Conference Report adjusted expenditures due to anticipated revenue. | (8,019,700) |
| 12. Transportation Economic Development Fund. Gov./Conference Report redirected \$13.0 million from the TEDF to the General Fund. The reductions are: Targeted Industries (\$6.5 million), Urban County Congestion (\$3.25 million), and Rural County Primary (\$3.25 million). | (13,000,000) |
| 13. Intercity Bus Service. Gov./Conference Report increased federal funding for this program. | 1,000,000 |
| 14. Comprehensive Transportation Fund Reduction. The Conference Report redirected \$5.0 million from various CTF line items to the General Fund. | (5,000,000) |
| 15. Line Item Roll-up. Gov. combined line items. Conf. Report restored the distinct line items. | 0 |
| 16. Agency Realignment. Gov./Conf. Rpt. transferred \$6,042,700 and 55.6 FTE between programs. | 0 |
| 17. Economic Adjustments. Gov./Conf. Report included standard economic increases. | 8,998,000 |
| 18. Other Changes. Gov./Conf. Rpt. recommended other adjustments: \$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 HR consolidation. | 2,142,800 |
| 19. One-time Reduction Adjustments. Adjustments made to account for one-time FY 2006-07 reductions in EO 2007-3 (CTF reductions - \$26,584,900; retirement adjustments - \$8,386,800) as well as additional funding in 2007 PA 41 (\$1,298,400). | 33,673,300 |

Total Changes..... (\$47,896,400)

FY 2007-08 Conference Report Gross Appropriation \$3,360,295,600

Amount Over/(Under) GF/GP Target: NA

Changes from FY 2006-07 Year to Date:Items Included by the Senate and House

1. **Legislative Reports.** The Gov. removed and the Conference Report retained a number of reports: privatization (Sec 207); report retention (Sec 211); amounts received by cities and counties in a district (Sec 303); internal auditor activities (Sec 314); women- and minority-owned businesses (Sec 334); status of deferred projects (Sec 376); warranties (Sec 601); rail line abandonment (Sec 703); and demand-response service (Sec 714). Conference Report also added report on CTF balance. (Sec 740)
2. **Restrictions on Dept'l Operations.** The Gov. removed and the Conference Report retained restrictions on dept'l operations: disciplinary action for speaking to the Legislature (Sec 261); administrative costs reduction (Sec 309); signs regarding rest area maintenance responsibility (Sec 319); signs informing motorists to drive on the right-hand side of the road (Sec 639) and informing motorists to yield to emergency vehicles (Sec 640); contractor payment (Sec 353); local Fed. Aid-project review (Sec 357); complaint process for transit agencies (Sec 370); electronic newsletters (Sec 374); earmark for forest road turnouts (Sec 608); dead animal removal (Sec 610); contract incentives/disincentives (Sec 612); MBA mission (Sec 654); approps to Rail Infrastructure Loan program (Sec 705); grants to DTC (Sec 707); designation of essential bus route corridors (Sec 709); match funds for reverse commute grants (Sec 722); sale of state-owned intercity bus equip. (Sec 730); and intermodal facility lease charges. (Sec 731)
3. **Other Restrictions on Departmental Operations.** The Governor removed and the Conference Report concurred: separate deputy directors (Sec 391); pilot project on wet reflective pavement markers (Sec. 611), limitation on bus size (Sec 739), and rehabilitation of rail track between Hillsdale and Quincy. (Sec 738)
4. **Specified Projects.** The Governor removed and the Conference Report retained language requiring a congestion mitigation corridor study of US 23 in Washtenaw and Livingston counties (Sec 657). The Conference Report also added language allowing use of historical data from other states. (Sec. 659)

Conference Agreement on Items of Difference

5. **Legislative Reports.** The Governor removed and the Conference Report retained a number of reports: Multi-modal Transportation Services Bureau activities (Sec 361); state aircraft usage (Sec 383); and rail passenger (Sec. 711). Conference Report also added reports on policy changes made to implement public acts (Sec 263) and upgrading the infrastructure of the Ann Arbor & NW Michigan Railroad. (Sec 741)
6. **Restrictions on Dept'l Operations.** The Governor removed and the Conference Report retained restrictions on dept'l operations: approval of federal fund distribution requirement (Sec 401); earmark for a Safe Routes to School project in Eaton Rapids (Sec 655); earmark for intercity bus service development (Sec 729); high quality public transit (Sec 734); coordination of intercity passenger transp. (Sec 736); and construction of a Birmingham/Troy intermodal facility. (Sec 737)
7. **Other Restrictions on Departmental Operations.** The Governor and the Conference Report removed: CTF expenditures for planning activities for transit agencies (Sec 379); Multi-Modal Trans Svcs Bureau approps (Sec 380); departmental television program (Sec 381); requirement for local match funds for unsafe pedestrian crossings. (Sec 607)
8. **Detroit River Crossing.** The Conference Report allowed completion of the current DRIC study, but prohibits the department from action beyond that without approval of the Legislature. Property acquisitions during the study are allowed, so long as they do not bind the state to future action. (Sec. 384)
9. **Specified Projects.** The Governor removed and the Conference Report retained language requiring an upgrade of a section of M-49 (Sec 656). The Conference Report also added language directing the department to proceed with reconstruction of the interchange at I-196 and Phoenix Road in South Haven. (Sec. 658)
10. **Rail Passenger Service.** Gov. removed and the Conference Report retained language requiring that: future state support be dependent upon increased ridership/route revenue; the subsidy be limited to \$7.1 million; and the subsidy be stopped if Amtrak discontinues service. Gov. removed/Conference Report concurred on language that the subsidy be equal to revenue. (Sec 711)
11. **Operational Lift Status.** The Governor removed language concerning local transit agencies' operational lift status. The Conference Report retained the language, but exempted authorities which had been certified for three years unless a complaint had been filed. (Sec 732)
12. **Contingency Funds.** The Governor and the Conference Report added contingency fund language.
13. **Legal Services.** The Conference Report prohibited the hiring of individuals to provide legal services which are the responsibility of the Attorney General, but exempted individuals involved with the sale of bonds or notes. (Sec 262)
14. **Departmental Efficiencies.** The Conference Report directed implementation of efficiency mechanisms. (Sec 262)

Date Completed: 10-30-07

Fiscal Analyst: Debra Hollon

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