



Senate Fiscal Agency
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BILL ANALYSIS

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FY 2003-04 Senate-Passed Gross Appropriations	\$3,155,996,400
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House Changes to Senate-Passed:

1. **Transportation Grants to Other Departments.** In total, the Governor reduced grants to other departments for transportation-related services provided to MDOT. The MTF grant to the Department of State was increased \$252,300 to \$94,752,300, while the MTF grant to the Department of Treasury was reduced by \$1,664,000 to \$8,561,000. The Senate reduced the Department of State MTF grant by \$20,827,000 and the Department of Treasury MTF grant by \$1,861,000 from the levels recommended by Governor. Further, the Senate eliminated the STF grants to Treasury (\$29,100) and DMB (\$1,434,000). The Senate distributed this revenue through the standard PA 51 formula. The House further reduced the MTF grant to State by \$53,925,300 to \$20,000,000 to reflect proposed Senate Bill 539; however, the revenue was not distributed per PA 51. The House restored the STF grants. (52,462,200)
2. **MTF Revenue Distribution to Road Agencies.** The Governor included additional revenue through the MTF formula to State and local road agencies in the following amounts: State Trunkline Fund \$25,848,700, County Road Commissions \$25,848,700, Cities and Villages \$14,411,700. In addition to these increases, the Senate includes funding to road agencies resulting from the MTF grant reductions (\$20,419,200) and STF administrative savings (\$2,782,600), and the unclassified salaries reduction (\$37,200). The House rejected the Senate increases associated with the grant reductions, administrative savings, and unclassified salaries and restored the funding levels to those recommended by the Governor. 10,343,900
3. **Comprehensive Transportation Fund.** The Senate reduced and/or eliminated various line items funded from the CTF and transferred \$16 million to GF/GP at year-end to partially offset the MTF grant reduction to the Department of State. The House restored the cuts to the Governor's recommended levels and added \$1.7 million to the bus operating line item for all agencies except DDOT/SMART. FTE positions and funding in UPTRAN were reduced. 19,639,200
4. **STF Administrative Reductions.** The Senate recognized various STF administrative reductions and redirects this funding to the State Road and Bridge Program. The House rejects these savings and restores funding to the Governor's recommended levels. 2,782,600
5. **Transportation Economic Development Fund.** The Governor transferred \$13 million from the TEDF to a proposed Traffic Enforcement and Safety Fund to be used by the Department of State Police. The Senate rejected this transfer. The House concurred with the Senate and added \$40,000 for forest road turnouts. 40,000
6. **Unclassified Salaries.** Commission/boards funding is eliminated. The Senate reduced funding for salaries by \$37,200 and set the Director's salary at \$124,000. The House rejected the Senate adjustments, and restores funding for salaries. 37,200

Total Changes	(\$19,619,300)
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FY 2003-04 House-Passed Gross Appropriation	\$3,136,377,100
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Changes from FY 2003-04 Senate-Passed:

1. **Director's Salary.** The Senate included new language that would reduce the Director's salary for each day that a report required in the budget is late (Sec. 358). The House does not include.
2. **Personal Services Contracts.** The Senate included new language that prohibits the use of personal services contracts in the Bureau of Multi-Modal Transportation Services and the Bureau of Planning (Sec. 359). The House does not include.
3. **Public Transit Planning.** The Senate included new language that prohibits the Bureau of Planning from using appropriations to fund public transit planning activities (Sec. 360). The House does not include.
4. **Multi-Modal Transportation Services.** The Senate included new language that requires the Bureau to prepare an annual management plan, to conduct its functions under formal policies, and to prohibit funding positions not authorized under part 1. The House includes this language except for the hiring prohibition (Sec. 361).
5. **Emergency Vehicle Signage.** The House includes new language to require the Department to work with law enforcement to inform the public regarding duties relative to passing emergency vehicles (Sec. 362).
6. **Log Truck Safety Study.** The House includes new language to provide funds for a study by Michigan Tech (Sec 363).
7. **Full-Service Gas Stations.** The House includes new language to provide \$25,000 to assist veteran and disabled groups in identifying full-service gas stations (Sec. 364).
8. **Federal Bridge Funds.** The House includes new language to allocate 20% of Federal bridge funds to the critical bridge program (Sec. 405).
9. **Unsafe Pedestrian Crossings.** The Senate eliminated current-year language. The House restores the language (Sec. 607).
10. **Truck Inspection Stations.** The Senate eliminated current-year language. The House restores the language (Sec. 608).
11. **Pavement Marking.** The Senate included new language regarding pavement marking materials. The House modifies the language and requires a pilot program and a report (Sec. 611).
12. **Road Projects.** The House includes 7 specific road projects (Sec. 615 to 621).
13. **CTF Transfer to General Fund.** The Senate included new language that would transfer \$16 million from the CTF to the General Fund (Sec. 726). The House did not include this language.
14. **RTCC Funding Cap.** The Senate included new language that would cap the Regional Transportation Coordinating Council bus operating grant at the statutory minimum allowed under PA 51. The House includes language to hold the RTCC at the FY 2002-03 level for funding (Sec. 727).
15. **DARTA Funding.** The Senate included new language that prohibits start-up funding for DARTA. The House includes language that limits state funding(\$200,000) to meet Federal match requirements and requires notification of the Legislature prior to the expenditure of further state funding (Sec. 729).

Date Completed: July 17, 2003

Fiscal Analyst: Craig Thiel