

Department of Transportation

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	FY 2010-11 Year-to-Date as of 2/17/11	FY 2011-12 Executive	Difference: FY 2011-12 Vs. FY 2010-11		FY 2012-13 Executive	Difference: FY 2012-13 Vs. FY 2011-12	
			Amount	%		Amount	%
IDG/IDT	\$878,300	\$3,451,500	2,573,200	293.0	\$3,451,500	0	.
Federal	1,227,470,600	1,241,195,200	13,724,600	1.1	1,228,065,700	(13,129,500)	(1.1)
Local	56,496,000	53,968,500	(2,527,500)	(4.5)	51,711,900	(2,256,600)	(4.2)
Private	0					0	
Restricted	1,950,974,400	2,079,155,500	128,181,100	6.6	2,116,714,400	37,558,900	1.8
GF/GP	0	0	0		0	0	
Gross	\$3,235,819,300	\$3,377,770,700	\$141,951,400	4.4	\$3,399,943,500	\$22,172,800	0.7
FTEs	3,022.3	3,049.3	27.0	0.9	3,049.3	0	

Overview

The Transportation budget supports state and local highway programs, public transportation programs, aeronautics programs, and administration of the Michigan Department of Transportation (MDOT). Approximately two-thirds of the revenue in this budget comes from state restricted revenue, with approximately one-third from federal sources. There is no General Fund revenue appropriated in this budget. Almost all the state-restricted revenue in this budget is constitutionally-restricted – from motor fuel taxes and vehicle registration taxes. This revenue is first credited to the Michigan Transportation Fund (MTF) and then distributed in accordance with 1951 PA 51 (Act 51) to other state transportation funds and programs, including the State Trunkline Fund (STF) and the Comprehensive Transportation Fund (CTF), and to local road agencies.

Line Item Roll-ups/Two-Year Budget

The current year budget contains 84 appropriation line items; the Executive would roll up the FY 2011-12 budget into 5 broad single-line appropriation units. The analysis below is based on the current year line items as compared to the "Schedule of programs" provided with the Executive budget. The amounts shown in those schedules are informational in nature and could be adjusted administratively, without legislative approval, within the larger line items into which programs have been rolled.

FY 2012-13 figures are projected or proposed budget amounts only and would not be legally-binding appropriations.

Matching Federal Funds

In developing the FY 2011-12 budget, the department had projected a \$147 million shortfall in state revenue needed to match all available federal-aid highway funds. The department identified a plan for obtaining state funds needed to match for all available federal aid highway funds. Components of the plan recognized in the budget include: 1) Redirection to the state trunkline road and bridge program of \$16 million in reductions made to administrative or operating line items; 2) redirection of \$5 million reduction in baseline state trunkline maintenance program; 3) permanent redirection of \$12 million in driver's license fee revenue from Category "A" of the Transportation Economic Development Fund to the STF. These three actions would impact various program line items as described below. The budget would also recognize as STF revenue \$50 million in Canadian funds related to the proposed construction of a new bridge between Detroit and Windsor, Ontario, and \$15 million from the transfer of certain right-of-way costs, previously charged to the STF, to federal funds.

In addition, part of the plan for matching all available federal funds includes use of \$49 million carried forward from the FY 2009-10 STF fund balance. Because the department has carryforward authority with regard to STF funds, this revenue does not have to be reappropriated; it is effectively off-budget and is not shown as FY 2011-12 revenue.

The department's proposed plan to match federal aid relates only to federal highway funds available for the state trunkline road and bridge construction program and is not related to local federal aid program. It is not clear to what extent local road agencies will have difficulty in matching available federal funds.

Executive Changes

Major Budget Changes From FY 2010-11 YTD Appropriations

1. Debt Service

Appropriation of \$287.5 million reflects anticipated debt service schedules. \$48.6 million STF debt service increase reflects repayment of a \$40.0 million short-term note the department may issue, if necessary, to match federal funds. Increased debt service related to federal grant anticipation bonds recognizes bonds which the department may issue for the Blue Water Bridge Plaza project.

	FY 2010-11 YTD (as of 2/17/11)	FY 2010-11 to FY 2011-12	FY 2011-12 to FY 2012-13
Gross	\$246,813,000	\$40,660,400	(\$41,005,200)
Federal	45,832,100	7,602,200	24,000
Restricted	200,980,900	33,058,200	(41,029,200)

CTF debt service would decline by \$9.9 million reflecting the restructuring of CTF bonds in May 2009.

2. Support Services by Other State Departments

Interdepartmental grants (IDGs) authorize the reimbursement of other state departments from restricted transportation funds for services provided to those transportation funds. There are 21 separate IDG line items in the current year budget including a \$20 million MTF IDG to the Department of State for the cost of collecting registration taxes, and an \$8.3 million MTF IDG to the Department of Treasury for the costs of collecting motor fuel taxes. Increases from current year reflect \$545,000 in economic increases, \$183,000 in cost allocation adjustments, less a \$91,600 technical adjustment.

Gross	\$51,112,200	\$636,700	\$0
Restricted	51,112,200	636,700	0

3. Executive Direction

Includes *Unclassified salaries, Asset Management Council, and Office of Commission Audits*; economic increases of \$161,500 would be offset by \$622,700 baseline reduction – part of \$16.0 million in STF administrative reductions to free up matching funds for federal-aid road and bridge program.

FTEs	37.3	0.0	0.0
Gross	\$5,662,200	(\$461,200)	\$0
Restricted	5,662,200	(461,200)	0

4. Business Support

Includes *Business support, Economic development and enhancement, Property management, and Worker's compensation*. Reflects retirement-related economic increases, \$394,600; increased building occupancy costs, \$410,400; reduction in workers compensation costs, \$24,000; and baseline reductions of \$426,900 – part of \$16.0 million in STF reductions to free up matching funds for federal-aid road and bridge program.

FTEs	58.0	0.0	0.0
Gross	\$16,792,400	\$318,900	\$0
Restricted	16,792,400	318,900	0

5. Information Technology

Reflects economic adjustments.

Gross	\$27,831,000	\$504,000	\$0
Federal	520,500	0	0
Restricted	27,310,500	504,000	0

6. Finance, Contracts, and Support Services

Includes *Financial operations, Contract services, Department services, Performance excellence, and Welcome center operations*. Reflects economic increases of \$1.0 million, and baseline STF reductions of \$2.0 million – part of \$16.0 million in STF reductions to free up matching funds for federal-aid road and bridge program.

FTEs	250.5	27.0	0.0
Gross	\$24,621,500	\$1,591,900	\$0
Restricted	23,743,200	(981,300)	0
IDG	878,300	2,573,200	0

Increase in IDG funding and FTE positions reflects shift of DNR and DEQ accounting functions to the department. The current year budget includes an \$878,300 IDG from the Michigan Department of Agriculture related to consolidation of accounting functions.

Executive Changes

Major Budget Changes From FY 2010-11 YTD Appropriations

7. Transportation Planning

Reflects economic increases of \$1.5 million; STF baseline reductions of \$927,100 – part of \$16.0 million in STF reductions to free up matching funds for federal-aid road and bridge program. Also restores \$10,000 (federal) spending authority lost when the Governor vetoed boilerplate Sec. 394 in the current year budget.

	FY 2010-11 YTD (as of 2/17/11)	FY 2010-11 to FY 2011-12	FY 2011-12 to FY 2012-13
FTEs	176.0	0.0	0.0
Gross	\$37,865,200	\$549,800	\$0
Federal	21,990,000	10,000	0
Restricted	15,875,200	539,800	0

8. Design and Engineering Services

Reflects economic increases of \$7.1 million; \$80,200 decrease related to position transfers; and STF program reductions of \$7.0 million – part of \$16.0 million in STF reductions to free up matching funds for federal-aid road and bridge program.

FTEs	1,492.8	(1.0)	0.0
Gross	\$116,658,200	\$27,200	\$0
Federal	23,529,800	0	0
Restricted	93,128,200	27,200	0

9. State Trunkline Maintenance

Reflects economic increases, \$2.3 million; increase related to position transfers, \$80,200; STF reduction of \$5.0 million – part of \$16.0 million in STF reductions to free up matching funds for federal-aid road and bridge program. Budget includes an additional \$5.0 million decrease in baseline maintenance operations.

FTEs	836.7	1.0	0.0
Gross	\$274,663,900	(\$7,646,200)	\$5,000,000
Restricted	274,663,900	(7,646,200)	5,000,000

10. State Trunkline Road and Bridge Construction

Provides sufficient state revenue to match all available federal aid. Increase in federal funds reflects department estimates of available federal aid. Increased state restricted funds reflect the net effect of a number of changes to STF revenue and appropriations, including approximately \$20.0 million from increased revenue estimates as compared to the current fiscal year, \$16.0 million redirected from administrative reductions in other areas of the budget, and \$5.0 million from a reduction in baseline maintenance operations.

Gross	\$796,226,200	\$96,083,800	\$59,417,000
Federal	713,019,500	29,072,500	1,000
Local	30,000,000	0	0
Restricted	53,206,700	67,011,300	59,416,000

The budget would also recognize as STF revenue \$50 million in Canadian funds related to the proposed construction of a new bridge between Detroit and Windsor, Ontario, and \$15 million from the transfer of certain right-of-way costs, previously charged to the STF, to federal funds.

Redirection of \$12.0 million in drivers' license fee revenue from Category "A" of Transportation Economic Development Fund (TEDF) to the STF, included in the current year budget, would be continued in FY 2011-12 and FY 2012-13.

11. Local Federal Aid Road and Bridge Construction

A placeholder reflecting estimated federal aid and the Act 51 directive that an average of 25% of most federal aid program funds be made available to local road agencies.

Gross	\$248,751,000	(\$8,308,000)	\$0
Federal	248,751,000	(8,308,000)	0

12. Local Bridge Fund

Act 51 earmark reflects anticipated gasoline tax revenue.

Gross	\$26,799,800	\$452,700	(\$52,600)
Restricted	26,799,800	452,700	(52,000)

13. MTF Distribution to Local Road Agencies

Recognizes \$888.7 million MTF (\$570.6 million to county road commissions, \$318.1 million to cities/villages) based on February 2011 revenue estimates and Act 51 formula; actual distribution will be based on actual MTF revenue, which may differ from estimates.

Gross	\$886,145,400	\$29,976,100	\$4,766,700
Restricted	886,145,400	29,976,100	4,766,700

Executive Changes

Major Budget Changes From FY 2010-11 YTD Appropriations

14. Transportation Economic Development Fund (TEDF)
 Reflects net TEDF revenue from MTF and interest on TEDF fund balance, less administrative costs and TEDF-related debt service. Continues into FY 2011-12 and FY 2012-13 the shift of \$12.0 million in driver's license fee revenue from Category "A" to the STF state trunkline road and bridge program to help provide matching funds for federal aid.

	FY 2010-11 YTD (as of 2/17/11)	FY 2010-11 to FY 2011-12	FY 2011-12 to FY 2012-13
Gross	\$32,425,500	(\$199,300)	\$438,900
Restricted	32,425,500	(199,300)	438,900

Does not include appropriation for "Non-profit street railways."
 The current year appropriation of \$1.0 million would be shifted to the TEDF Category A program.

15. Aeronautics and Freight Services
 Includes three operating line items, *Airport improvement services*, *Aviation services*, and *Freight and safety services*, as well as the *Aviation services* grant program. Reflects on-going reduction in State Aeronautics Fund (SAF) revenue.

FTEs	84.0	0.0	0.0
Gross	\$11,694,400	(\$524,700)	(\$749,200)
Restricted	11,694,400	(524,700)	(749,200)

16. Public Transportation Services
 Administers passenger public transportation programs. Increase reflects economic adjustments.

FTEs	46.0	0.0	0.0
Gross	\$5,827,600	\$265,800	\$0
Federal	862,100	0	0
Restricted	4,965,500	265,800	0

17. Bus Transit - Local Bus Operating Assistance
 Recommends \$166.6 million (CTF) for state operating assistance to local public transit agencies – unchanged since FY 2006-07.

Gross	\$166,624,000	\$0	\$0
Restricted	166,624,000	0	0

18. Bus Transit - Non-Urban Operating/Capital
 Recognizes federal non-urban transit grants.

Gross	\$22,787,900	\$0	\$0
Federal	21,987,900	0	0
Local	800,000	0	0

19. Rail Passenger Service
 Provides operating assistance to AMTRAK for Port Huron/Chicago and Grand Rapids/Chicago rail service with state restricted funds; federal revenue supports capital assistance.

Gross	\$11,667,000	\$0	\$0
Federal	3,000,000	0	0
Restricted	8,667,000	0	0

20. Intercity Services
 Provides \$650,000 in additional CTF support; reduces authorization from Intercity Bus Equipment Fund by \$1.8 million to reflect actual revenue.

Gross	\$7,250,000	(\$1,150,000)	\$0
Federal	4,500,000	0	0
Local	50,000	0	0
Restricted	2,700,000	(1,150,000)	0

21. Freight Preservation and Development
 Provides additional CTF support to program that supports capital improvements to state owned railroads.

Gross	\$3,364,200	\$1,735,800	\$0
Federal	100,000	0	0
Restricted	3,264,200	1,735,800	0

22. Specialized Services
 Supports transit programs for elderly and disabled citizens. Increase to \$8.9 million reflects anticipated federal and CTF revenue.

Gross	\$7,443,800	\$1,470,000	\$0
Federal	1,785,000	700,000	0
Local	1,700,000	785,000	0
Restricted	3,958,800	(15,000)	0

23. Municipal Credit Program
 Reflects Act 51 earmark level of not less than \$2.0 million.

Gross	\$2,000,000	\$0	\$0
Restricted	2,000,000	0	0

24. Bus Capital/Transit Capital
 Provides increased state CTF matching funds for federal transit grants to local transit agencies.

Gross	\$41,300,000	\$8,748,400	\$0
Federal	28,300,000	0	0
Local	5,000,000	0	0
Restricted	8,000,000	8,748,400	0

Executive Changes

Major Budget Changes From FY 2010-11 YTD Appropriations

		FY 2010-11 YTD (as of 2/17/11)	FY 2010-11 to FY 2011-12	FY 2011-12 to FY 2012-13
25. State/Local Capital Facilities Projects	Gross	\$12,891,100	(\$9,889,600)	\$0
Provides \$3.0 million for department facilities. Reflects the end of one time funding for new Port Huron Welcome center replacement, and Blue Water Bridge inspection station, administration, and maintenance facilities.	Federal	6,514,800	(6,514,800)	0
	Restricted	6,376,300	(3,374,800)	0
26. AERO Capital Projects	Gross	\$123,246,400	(\$13,495,800)	(\$15,830,100)
Provides funding for federal Airport Improvement Program; reflects anticipated program funding.	Federal	102,927,900	(8,837,300)	(13,154,500)
	Local	16,446,000	(3,312,500)	(2,256,600)
	Restricted	3,872,500	(1,346,000)	(419,000)
27. Economics	Gross	N/A	\$14,207,200	\$10,187,300
Estimated additional funding needed to maintain baseline service levels. Net increase reflects \$14.6 million increase for retirement contributions, \$1.3 million decrease for health insurance, \$24,000 decrease for workers compensation, and \$410,400 increase in building occupancy costs.	Restricted	N/A	14,207,200	10,187,300

Executive budget detail shows a \$10.2 million increase in FY 2012-13 for "Active and retiree insurance and pension adjustment."

Boilerplate Changes From FY 2010-11

NOTE: No boilerplate language is proposed for FY 2012-13

Executive Boilerplate Deletions

In general, the Executive Recommendation deletes a large majority of boilerplate language included in the FY 2010-11 budget. This includes many legislative reporting requirements, sections providing guidance and placing conditions on appropriations, and earmarks of funding for specific purposes. The list below includes all changes to boilerplate.

Sec. 201. Total State Payments/Payments to Local Units – MODIFIED

Identifies total state spending; payments of state funds to local units of government from the funds appropriated. Updated to reflect Part 1 appropriations.

Sec. 202. Management and Budget Act – DELETED

Indicates that appropriations are subject to the Management and Budget Act.

Sec. 203. Abbreviations – MODIFIED

Defines abbreviations.

Sec. 204. Civil Service Charge – DELETED

Requires Department of Civil Service to bill departments at the end of the first fiscal quarter for 1% charge authorized in the Constitution; requires payment by the end of the second fiscal quarter.

Sec. 205. Hiring Freeze – DELETED

Imposes a hiring freeze for state civil service positions. State Budget Director given authority to grant exceptions to the hiring freezes if specific criteria are met.

Sec. 206. Contingency Appropriations – RETAINED

Provides for contingent federal, state, local, and private appropriations per Management and Budget Act.

Sec. 207. Privatization – DELETED

Provides for reports on privatization activities and defines privatize and privatization.

Sec. 208. Internet Reporting – DELETED

Requires Department to use the Internet to fulfill reporting requirements.

Sec. 209 Purchase of Foreign Goods – DELETED

Prohibits the purchase of foreign-made goods if comparable American or Michigan goods are available. Gives preference to Michigan businesses owned or operated by veterans.

Sec. 210. Economically Distressed Areas – DELETED

Encourages the department to contract with businesses in economically distressed areas

Boilerplate Changes From FY 2010-11

Sec. 211. Receive/Retain Reports – DELETED

Requires department to retain reports funded from appropriation in part 1.

Sec. 259. Information Technology – DELETED

Requires Department to pay user fees to Department of Technology, Management, and Budget subject to provisions of interagency agreement.

Sec. 260. Out-of-State Travel – DELETED

Limits out-of-state travel.

Sec. 261. Communication with the Legislature – DELETED

Prohibits the department from taking disciplinary action against an employee for communicating with a legislator or his/her staff.

Sec. 262. Hire of Outside Legal Counsel – DELETED

Prohibits the department from hiring a person to provide legal services that are the responsibility of the Attorney General but exempts legal services for bonding or other activities authorized by the Attorney General.

Sec. 263. Impact of New Legislation and Administrative Rules – DELETED

Requires a report on specific policy changes adopted to implement new public acts. Prohibits the department from adopting administrative rules that have a disproportionate impact on small business.

Sec. 266. Transparency/FTE Report – DELETED

Requires quarterly report on FTE positions; directs department to use funds not to exceed \$10,000 to develop, post, and maintain on a publically accessible website expenditures made during the fiscal year.

Sec. 301. Permit Fees/Bridge Tolls – MODIFIED

Provides for permit and FOIA processing fees; Governor deletes subsection which provides process for raising bridge tolls.

Sec. 304. Confidentiality of Bid Documents – RETAINED

Provides for confidentiality of highway project bid documents.

Sec. 305. Lease of Space in Public Transportation Property – DELETED

Requires lease of space in public transportation facilities at market rates; requires that revenue be used for property maintenance/improvements.

Sec. 306. Use of Transportation Funds by Other State Agencies/Biennial Audit – MODIFIED

Sets guidelines for use of transportation funds (grants) by other state agencies. The Governor deletes biennial audit and reporting requirement.

Sec. 307. Rolling Five-Year Plan – DELETED

Requires MDOT to provide a rolling five-year highway construction plan by March 1 of each year.

Sec. 308. Contract Compliance – DELETED

Requires that MDOT and local road agencies pursue compliance with contract specifications for construction and maintenance; provides for sanctions for unsatisfactory contractors; requires a report.

Sec. 309. Administrative Costs – DELETED

Requires MDOT to continue its efforts to reduce administrative costs.

Sec. 310. State Transportation Commission Minutes/Agenda – DELETED

Requires MDOT to provide copies of minutes and agenda to House and Senate Appropriations Subcommittees on Transportation, House and Senate Fiscal Agencies, and State Budget Director.

Sec. 312. State Trunkline Fund Carryforward – RETAINED

Allows carryforward authority for STF; appropriates for state trunkline federal aid and road and bridge program.

Sec. 313. State Infrastructure Bank – RETAINED

Allows the department to increase and make loans from the State Infrastructure Bank.

Sec. 314. Report on Internal Auditor – DELETED

Provides for report on activities of internal auditor; report due February 1.

Sec. 319. Rest Area Maintenance – DELETED

Requires signs/telephone numbers for reporting unclean and unsafe conditions at rest areas.

Sec. 321. Complete Streets/Enhancement Grants – DELETED

Directs the department to give preference, in awarding Enhancement grants, to applicants which have adopted Complete Streets policies.

Sec. 322. Complete Streets/Universities – DELETED

Directs the department to work with requesting universities on Complete Streets policies.

Boilerplate Changes From FY 2010-11

Sec. 334. Women and Minority-Owned Businesses Program – DELETED

Requires MDOT to continue MBE/WBE program; September 30th reporting requirement.

Sec. 353. Prompt Payment – DELETED

Directs MDOT to review contractor payment process to ensure that contractors and subs are paid promptly.

Sec. 357. Local Federal Aid Project Review– DELETED

Directs MDOT to complete project reviews within 120 days; requires system for monitoring review process.

Sec. 374. MDOT Employee Newsletters– DELETED

Requires MDOT to distribute employee newsletters electronically.

Sec. 375. MDOT Open Houses and Groundbreaking Ceremonies– DELETED

Prohibits MDOT from reimbursing contractors or consultants for groundbreaking ceremonies, receptions, open houses, or press conferences related to transportation projects funded from appropriations made in Act.

Sec. 376. Deferred Project Report – DELETED

Requires report by March 1, 2011, on the status of 17 projects deferred in 2003, then restored to Five-year Plan. Indicates legislative intent that this be the final report.

Sec. 383. Report on Use of State Airfleet – DELETED

Requires quarterly report on use of MDOT-owned aircraft; restricts use by legislative employees; requires recovery of department costs.

Sec. 384. Detroit River International Crossing (DRIC) – DELETED

Limits spending DRIC; requires legislative report by March 31, 2011; indicates that spending restrictions of the section will not apply if DRIC enabling legislation is enacted.

Sec. 385. Private Facility Toll Credits – DELETED

Restricts use of toll credits earned from private toll facilities.

Sec. 393. Best Practices for Public Transportation – DELETED

Directs department to support best practices.

Sec. 395. County Road C-56 Jurisdiction – DELETED

Indicates legislative intent that department assume jurisdiction of County Road C-56 between US-31 and I-75 in Charlevoix County.

Sec. 398. Street Railway Appropriation – MODIFIED

Provides for the appropriation OF \$0 to a street railway pursuant to section 10e(22) of 1951 PA 51.

Sec. 401. Federal Aid Distribution Report – DELETED

Requires Department to notify local agencies, Legislature, and state budget director on proposed distribution of federal funds between state and local units.

Sec. 402. Sale of Local Federal Aid – RETAINED

Authorizes local road agencies to sell federal aid to Department or to other local road agencies.

Sec. 501. Motor Carrier Act – RETAINED

Describes distribution of revenue received under the Motor Carrier Act (1933 PA 254).

Sec. 502. Treasury Audits of Local Road Agencies – DELETED

Provides for audits of local road agencies by Department of Treasury.

Sec. 503. TEDF/Local Bridge Fund Carryforward – MODIFIED

Provides carryforward authority for TEDF and Local Bridge funds; prevents diversion for other purposes; authorizes use of federal, local, or private funds for program. .

Sec. 504. MTF Distribution – MODIFIED

Requires use of MTF in accordance with Act 51 requirements.

Sec. 601. Road Construction Warranties – DELETED

Encourages use of road construction warranties; provides for report by September 30 of each year.

Sec. 602. Manufactured Pipe – DELETED

Provides standards for use and testing of manufactured pipe.

Sec. 603. Traffic Congestion – DELETED

Directs Department to consider traffic congestion be used as criteria in project selection; provides specific criteria for evaluating traffic congestion.

Boilerplate Changes From FY 2010-11

Sec. 604. Work Zone Safety Signs – DELETED

Indicates legislative intent that the department place signs in work zones notifying vehicle operators of increased penalties for traffic offenses in work zones.

Sec. 607. Interchange – I-75 at Corunna Road, Flint – DELETED

Legislative intent regarding proposed project.

Sec. 610. Dead Deer – DELETED

Describes legislative intent regarding clean-up of dead deer and other large animal remains.

Sec. 612. Incentive/Disincentive – DELETED

Requires Department to establish guidelines for use of incentive/disincentive contracts; establishes a reporting requirement; report due January 1st of each year.

Sec. 615. Interchange M-48 and I75 in Chippewa County – DELETED

Indicates legislative intent that Department construct full interchange.

Sec. 654. Long-term Viability of Mackinac Bridge – DELETED

Indicates legislative intent that the Mackinac Bridge Authority protect long-term viability of the Mackinac Bridge.

Sec. 656. M-49 Upgrade “Green Highway” – DELETED

Indicates legislative intent that the Department upgrade M-49 in Hillsdale County to a “designated” truck route.

Sec. 658. Interchange at I-196 and Phoenix Road in South Haven – DELETED

Indicates legislative intent that Department reconstruct interchange.

Sec. 659. Life Cycle Cost for Pavement Projects – DELETED

Allows the use of historical/comparable data from states with similar climate, soil, and vehicular traffic.

Sec. 660. Use of Alternative Materials – DELETED

Encourages the department to examine the use of alternative road surface materials.

Sec. 661. Completion of US-127 St. Johns to Ithaca – DELETED

Indicates legislative intent that Department complete engineering and right of way acquisition.

Sec. 662. Improved Emergency Response Access Point – DELETED

Intent language that Department work with Graafschap Fire Department and Laketown Township to improve emergency access on US-31 in Allegan County.

Sec. 664. Use of Additional MTF Revenue – DELETED

Directs that revenue in excess of revenue estimates be used to reinstate delayed projects.

Sec. 665. Prohibition on Land Purchase for Watervliet I-94 rest area – DELETED

Indicates legislative intent that appropriated funds not be used for property acquisition related to new rest area.

Sec. 701. Intercity Bus Equipment Fund – RETAINED

Provides for separate accounting and carryforward authority for this fund.

Sec. 702. Rail Preservation Fund – RETAINED

Provides for separate accounting and carryforward authority for this fund; reference to State Transportation Preservation Act of 1976 (1976 PA 295).

Sec. 703. Rail Abandonment Notice – DELETED

Requires Department to notify Legislature when railroad companies file for abandonment of lines.

Sec. 706. Detroit/Wayne County Port Authority – RETAINED

Requires report due by February 15 of each year.

Sec. 708. Intercity Bus Equipment Program – DELETED

Requires annual lease of not less than \$1,000.

Sec. 709. Intercity Bus Essential Corridor – DELETED

Identifies essential bus corridors; prohibits operating subsidy to any entity competing with another public or private carrier over the same route.

Sec. 711. Seven-Day Rail Passenger Service (AMTRAK) – DELETED

Directs Department to negotiate with a rail carrier to provide seven-day Port Huron/Chicago and Grand Rapids/Chicago service.

Sec. 714. Local Transit Demand-Response Services – DELETED

Requires that Department, in cooperation with local transit agencies, work to ensure that demand-response services are provided throughout Michigan.

Boilerplate Changes From FY 2010-11

***Sec. 731. Intercity Bus Space Rental* – DELETED**

Directs Department to charge transit agencies and intercity bus carriers the same rent when leasing similar space in state-owned intermodal facilities.

***Sec. 734. Transit Agency Service Performance Measures* – DELETED**

Directs Department to work to ensure that transit agencies meet certain service performance measures.

***Sec. 740. Review of CTF Fund Balances* – DELETED**

Requires report on unencumbered CTF balance by March 1 of each year.

***Sec. 741. Ann Arbor and Northwest Michigan Railroad* – DELETED**

Requires report on progress made to improve rail track to support passenger trains at 59 MPH..

***Sec. 743. Use HEV Vehicles* – DELETED**

Encourages the department to include hybrid electric vehicles in RFPs purchased through the department.

***Sec. 745. Appropriation of CTF Debt Service* – DELETED**

Directs that \$13.2 million appropriated for CTF debt service be transferred to bond proceeds account in accordance with IRS regulation. [Similar language was included in FY 2009-10 supplemental HB 5394.]

Sec. 801. State Aeronautics Fund* – **RETAINED*

Requires that unexpended funds in the State Aeronautics Fund lapse back to the fund.

Sec. 901. Aeronautics Capital Program* – **RETAINED*

Permits department to contract for airport improvement projects on behalf of local airport owners; local match requirements, requires local agencies to obtain authorization before submitting projects to federal agencies.

***Sec. 902. Aeronautics Capital Program Status Report* – DELETED**

Provides reporting requirement.

Sec. 903. Capital Outlay Carry Forward* – **RETAINED*

Provides for carry forward authority in accordance with the Management and Budget Act.

Sec. 904. Capital Outlay Authorization/Lapse* – **RETAINED*

Language on allocation of lump-sum appropriations.