



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



Telephone: (517) 373-2768
Fax: (517) 373-1986
TDD: (517) 373-0543

Senate Bill 963 (S-1 as passed by the Senate)
 Committee: Appropriations

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

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

- 1. **Removal of One-Time Funding.** The Governor removed FY 2011-12 one-time funding of \$500,000 for maintenance of two swing bridges. The Senate concurred with the Governor. (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 increased the Road and Bridge line item by using STF dollars. The Senate also moved remaining funds to a new unit in Part 1. 23,000,000
- 3. **Road and Bridge Funding.** State Trunkline (STF) funding includes \$6.3 million for county road commissions and \$3.5 million for cities and villages. Reductions include \$1.3 million for STF Federal aid and \$488,800 for local bridge programs. Senate increased STF funding for Roads and Bridges by \$96.0 million by converting the Governor's one-time GF/GP funding to STF funds. 104,007,200
- 4. **State Aeronautics Fund.** Governor restored funding for two programs: \$185,100 for aviation services and \$600,000 for air service programs. Senate concurred with Governor. 785,100
- 5. **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. The Senate concurred with the Governor. 25,781,500
- 6. **Intercity Bus Services.** Governor increased funding for replacement of old buses. The Senate concurred with the Governor. 1,650,000
- 7. **Debt Service.** Governor and Senate included reductions in funding for scheduled debt service payments. The primary reduction results from the 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. (47,198,900)
- 8. **Interdepartmental Grants (IDGs).** Governor and Senate adjusted funding for grants to several other departments. The largest adjustment is a reduction of \$6.1 million to the Department of Treasury to align funding with the estimated cost allocation study amount. (6,396,600)
- 9. **Airport Safety, Protection, and Improvement Program.** Governor reduced funding by \$12.0 million to align with available revenue. The Senate increased funding by \$10.0 million in Aeronautic Funds. (2,017,400)
- 10. **State Employee Lump-Sum Payments.** Governor added \$3,260,800 for one-time payments that are required by contract. The Senate moved funding to a new unit in Part 1. 3,260,800
- 11. **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
- 12. **Other Changes.** The Governor recommended miscellaneous adjustments in several line items to reflect changes in State restricted and Federal revenue estimates: an increase of \$110,000 for public transportation and reductions of \$122,800 for accounting service center; \$168,000 for Transportation Economic Development Fund revenue; and \$60,000 for bus equipment and facility fees. The Senate concurred with the Governor. (240,800)
- 13. **Comparison to Governor's Recommendation.** The Senate is \$10,000,000 Gross over and \$96,000,000 GF/GP under the Governor.

Total Changes \$133,819,600

FY 2012-13 Senate-Passed Gross Appropriation..... \$3,462,090,300

Changes from FY 2011-12 Year to Date:

1. **Deletions.** In keeping with the condensed structure of the Governor's budget, the following current-year language sections and/or subsections were not included: 202, 204, 207, 208, 209, 211, 212, 214, 215, 216, 228, 229, 260, 263, 270, 303, 305, 307, 308, 309, 310, 319, 353, 354, 357, 375, 382, 383, 393, 401, 601, 602, 603, 610, 612, 660, 664, 703, 708, 711, 714, 731, 734, 740, and 902. The majority of these sections required the Department to provide either reports or notifications to the Legislature. For example, Section 207 required analysis of potential privatization efforts and appropriate notification of any privatization efforts. Section 307 required an annual report of the Department's rolling 5-year plan listing all county road commission highway projects. Section 610 stated Legislative intent that the Department place a priority on the removal of dead deer and other large animal remains from State highways. Sections of boilerplate that have been retained in the Governor's budget are re-numbered accordingly.
2. **Definitions.** The Governor deleted a number of definitions that are no longer used in the bill. The Senate retained this Section. (Sec. 203).
3. **Senate Deleted Sections.** The Senate retained the majority of the sections, without modification, that were eliminated by the Governor. Sections eliminated by the Governor and concurred in by the Senate include: 202, 204, 214, 216, 309, 664, and 708.
4. **Remanufactured Parts.** The Governor removed language requiring the Department to use remanufactured parts when possible for maintenance and repair of State owned vehicles. The Senate retained the language. (Sec. 270)
5. **Detroit River International Crossing (DRIC).** The Governor 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. The Senate retained the section. (Sec. 384)
6. **Toll Credits.** The Governor removed language requiring the Department 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. The Senate retained the section. (Sec. 385)
7. **State Trunkline Funds (STF).** The Senate added language stating that \$96.0 million of the STF funding in Part 1 represents estimated revenue from the passage of Senate Bill 351 and is intended to ensure that the State is able to match all available Federal-aid highway funds. (Sec. 661)
8. **State Aeronautics Fund (SAF).** The Senate 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)
9. **Bus Rollover Test Standards.** The Senate added a 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. (Sec. 741)
10. **One-Time Appropriations.** The 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. The Senate reduced GF/GP funding by \$96.0 million and increased STF Road and Bridge funding by \$96.0 million using STF dollars. 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. (Sec. 18-901)

Date Completed: 4-24-12

Fiscal Analyst: Joe Carrasco, Jr.