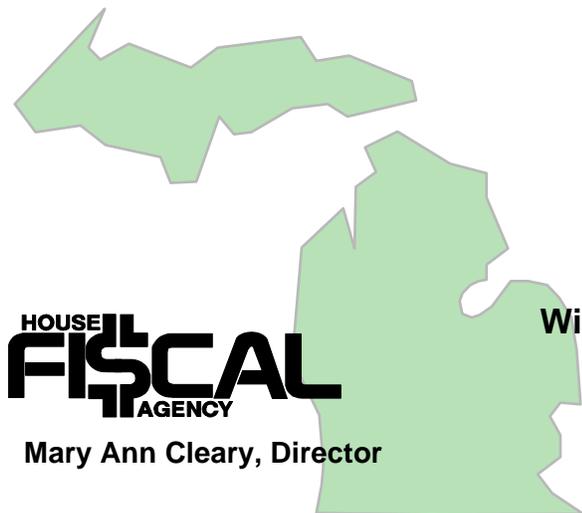


LINE ITEM AND BOILERPLATE SUMMARY

TRANSPORTATION

Fiscal Year 2013-14
Article XVII, Public Act 59 of 2013
House Bill 4328 as Enacted



HOUSE
FISCAL
AGENCY

Mary Ann Cleary, Director

William E. Hamilton, Senior Fiscal Analyst
Tumai Burris, Budget Assistant

September 2013

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GOVERNING COMMITTEE**

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Jase Bolger

Jim Stamas

Rashida Tlaib

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September 2013

TO: Members of the Michigan House of Representatives

The House Fiscal Agency has prepared a **Line Item Summary** for each of the FY 2013-14 appropriation acts. Each **Summary** contains line-by-line appropriation and revenue source detail, and a brief explanation of each boilerplate section in the appropriation bill.

In this report, line item vetoes are presented in the following manner: appropriation amounts shown in ~~strikeout~~ are those that appear in the enrolled bill; amounts shown directly below ~~strikeout~~ amounts reflect the effect of the veto.

Line Item Summaries are available on the HFA website (www.house.mi.gov/hfa), or from Kathryn Bateson, Administrative Assistant (373-8080 or kbateson@house.mi.gov).

A handwritten signature in black ink that reads "Mary Ann Cleary".

Mary Ann Cleary, Director

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GLOSSARY

STATE BUDGET TERMS

Gross Appropriations (Gross): The total of all applicable appropriations (statutory spending authorizations) in a budget bill.

Adjusted Gross Appropriations (Adjusted Gross): The net amount of all gross appropriations after subtracting interdepartmental grants (IDGs) and intradepartmental transfers (IDTs).

Lapses: Appropriation amounts that are unspent/unobligated at the end of a fiscal year. Appropriations are automatically terminated at the end of a fiscal year unless otherwise provided by law.

Work Project: A statutorily-authorized account which allows a spending authorization to be carried over from one fiscal year to a succeeding fiscal year or years—i.e., allows funds to be spent over a period of years.

APPROPRIATION BILL TERMS

Line Item: Specific funding amount in an appropriation bill which establishes spending authorization for a particular program or function (may be for a single purpose or for multiple purposes).

Boilerplate: Specific language sections in an appropriation bill which direct, limit or restrict line item expenditures, express legislative intent, and/or require reports.

REVENUE SOURCES

General Fund/General Purpose (GF/GP): Unrestricted General Fund revenue available to fund any activity accounted for in the General Fund; unused GF/GP revenue lapses to the General Fund at the end of a fiscal year.

State Restricted (Restricted): State revenue restricted by state law or outside restriction that is available only for specified purposes; at year-end, unused restricted revenue remains in the restricted fund.

Federal Revenue: Federal grant or matchable revenue dedicated to specific programs.

Local Revenue: Revenue from local units of government.

Private Revenue: Revenue from non-government entities: rents, royalties or interest payments, payments from hospitals or individuals, and gifts and bequests.

Interdepartmental Grant (IDG): Revenue or funds received by one state department from another state department (usually for a service provided by the receiving department).

Intradepartmental Transfer (IDT): Transfers or funds being provided from one appropriation unit to another in the same department.

MAJOR STATE FUNDS

Budget Stabilization Fund (BSF): The countercyclical economic and budget stabilization fund; also known as the "rainy day" fund.

School Aid Fund (SAF): A restricted fund; the primary funding source for K-12 schools and Intermediate School Districts (ISDs).

General Fund: The General Fund (funded from taxes and other general revenue) is used to account for the ordinary operations of a governmental unit that are not accounted for in another fund.

REVENUE SOURCES FOR TRANSPORTATION APPROPRIATIONS

FEDERAL REVENUE

Federal surface transportation programs are authorized through multi-year authorizing acts. The current authorization act, signed into law by President Obama on July 6, 2012, is titled *Moving Ahead for Progress in the 21st Century* (MAP-21). MAP-21 authorizes federal highway and transit programs for a 27-month period ending September 30, 2014.

MAP-21 makes federal funds available to state departments of transportation through three U.S. Department of Transportation (DOT) agencies: the Federal Highway Administration (FHWA), the Federal Transit Administration (FTA), and the Federal Railroad Administration (FRA). Federal revenue appropriated in the state transportation budget bills is based on estimates of available federal funding developed by the Michigan Department of Transportation (MDOT).

DOT-FHWA: Administered by the FHWA for highway construction, planning, and research, these funds are distributed to states for eligible projects under various program categories.

DOT-FTA: Funds administered by the FTA for public transportation programs.

DOT-FRA: Funds administered by the FRA for rail freight, rail passenger, and high speed rail programs.

In addition to these surface transportation programs authorized under MAP-21, Federal Aviation Administration (FAA) grants are made available to the state under the authority of a separate authorizing statute, the *FAA Modernization and Reform Act of 2012*, which authorizes budget resources for FAA programs through FY 2015.

STATE RESTRICTED REVENUE

Article IX, Section 9 of the 1963 Michigan Constitution dedicates motor fuel taxes and motor vehicle registration taxes for transportation purposes. Public Act 51 of 1951 (Act 51) establishes the state's major surface transportation programs and allocates restricted transportation revenue to those programs through various state restricted funds.

MICHIGAN TRANSPORTATION FUND (MTF): Main collection/distribution fund for state restricted transportation revenue. Approximately 90% of all state-generated transportation revenue—primarily from \$0.19 per gallon gasoline excise tax, diesel fuel taxes, and motor vehicle registration taxes—is first credited to the MTF. Act 51 establishes the MTF and provides for formula distribution of the MTF among various programs/funds: to State Trunkline Fund (STF) for construction and maintenance of the state trunkline system and administration of the MDOT, to 83 county road commissions for county road systems, to 533 incorporated cities and villages for city/village streets, and to the Comprehensive Transportation Fund (CTF) for public transportation programs.

Act 51 also allocates MTF revenue to various special programs (e.g., rail grade crossing account, Local Bridge Fund, Transportation Economic Development Fund) and directs the Legislature to appropriate funds for necessary expenses incurred in administration and enforcement of the Motor Fuel Tax Act, Motor Carrier Act, and vehicle registration sections of the Michigan Vehicle Code. The MTF does not carry a balance into the next fiscal year; all MTF revenue is distributed each year through the Act 51 formula.

STATE TRUNKLINE FUND (STF): Established and governed by Act 51, the STF provides funding for maintenance and construction of the state trunkline highway system, and administration of the MDOT. Revenue is derived primarily from transfers from the MTF in accordance with the provisions of Act 51.

COMPREHENSIVE TRANSPORTATION FUND (CTF): Established and governed by Act 51, the CTF is dedicated for public transportation purposes. The fund has two main sources of revenue: a 10% share of net MTF revenue (after various statutory deductions) and a share of motor vehicle-related sales tax revenue as provided in the General Sales Tax Act.

STATE AERONAUTICS FUND (SAF): Dedicated to aviation development, safety regulation, and air service promotion under the State Aeronautics Code (1945 PA 327). The SAF receives revenue from aviation fuel taxes, aircraft registration taxes, revenue from state-owned aircraft operations, and from an earmark of Airport Parking Tax revenue.

STATE RESTRICTED REVENUE (CONT.)

BLUE WATER BRIDGE FUND (BWBF): Subsidiary of the STF created in FY 1993-94 to account for debt service, capital projects, maintenance, and operating costs of the Blue Water Bridge. Revenue is derived from bridge tolls and from the lease of plaza right-of-way by a duty-free store.

ECONOMIC DEVELOPMENT FUND (EDF): Established by 1987 PA 231 to assist in funding highway, road, and street projects which support economic growth. Fund revenue is derived from Act 51 earmarks of MTF revenue, revenue from a 1987 increase in operator and chauffeur license fees, and interest on the fund balance. Also referenced as Transportation Economic Development Fund (TEDF).

LOCAL BRIDGE FUND (LBF): Established by 2004 PA 384, an amendment to Act 51, to provide financial assistance to local highway authorities for the preservation, improvement, or reconstruction of existing bridges, or the construction of bridges to replace existing bridges, in whole or part. Revenue provided from an Act 51 earmark of 1/2 cent of the gasoline excise tax (approximately \$22.0 million), and a separate \$5.0 million Act 51 earmark of MTF revenue.

MICHIGAN DEPARTMENT OF TRANSPORTATION

The mission of the Michigan Department of Transportation (MDOT) is: "Providing the highest quality integrated transportation services for economic benefit and improved quality of life."

Article V, Section 28 of the 1963 Michigan Constitution establishes the State Transportation Commission to "establish policy for the State Transportation Department transportation programs and facilities, and such other public works of the state, as provided by law." Article V, Section 28 also provides for the appointment of the Director of the State Transportation Department as the principal executive officer of the Department with responsibility for executing the policy of the State Transportation Commission. The powers and duties of the Department, the State Transportation Commission, and the Department Director are further defined in statute, 1964 PA 286.

Public Act 51 of 1951 (Act 51) establishes and defines the major surface transportation programs and revenue sources identified in this appropriation summary. The State Aeronautics Code (1945 PA 327) governs aeronautics programs funded through these appropriations.

Full-time equated unclassified positions	6.0	Full-time equated (FTE) positions not in the state classified service.
Full-time equated classified positions	2,912.3	Full-time equated (FTE) positions in the state classified service.
Total full-time equated positions	2,918.3	Total number of all full-time equated positions (includes classified and unclassified). <i>Note: based on 2,088 hours for 1.0 FTE position</i>
GROSS APPROPRIATION	\$3,598,616,700 \$3,597,116,700	Total of all applicable line item appropriations.
Total interdepartmental grants/intradepartmental transfers	3,625,100	Total of all funds received from other departments and transfer of funds.
ADJUSTED GROSS APPROPRIATIONS	\$3,594,991,600 \$3,593,491,600	Total all line item gross appropriations less interdepartmental grants (IDGs) or intradepartmental transfers (IDTs) received.
Total federal revenue	1,198,885,500	Total federal grant or matchable revenue.
Total local revenue	50,177,100	Total revenue from local units of government.
Total private revenue	100,000	Total private grant revenue.
Total state restricted revenue	2,224,520,000 2,223,029,000	State revenue dedicated to a specific fund (other than the General Fund) or revenue earmarked for a specific purpose.
GENERAL FUND/ GENERAL PURPOSE	\$121,300,000	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.
		GF/GP Subtotals: Ongoing 0 One-time 121,300,000

SECTION 102: DEBT SERVICE

Public Act 51 of 1951 gives the State Transportation Commission authority to borrow money and issue bonds or notes for transportation purposes, the debt service on which shall not exceed 50% of the dedicated taxes received for transportation purposes in the prior fiscal year.

State trunkline	\$199,738,200	Principal and interest payments on various debt issues, the proceeds of which were used for state trunkline preservation or capacity improvement projects, or for refunding prior debt issues. Build Michigan I, Build Michigan III, Preserve First, and Jobs Today programs were financed, in part, through bonding. The appropriation of federal revenue reflects debt service related to federal grant anticipation (GARVEE) bonds.	
		Appropriated restricted revenue includes \$7.0 million from "IRS rebate" fund source to reflect rebates associated with <i>Build America Bonds</i> issued by the department in 2009.	
		Funding Source(s):	Federal 45,912,200 Restricted 153,826,000
		<i>Related Boilerplate Section(s): None</i>	
<hr/>			
Economic development	10,003,400	Principal and interest payments on various TEDF bond programs, including bonds issued to fund category "A" and "B" road projects (1989), Build Michigan III economic development projects (2001), and refunding bonds (1992B, 1994B, 1998, 2002, 2004, 2005, and 2009).	
		Funding Source(s):	Restricted 10,003,400
		<i>Related Boilerplate Section(s): None</i>	
<hr/>			
Local bridge fund	2,406,300	Act 51 distribution from the MTF for debt service on 1992 bonds issued to finance local agency bridge projects.	
		Funding Source(s):	Restricted 2,406,300
		<i>Related Boilerplate Section(s): None</i>	
<hr/>			
Blue water bridge fund	6,962,500	Principal and interest payments for 1996 and 2011 bonds used to finance Blue Water Bridge projects.	
		Funding Source(s):	Restricted 6,962,500
		<i>Related Boilerplate Section(s): None</i>	
<hr/>			
Airport safety and protection plan	3,892,200	Debt service related to CTF bonds issued for airport improvement and security projects.	
		Funding Source(s):	Restricted 3,892,200
		<i>Related Boilerplate Section(s): None</i>	
<hr/>			
Comprehensive transportation	19,318,500	Principal and interest payments on CTF bonds issued for public transportation purposes.	
		Funding Source(s):	Restricted 19,318,500
		<i>Related Boilerplate Section(s): None</i>	
<hr/>			
GROSS APPROPRIATION	\$242,321,100	Total of all applicable line item appropriations.	
<hr/>			
DOT-FHWA highway research, planning, and construction	45,912,200	Federal funds pledged by MDOT for debt service on federal revenue anticipation (GARVEE) notes and bonds.	
<hr/>			
Blue water bridge fund	6,962,500	Subsidiary fund of STF used to account for debt service, capital projects, maintenance, and operating costs of Blue Water Bridge.	

Comprehensive transportation fund (CTF)	19,318,500	State restricted fund dedicated for public transportation purposes.
Economic development fund (EDF)	10,003,400	Fund established by 1987 PA 231 to help fund highway, road, and street projects that support economic growth.
Local bridge fund	2,406,300	Established by 2004 PA 384, an amendment to Act 51.
IRS debt service rebate	6,868,800	Debt service rebate related to 2009 Build America Bond issue.
State aeronautics fund (SAF)	3,892,200	State restricted fund dedicated for aviation development, regulation, and promotion.
State trunkline fund (STF)	146,957,200	State restricted fund dedicated for state trunkline programs.
GENERAL FUND/ GENERAL PURPOSE	\$0	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.

SECTION 103: COLLECTION, ENFORCEMENT, AND OTHER AGENCY SUPPORT SERVICES

This appropriation unit provides reimbursement to other state departments for services provided to state transportation funds and programs under terms of contracts with MDOT. Services provided by other state departments include collection of state-restricted transportation revenue. Article IX, Section 9 of the 1963 Michigan Constitution dedicates motor fuel taxes and motor vehicle registration taxes for transportation purposes, after payment of necessary collection expenses. MTF grants to other state departments are governed by provisions of Act 51.

In addition to the line item appropriations shown below, Section 807 of the General Government budget (Article VIII) authorizes the Department of Technology, Management and Budget (DTMB) to assess transportation funds a proportionate share of MAIN accounting system costs.

MTF grant to department of natural resources and environment	\$1,285,700	Supports Department of Environmental Quality, Land and Water Management Division environmental clearance activities for state and local road and bridge construction projects. Funding Source(s): Restricted 1,285,700 <i>Related Boilerplate Section(s): 306</i>
MTF grant to department of state for collection of revenue and fees	20,000,000	Costs attributable to collection of transportation revenue from vehicle title and registration taxes processed by the Department of State. Grant limited to \$20.0 million by Act 51, as amended by 2003 PA 151. Funding Source(s): Restricted 20,000,000 <i>Related Boilerplate Section(s): 306</i>
MTF grant to department of treasury	2,500,000	Costs attributable to collection of motor fuel taxes. Funding Source(s): Restricted 2,500,000 <i>Related Boilerplate Section(s): 306</i>
MTF grant to legislative auditor general	296,000	Audit costs attributable to transportation programs and funds. Funding Source(s): Restricted 296,000 <i>Related Boilerplate Section(s): 306</i>
STF grant to department of attorney general	2,387,000	Legal services and litigation costs of the Attorney General in support of transportation programs. Funding Source(s): Restricted 2,387,000 <i>Related Boilerplate Section(s): 306</i>
STF grant to civil service commission	5,697,000	Civil service administrative expenses for MDOT, based on constitutionally mandated charge of not less than 1% of related payroll. Funding Source(s): Restricted 5,697,000 <i>Related Boilerplate Section(s): 306</i>
STF grant to department of technology, management, and budget	1,324,200	Accounting, budget, payroll, purchasing, and mail services from DTMB attributable to the STF. Funding Source(s): Restricted 1,324,200 <i>Related Boilerplate Section(s): 306</i>
STF grant to department of state police	11,258,700	Supports Michigan State Police, Motor Carrier Enforcement, and the transportation portion of Criminal Justice Information Center. Funding Source(s): Restricted 11,258,700 <i>Related Boilerplate Section(s): 306</i>

STF grant to department of treasury	129,700	Investment activity costs attributable to STF funds managed by the Department of Treasury. Funding Source(s): Restricted 129,700 <i>Related Boilerplate Section(s): 306</i>
STF grant to legislative auditor general	687,600	Audit costs attributable to transportation programs and funds. Funding Source(s): Restricted 687,600 <i>Related Boilerplate Section(s): 306</i>
SAF grant to department of attorney general	174,400	Legal services and litigation costs of the Attorney General in support of transportation programs. Funding Source(s): Restricted 174,400 <i>Related Boilerplate Section(s): 306</i>
SAF grant to civil service commission	150,000	Civil service administrative expenses for MDOT, based on constitutionally mandated charge of not less than 1% of related payroll. Funding Source(s): Restricted 150,000 <i>Related Boilerplate Section(s): 306</i>
SAF grant to department of technology, management, and budget	40,000	Accounting, budget, payroll, purchasing, and mail services from DTMB attributable to the SAF. Funding Source(s): Restricted 40,000 <i>Related Boilerplate Section(s): 306</i>
SAF grant to department of treasury	71,600	Investment activity costs attributable to SAF funds managed by the Department of Treasury. Funding Source(s): Restricted 71,600 <i>Related Boilerplate Section(s): 306</i>
SAF grant to legislative auditor general	28,300	Audit costs attributable to transportation programs and funds. Funding Source(s): Restricted 28,300 <i>Related Boilerplate Section(s): 306</i>
CTF grant to department of attorney general	200,900	Legal services and litigation costs of the Attorney General in support of transportation programs. Funding Source(s): Restricted 200,900 <i>Related Boilerplate Section(s): 306</i>
CTF grant to civil service commission	200,000	Civil service administrative expenses for MDOT, based on constitutionally mandated charge of not less than 1% of related payroll. Funding Source(s): Restricted 200,000 <i>Related Boilerplate Section(s): 306</i>
CTF grant to department of technology, management, and budget	46,000	Accounting, budget, payroll, purchasing, and mail services from DTMB attributable to the CTF. Funding Source(s): Restricted 46,000 <i>Related Boilerplate Section(s): 306</i>
CTF grant to department of treasury	12,200	Investment activity costs attributable to CTF funds managed by the Department of Treasury. Funding Source(s): Restricted 12,200 <i>Related Boilerplate Section(s): 306</i>

CTF grant to legislative auditor general	36,400	Audit costs attributable to transportation programs and funds. Funding Source(s): Restricted	36,400
<i>Related Boilerplate Section(s): 306</i>			
GROSS APPROPRIATION	\$46,525,700	Total of all applicable line item appropriations.	
Comprehensive transportation fund (CTF)	495,500	State restricted fund dedicated for public transportation purposes.	
Michigan transportation fund (MTF)	24,081,700	Primary collection/distribution fund for state transportation revenue from motor fuel taxes and vehicle registration taxes.	
State aeronautics fund (SAF)	464,300	State restricted fund dedicated for aviation development, regulation, and promotion.	
State trunkline fund (STF)	21,484,200	State restricted fund dedicated for state trunkline programs.	
GENERAL FUND/ GENERAL PURPOSE	\$0	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.	

SECTION 104: EXECUTIVE DIRECTION

This appropriation unit authorizes six unclassified FTE positions within the department including the Department Director. The Asset Management Council and the Office of Commission Audits are also within this appropriation unit.

Full-time equated unclassified positions	6.0	Full-time equated (FTE) positions not in the state classified service.
Full-time equated classified positions	29.3	Full-time equated (FTE) positions in the state classified service.
Unclassified salaries	\$707,000	Provides spending authority for salaries of six unclassified FTE positions, of which four positions are currently filled: Department Director, Office of Communications Director, Office of Governmental Affairs Director, and State Transportation Commission Advisor. Funding Source(s): Restricted 707,000 <i>Related Boilerplate Section(s): None</i>
Asset management council	1,626,400	Provides data collection and related support for Asset Management Council established by 2002 PA 499. Staff support is provided from Transportation Planning appropriation unit. Funding Source(s): Restricted 1,626,400 <i>Related Boilerplate Section(s): None</i>
Commission audit – 29.3 FTE positions	3,298,200	Office of Commission Audits was established by Section 17a of Act 51 to conduct financial and performance audits. The Commission Auditor is appointed by and serves at the pleasure of the State Transportation Commission. Funding Source(s): Restricted 3,298,200 <i>Related Boilerplate Section(s): None</i>
GROSS APPROPRIATION	\$5,631,600	Total of all applicable line item appropriations.
Michigan transportation fund (MTF)	1,626,400	Primary collection/distribution fund for state transportation revenue from motor fuel taxes and vehicle registration taxes.
State trunkline fund (STF)	4,005,200	State restricted fund dedicated for state trunkline programs.
GENERAL FUND/ GENERAL PURPOSE	\$0	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.

SECTION 105: BUSINESS SUPPORT

This appropriation unit provides executive and department-wide services through the Office of Communications, Office of Human Resources, Office of Governmental Affairs, Office of Economic Development and Enhancement, and executive support staff.

Full-time equated classified positions	76.5	Full time equated (FTE) positions in the state classified service.
Business support services – 67.5 FTE positions	\$9,427,700	Salaries, benefits, and other costs of Executive Office support staff, Office of Communications (including mapping and media services), Office of Governmental Affairs, Office of Business Development, and Chief Administrative Officer. The Disadvantaged Business Enterprise program within the Office of Business Development monitors for compliance with state and federal laws governing contracting practices. Funding Source(s): Restricted 9,427,700 <i>Related Boilerplate Section(s): None</i>
Economic development and enhancement programs – 9.0 FTE positions	1,426,200	Salaries, benefits, and other operating costs of the Office of Economic Development; administers Transportation Economic Development Fund (TEDF) programs, State Infrastructure Bank, federal Transportation Alternative Program (TAP), and Safe Routes to School programs. Appropriations for TEDF, TAP, and Safe Routes to School grants are in other appropriation units. Funding Source(s): Restricted 1,426,200 <i>Related Boilerplate Section(s): None</i>
Property management	8,068,700	DMB property management charges for occupancy of state-owned buildings (Transportation Building, part of North Ottawa Building, Secondary Complex buildings for Photo Lab, Testing and Research, and Central Warehouse) and rent for privately-owned land or buildings at locations across the state. Funding Source(s): Restricted 8,068,700 <i>Related Boilerplate Section(s): None</i>
Worker's compensation	2,013,000	Estimated cost of worker's compensation. Funding Source(s): Restricted 2,013,000 <i>Related Boilerplate Section(s): None</i>
GROSS APPROPRIATION	\$20,935,600	Total of all applicable line item appropriations.
Comprehensive transportation fund (CTF)	1,369,700	State restricted fund dedicated for public transportation purposes.
Economic development fund (EDF)	378,700	Fund established by 1987 PA 231 to help fund highway, road, and street projects that support economic growth.
Michigan transportation fund (MTF)	760,500	Primary collection/distribution fund for state transportation revenue from motor fuel taxes and vehicle registration taxes.
State aeronautics fund (SAF)	625,400	State restricted fund dedicated to aviation development, regulation, and promotion.
State trunkline fund (STF)	17,801,300	State restricted fund dedicated for state trunkline programs.
GENERAL FUND/ GENERAL PURPOSE	\$0	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.

SECTION 108: TRANSPORTATION PLANNING

The Bureau of Transportation Planning implements MDOT's ongoing planning process for transportation programs and projects. Investment recommendations are based on social, economic, user-demand, infrastructure condition, and financial resource factors. A number of planning activities are mandated by federal law governing federal-aid transportation programs.

Full-time equated classified positions	141.0	Full-time equated (FTE) positions in the state classified service.						
Transportation planning – 141.0 FTE positions	\$37,794,600	<p>Supports Bureau of Transportation Planning activities carried out through three Bureau divisions: Intermodal Policy, Statewide Planning, Asset Management.</p> <p><u>Intermodal Policy Division</u> provides assistance to the State Transportation Commission and department management in developing transportation policy.</p> <p><u>Statewide Planning Division</u> – Activities include preparation of State Long Range Plan and State Transportation Improvement Program (STIP) in accordance with federal planning requirements, and preparation of the annual rolling Five Year Transportation Program.</p> <ul style="list-style-type: none"> ▪ Administers development of the state trunkline capital outlay program; develops revenue estimates. ▪ Administers statewide and metropolitan planning process. ▪ Provides travel demand analysis; supports comprehensive passenger and freight transportation planning. <p><u>Asset Management Division</u> coordinates planning and engineering staff and equipment for field operations, systems monitoring, condition assessment, and travel information collection.</p> <p>Operates/maintains the Transportation Management System, and statewide Geographic Information System; coordinates development of performance-based asset management strategies (pavement and bridge), and provides support for the Asset Management Council.</p> <table style="margin-left: auto; margin-right: auto;"> <tr> <td style="padding-right: 20px;">Funding Source(s):</td> <td style="padding-right: 20px;">Federal</td> <td style="text-align: right;">20,000,000</td> </tr> <tr> <td></td> <td>Restricted</td> <td style="text-align: right;">17,794,600</td> </tr> </table> <p style="text-align: right;"><i>Related Boilerplate Section(s): 307,311,384, 385, 401</i></p>	Funding Source(s):	Federal	20,000,000		Restricted	17,794,600
Funding Source(s):	Federal	20,000,000						
	Restricted	17,794,600						
Grants to regional planning councils	488,800	<p>Grants to regional planning agencies for data collection and analysis, public involvement, and coordination between agencies.</p> <table style="margin-left: auto; margin-right: auto;"> <tr> <td style="padding-right: 20px;">Funding Source(s):</td> <td style="padding-right: 20px;">Restricted</td> <td style="text-align: right;">488,800</td> </tr> </table> <p style="text-align: right;"><i>Related Boilerplate Section(s): None</i></p>	Funding Source(s):	Restricted	488,800			
Funding Source(s):	Restricted	488,800						
GROSS APPROPRIATION	\$38,283,400	Total of all applicable line item appropriations.						
DOT-FHWA highway research, planning, and construction	20,000,000	Federal funds, designated for statewide planning activities, are derived from 2% set-aside of certain federal-aid programs.						
Comprehensive transportation fund (CTF)	610,500	Restricted funds that support public transportation components of statewide transportation planning.						
Michigan transportation fund (MTF)	6,941,300	Primary collection/distribution fund for revenue from motor fuel and vehicle registration taxes. Supports statewide planning activities.						

State aeronautics fund (SAF)	15,000	Restricted funds that support aviation components of statewide transportation planning.
State trunkline fund (STF)	10,716,600	State restricted fund dedicated for state trunkline programs.
GENERAL FUND/ GENERAL PURPOSE	\$0	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.

SECTION 109: DESIGN AND ENGINEERING SERVICES

This appropriation unit supports MDOT management and oversight functions for road construction, traffic engineering, and safety activities for the state trunkline highway system. This unit includes engineering, administrative, and supervisory staff and related costs. The appropriation for road and bridge construction programs is contained in a separate appropriation unit. This appropriation unit also includes a line item which supports Welcome Center operations.

Full-time equated classified positions	1,500.8	Full-time equated (FTE) positions in the state classified service.
Engineering services – 701.1 FTE positions	\$69,781,400	Salaries, benefits, and other operating costs of MDOT's construction, testing, traffic safety, and operations functions, performed from Lansing central office and seven MDOT regions. Functions include: engineering supervision and management oversight of state highway and bridge reconstruction and improvement projects; materials sampling/ testing; design services including geotechnical analysis (soil testing services), development of construction specifications, consultant management, and bridge plan review. <div style="text-align: right; margin-top: 5px;"> Funding Source(s): Federal 17,319,300 Restricted 52,462,100 </div> <p style="text-align: center; margin-top: 10px;"><i>Related Boilerplate Section(s): None</i></p>

Program services – 737.7 FTE positions	59,563,000	<p>Salaries, benefits, and other operating costs of MDOT's highway development functions performed from Lansing central office and seven MDOT regions. Activities include executive/administrative oversight of Bureau of Highways; environmental design functions including preparation of land surveys, route location studies; design plans for all trunkline roads, bridges, and appurtenances.</p> <p>Other activities include life-cycle cost analysis, traffic studies, traffic signal upgrading/ modernization, traffic signing and pavement marking, safety programs, geometric design development and review, and traffic engineering data collection and support services.</p> <p>Also provides bridge operations services, including bridge program management, bridge inspection service, bridge scoping, and maintaining Bridge Management System.</p> <p><u>Environmental Clearance Section:</u> Performs environmental investigation and remediation.</p> <p><u>Real Estate Division:</u> Manages right-of-way appraisal, acquisition, relocation, clearance, and property management functions.</p> <p><u>Utilities and Permits Section:</u> Coordinates construction project utility relocation; controls use of right-of-way through permit process.</p> <p><u>Local Agency Programs Unit:</u> Fiscal, programmatic, and administrative agent for federally funded local road projects.</p> <p><u>Attorney General - Transportation Division:</u> Legal counsel to MDOT for construction contract issues, right-of-way condemnation, and environmental law; represents MDOT in tort litigation and actions to obtain reimbursement from motorists for damages to highway features.</p>
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(Program services – 737.7 FTE positions)

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Performance Excellence Section: Oversees and directs employee training and development programs, total quality and reengineering efforts.

Funding Source(s): Restricted 59,563,000

Related Boilerplate Section(s): 262, 357,601,612

Intelligent transportation systems operations – 12.0 FTE positions 10,712,900

Salaries, benefits, and other operating costs related to MDOT Intelligent Transportation Systems operations, including Southeast Michigan Traffic Operations Center (SEMTOC) in metro Detroit, and the West Michigan Traffic Operations Center in Grand Rapids.

Funding Source(s): Federal 6,210,500
Restricted 4,502,400

Related Boilerplate Section(s): None

Welcome center operations – 50.0 FTE positions 4,403,900

Department operates 14 Welcome Centers at locations across the state.

Funding Source(s): Restricted 4,403,900

Related Boilerplate Section(s): None

GROSS APPROPRIATION \$144,461,200 Total of all applicable line item appropriations.

DOT-FHWA highway research, planning, and construction 23,529,800

Federal funds support research, materials and technology, quality control and assurance testing. Also used in MITS and Safe Routes to Schools programs.

Michigan transportation fund (MTF) 8,216,800

Primary collection/distribution fund for transportation revenue from motor fuel and vehicle registration taxes. Supports engineering oversight, technical assistance, and coordination related to state and federal funds provided to counties, cities, and villages.

State trunkline fund (STF) 112,714,600

State restricted fund dedicated for state trunkline programs.

**GENERAL FUND/
GENERAL PURPOSE**

\$0 The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.

SECTION 110: HIGHWAY MAINTENANCE

This appropriation unit supports road and bridge maintenance activities on state trunklines in all 83 Michigan counties.

Full-time equated classified positions	808.7	Full-time equated (FTE) positions in the state classified service.
State trunkline operations – 808.7 FTE positions	\$275,689,500	Labor, material, equipment, and other operational costs of state trunkline maintenance activities performed by direct MDOT maintenance crews, as well as reimbursement of those county road commissions and municipalities which perform trunkline maintenance under contract with MDOT. Work includes routine/reactive maintenance such as pavement maintenance, bridge maintenance, roadside mowing, guardrail repair, and winter snow removal. Funding Source(s): Restricted 275,689,500 <i>Related Boilerplate Section(s): 319, 610</i>
GROSS APPROPRIATION	\$275,689,500	Total of all applicable line item appropriations.
State trunkline fund (STF)	275,689,500	State restricted fund dedicated for state trunkline highway purposes.
GENERAL FUND/ GENERAL PURPOSE	\$0	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.

DOT-FHWA highway research, planning, and construction	982,535,000	Federal road construction grants from major MAP-21 program categories (Interstate Maintenance, National Highway System, Surface Transportation Program, etc.).
Local funds	30,000,000	City or village cost participation for opening, widening, or improving state trunkline highways as required by Act 51.
Blue water bridge fund	32,907,300	Subsidiary fund of STF used to account for debt service, capital projects, maintenance, and operating costs of Blue Water Bridge.
Local bridge fund	21,381,600	Fund established by 2004 PA 384 which amended Act 51. Dedicated for local bridge program; revenue derived from two earmarks: 1/2 cent of gasoline motor fuel excise tax plus \$5.0 million from the MTF.
Michigan transportation fund (MTF)	944,098,400	Primary collection/distribution fund for state transportation revenue from motor fuel and vehicle registration taxes; allocated by Act 51 to Local Program Fund, rail grade crossing account, Local Bridge Fund, county road commissions, and cities and villages.
State trunkline fund (STF)	63,194,200	State restricted fund dedicated for state trunkline highway purposes.
GENERAL FUND/ GENERAL PURPOSE	\$0	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.

SECTION 112: BLUE WATER BRIDGE

Full-time equated classified positions	41.0	Full-time equated (FTE) positions in the state classified service.
Blue Water Bridge operations – 41.0 FTE positions	\$6,289,800	Operating and maintenance costs for the twin-span Blue Water Bridge, which crosses the St. Clair River between Port Huron, Michigan and Sarnia, Ontario, Canada. Funding Source(s): Restricted 6,289,800 <i>Related Boilerplate Section(s): None</i>
GROSS APPROPRIATION	\$6,289,800	Total of all applicable line item appropriations.
Blue water bridge fund (BWBF)	6,289,800	Subsidiary fund of STF used to account for debt service, capital projects, maintenance, and operating costs of Blue Water Bridge.
GENERAL FUND/ GENERAL PURPOSE	\$0	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.

SECTION 113: TRANSPORTATION ECONOMIC DEVELOPMENT FUND

This fund was created by 1987 PA 231 (MCL 247.901) to assist funding highway, road, and street improvements in direct support of economic growth. Resources support five categories of improvements (A, C, D, E, F) related to either a specific type of economic activity or a specific type of transportation condition.

Forest roads	\$5,000,000	<p>Category E (Forest Roads) receives \$5.0 million statutory earmark to facilitate safe/efficient transport of forest raw materials. Grant recipients are limited to county road commissions in counties that include a national lake shore, a national park, or in which 34% or more of the land area is commercial forest.</p> <p style="text-align: right;">Funding Source(s): Restricted 5,000,000</p> <p><i>Related Boilerplate Section(s): 503</i></p>
<hr/>		
Rural county urban system	2,500,000	<p>Category F (Cities in Rural Counties) receives \$2.5 million statutory earmark for urban areas (cities and villages with populations greater than 5,000) in rural counties (with populations of 400,000 or less). Projects must be for improvements to federal-aid-eligible roads and streets. Funds are available through competitive grant to eligible county, city, or village road agencies.</p> <p style="text-align: right;">Funding Source(s): Restricted 2,500,000</p> <p><i>Related Boilerplate Section(s): 503</i></p>
<hr/>		
Target industries/economic redevelopment	8,029,000	<p>Category A (Target Industries) receives a \$3.5 million earmark of MTF revenue in Act 51, plus 50% of net TEDF balance after deducting administrative costs, debt service, and category E and F amounts.</p> <p>Category A is dedicated to capital road improvements related to economic development projects which create/retain permanent jobs in seven industries: agriculture and food processing, tourism, forestry, high technology research, mining, manufacturing, and office centers of not less than 50,000 square feet. Grants are competitively evaluated and may be awarded to any Act 51 eligible road agency (MDOT, county road commissions, cities, or villages).</p> <p>Program administered jointly by MDOT's Office of Economic Development and Enhancement and the Michigan Economic Development Corporation (MEDC).</p> <p style="text-align: right;">Funding Source(s): Restricted 8,029,000</p> <p><i>Related Boilerplate Section(s): 503</i></p>

Urban county congestion	8,264,600	Category C (Urban County Congestion Relief) receives 25% of net TEDF balance after deducting administrative costs, debt service, and category E and F amounts.
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Funds are available to counties with populations greater than 400,000 (Wayne, Oakland, Macomb, Genesee, and Kent), allocated among qualified counties by population-based formula, and may be used for road or transit projects related to urban congestion relief or advanced traffic management systems; applications are reviewed by urban task forces.

Section 10(3) of Act 51 allocates 15% of the state's Equity Bonus federal-aid funds (highway construction funds formerly called Minimum Guarantee) to Category C. These federal funds are appropriated in boilerplate Section 503(3). However, MAP-21 eliminated Equity Bonus as a program category. It is our understanding the department will allocate additional Surface Transportation Program funds to counties to offset the loss of these Equity Bonus funds.

Funding Source(s): Restricted 8,264,600

Related Boilerplate Section(s): 503

Rural county primary	8,264,600	Category D (Rural County Primary Roads) receives 25% of net TEDF balance after deducting administrative costs, debt service, and category E and F amounts.
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Funds are available to county, city, or village road agencies in counties with populations of 400,000 or less to enhance local primary road and major street systems that link communities to the state trunkline system; and are allocated to regional task forces based on proportion of rural primary road mileage included in each region. Rural task forces identify specific projects for funds in each region and submit project list to MDOT.

Section 10(3) of Act 51 allocates 16.5% of the state's Equity Bonus federal-aid funds (highway construction funds formerly called Minimum Guarantee) to Category D. These federal funds are appropriated in boilerplate Section 503(3). However, MAP-21 eliminated Equity Bonus as a program category. It is our understanding the department will allocate additional Surface Transportation Program funds to counties to offset the loss of these Equity Bonus funds.

Funding Source(s): Restricted 8,264,600

Related Boilerplate Section(s): 503

GROSS APPROPRIATION	\$32,058,200	Total of all applicable line item appropriations.
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Economic development fund	32,058,200	Established by 1987 PA 231 to help fund highway, road, and street projects that support economic growth; revenue primarily from Act 51 earmarks of MTF revenue.
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GENERAL FUND/ GENERAL PURPOSE	\$0	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.
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SECTION 114: AERONAUTICS SERVICES

The State Aeronautics Code (Public Act 327 of 1945) gives the Michigan Aeronautics Commission general authority over aeronautics in the state. The Office of Aeronautics provides overall administration and direction for state aviation programs. Program activities include promoting development of commercial passenger and freight services; supporting construction and improvement of airport facilities; and providing aeronautical services, educational efforts, and regulatory activities to ensure safe and efficient aviation within the state. Aeronautics' Airport Improvement Program is funded in the Capital Outlay section of this act.

Full-time equated classified positions	54.0	Full-time equated (FTE) positions in the state classified service.
Aeronautics services – 54.0 FTE positions	\$7,354,700	<p>The Office of Aeronautics is divided into three sections: Planning & Development; Programming; and Transport & Safety.</p> <p>Provides administrative services, fiscal coordination, and legislative liaison for aeronautics programs; administers all-weather airport access program; supports the Michigan Aeronautics Commission.</p> <p>Administers and provides project management for programming, planning, design, and construction of federal-aid and state-funded capital airport improvement projects. Airport Improvement Program projects are funded in the Capital Outlay section of this act.</p> <p>Provides aircraft, pilots, and maintenance services to support airport inspection, safety and education programs, and airport development programs, as well as provision of air transport services to state agencies and personnel.</p> <p style="text-align: right;">Funding Source(s): Restricted 7,354,700</p> <p style="text-align: right;"><i>Related Boilerplate Section(s): 383, 801,901</i></p>
Air service program	301,200	<p>Provides grant assistance to the state's 18 commercial air service airports with a focus on smaller air service airports not eligible for federal aid. Program has three grant categories: Air Carrier Recruitment and Retention, Capital Improvement and Equipment, and Airport Awareness.</p> <p style="text-align: right;">Funding Source(s): Restricted 301,200</p> <p style="text-align: right;"><i>Related Boilerplate Section(s): 801</i></p>
GROSS APPROPRIATION	\$7,655,900	Total of all applicable line item appropriations.
State aeronautics fund (SAF)	7,655,900	Restricted fund for aviation development, regulation, and promotion; revenue from aviation fuel taxes and licensing/registration fees.
GENERAL FUND/ GENERAL PURPOSE	\$0	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.

SECTION 115: PUBLIC TRANSPORTATION SERVICES

This appropriation unit provides administrative support for state public transportation programs. Grant programs are funded from other appropriations units.

Full-time equated classified positions	36.0	Full-time equated (FTE) positions in the state classified service.
Passenger transportation services – 36.0 FTE positions	\$5,662,800	Administers local public transit, marine passenger, and intercity service programs. Implements intercity bus and limousine safety regulations.
		Funding Source(s): Federal 972,100 Restricted 4,690,700
		<i>Related Boilerplate Section(s): None</i>
GROSS APPROPRIATION	\$5,662,800	Total of all applicable line item appropriations.
DOT, federal transit administration	972,100	Federal transit grant funding.
Comprehensive transportation fund (CTF)	4,651,800	State restricted fund dedicated for public transportation purposes.
Michigan transportation fund (MTF)	38,900	Primary collection/distribution fund for transportation revenue from motor fuel and vehicle registration taxes.
GENERAL FUND/ GENERAL PURPOSE	\$0	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.

SECTION 116: BUS TRANSIT DIVISION: STATUTORY OPERATING

This appropriation unit provides state and federal financial operating assistance to local bus transit systems within the state.

Local bus operating	\$166,624,000	<p>Statutory operating assistance to local transit systems for a portion of eligible operating expenses. Act 51 provides reimbursement of up to 50% of eligible operating expense to transit systems in urbanized areas (population greater than 100,000) and up to 60% of eligible operating expense to transit systems in areas with populations of less than 100,000.</p> <p style="text-align: right;">Funding Source(s): Restricted 166,624,000</p> <p style="text-align: right;"><i>Related Boilerplate Section(s): None</i></p>
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Discretionary state operating	5,400,000	<p>Intended to provide discretionary operating grants to certain urban transit agencies.</p> <p style="text-align: right;">Funding Source(s): Restricted 5,400,000</p> <p style="text-align: right;"><i>Related Boilerplate Section(s): None</i></p>
<hr/>		
Nonurban operating/capital	25,187,900	<p>Federal transit grant funding available to local transit systems in non-urbanized areas of state (under 50,000 in population). Funds can be used for operating or capital assistance; Michigan has used primarily for operating assistance.</p> <p style="text-align: right;">Funding Source(s): Federal 23,187,900 Local 2,000,000</p> <p style="text-align: right;"><i>Related Boilerplate Section(s): None</i></p>
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GROSS APPROPRIATION	\$197,211,900	Total of all applicable line item appropriations.
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DOT-federal transit administration	23,187,900	<p>Federal transit grants for operating and capital assistance to nonurban transit systems authorized by Section 5311 of Title 49 USC as amended by MAP-21.</p>
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Comprehensive transportation fund (CTF)	172,024,000	<p>State restricted fund for public transportation purposes.</p>
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Local funds	2,000,000	<p>Local funding match for certain federal grants.</p>
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GENERAL FUND/ GENERAL PURPOSE	\$0	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.

SECTION 117: INTERCITY PASSENGER AND FREIGHT

This appropriation unit provides state and federal funds for intercity bus service, rail passenger service, and rail freight development.

Full-time equated classified positions	39.0	Full-time equated (FTE) positions in the state classified service.
Office of rail – 39.0 FTE positions	\$6,293,700	<p>Administers rail passenger, rail freight, rail economic development, and local grade crossing programs, including project management functions. Provides fiscal coordination and contract administration for Office of Rail and Office of Passenger Transportation.</p> <p style="text-align: right;">Funding Source(s): Restricted 6,293,700</p> <p style="text-align: center;"><i>Related Boilerplate Section(s): None</i></p>
Freight property management	1,000,000	<p>Leases, taxes, insurance, maintenance and repair, and rail-banking activities for state-owned rail facilities (approximately 530 miles of track).</p> <p style="text-align: right;">Funding Source(s): Restricted 1,000,000</p> <p style="text-align: center;"><i>Related Boilerplate Section(s): None</i></p>
Detroit/Wayne county port authority	468,200	<p>Operating assistance to Detroit/Wayne County Port Authority.</p> <p style="text-align: right;">Funding Source(s): Restricted 468,200</p> <p style="text-align: center;"><i>Related Boilerplate Section(s): 706</i></p>
Intercity services	5,940,000	<p>The department contracts with an intercity carrier to provide intercity bus service to small urban and rural communities without other intercity public transportation services.</p> <p>Supports the intercity bus equipment program under which MDOT grants federal and state matching funds to intercity carriers for procurement of buses. Use of the buses is restricted to scheduled regular route services that originate in or are destined to points in Michigan, and which would otherwise be under-served by public transportation. Other projects which promote intermodal coordination may be considered.</p> <p style="text-align: right;">Funding Source(s): Federal 4,500,000 Local 50,000 Restricted 1,390,000</p> <p style="text-align: center;"><i>Related Boilerplate Section(s): 701</i></p>

Rail operations and infrastructure – PARTIAL VETO	26,092,000 24,592,000	The department contracts with Amtrak to provide rail passenger service on two routes, the <i>Blue Water</i> (Port Huron to Chicago) and the <i>Pere Marquette</i> (Grand Rapids to Chicago). State restricted CTF funds are used for these purchased services and to match federal funds for capital improvements on the two contract routes as well as on the Detroit/Chicago service corridor. This line item also supports capital improvements to preserve/improve state-owned rail infrastructure and for rail-freight economic development projects. The Governor vetoed a \$1.5 million boilerplate earmark (Sec. 736) for a rail grade crossing pilot project.
		Funding Source(s): Federal 3,100,000 Local 100,000 Private 100,000 Restricted 22,792,000 21,292,000
		<i>Related Boilerplate Section(s): 702, 711</i>
Rail passenger service/Wolverine	19,333,000	New line item recognizes CTF funding for <i>Wolverine</i> rail passenger service (Pontiac-Detroit-Chicago) – service previously provided without cost to the state as part of Amtrak national system; estimated funding breakdown: \$16.3 million for anticipated operating costs and \$3.0 million for related track maintenance.
		Funding Source(s): Restricted 19,333,000
		<i>Related Boilerplate Section(s): 711</i>
Marine passenger service	400,000	Capital assistance for marine passenger systems. Eligible systems currently include the Eastern Upper Peninsula Transportation Authority (St. Mary's River ferry service), and the Beaver Island Transportation Authority (ferry service between Beaver Island and Charlevoix).
		Funding Source(s): Restricted 400,000
		<i>Related Boilerplate Section(s): None</i>
Terminal development	461,000	Funds the purchase, construction, or rehabilitation of intermodal passenger facilities, related equipment, and facility management, serving communities throughout Michigan.
		Funding Source(s): Restricted 461,000
		<i>Related Boilerplate Section(s): 305</i>
GROSS APPROPRIATION	\$59,987,900 \$58,487,900	Total of all applicable line item appropriations.
DOT-federal transit administration	4,500,000	Section 5311 of Title 49 U.S.C. as amended by MAP-21 used in the Intercity Services line item. MDOT allocates these funds for intercity bus services, and for intermodal facilities shared by local transit authorities and intercity bus carriers.
DOT- federal railroad administration	3,100,000	Federal Railroad Administration funds for capital costs of facilities, infrastructure, and equipment necessary to provide or improve high speed and intercity passenger rail grade service.
Local funds	150,000	Local funding match for certain federal grants.
Private funds	100,000	Revenue from non-government entities.
Comprehensive transportation fund (CTF)	47,309,900 45,809,900	State restricted fund dedicated for public transportation purposes. Act 51 appropriates not less than 10% of appropriated CTF balance, after payment of debt service and administration, for intercity passenger and freight development.

Intercity bus equipment fund	140,000	Revenue from lease of buses to intercity carriers, sale of state-owned buses at retirement, and state-owned facility charges; used as a fund source in the Intercity Services line. <i>Related Boilerplate Section(s): 701</i>
Rail freight fund	2,000,000	Revenue primarily from the disposition/sale of state-owned rail property, and from contract payments/repayments; used as a fund source in the <i>Rail operations and infrastructure</i> line item. <i>Related Boilerplate Section(s): 702</i>
Michigan transportation fund (MTF)	1,987,900	Primary collection/distribution fund for transportation revenue from motor fuel and vehicle registration taxes, used in this appropriation unit to support statewide Railroad Safety, and Local Grade Crossing program.
State trunkline fund (STF)	700,100	State restricted fund dedicated for state trunkline highway purposes.
GENERAL FUND/ GENERAL PURPOSE	\$0	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.

SECTION 118: PUBLIC TRANSPORTATION DEVELOPMENT

This appropriation unit provides funds to enhance the effectiveness and availability of public transportation by supporting vehicle acquisitions, efficient local service delivery, and development of innovative public transportation programs and technologies.

Specialized services \$18,028,800 Act 51 requires a minimum appropriation of \$3,600,100 (CTF) for this line to support transit service primarily to the elderly and persons with disabilities. Federal spending authority represents a MAP-21 grant program, *Enhanced mobility for seniors and persons with disabilities*, authorized under Section 5310 of 49 U.S.C. Local funds in the budget represents local matching funds of the federal program.

Funding Source(s):	Federal	9,900,000
	Local	4,185,000
	Restricted	3,943,800

Related Boilerplate Section(s): None

Municipal credit program N/A Section 10I of Act 51 established the Municipal Credit program. As amended by Public Act 391 of 2012, Section 10I directs that \$2.0 million be returned from the distribution of local bus operating assistance made under Section 10e(4)(a) of Act 51 by each eligible authority organized or continued under the Regional Transit Authority Act (2012 PA 387) as a credit to those cities, villages, and townships within the authority. The section directs that the "return of money in terms of a credit" be based on population.

In addition to the \$2.0 million distribution under Section 10I, Section 10e(4)(c)(iv) of Act 51 directs that not less than \$2.0 million in CTF revenue be appropriated for the program each year. Historically, this Act 51 earmark had been included as a \$2.0 million line item appropriation; however, the appropriation was not included in the enacted FY 2013-14 budget. House Bill 4112, enacted as 2013 PA 102, subsequently restored this \$2.0 million (CTF) Act 51 earmark to the FY 2013-14 budget.

Related Boilerplate Section(s): None

Transit capital 32,145,300 Provides funds for capital equipment needs of local transit systems, specialized service providers, and commuter rail systems through a match of federal funds. Act 51 requires the CTF to provide 66.67% of non-federal match for federal capital grants, a minimum of \$8.0 million.

Funding Source(s):	Federal	5,000,000
	Local	1,250,000
	Restricted	25,895,300

Related Boilerplate Section(s): None

Van pooling 807,000 Funds continuation of MichVan vanpool services to qualified commuting groups in the state; used for vehicles and marketing.

Funding Source(s):	Restricted	807,000
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Related Boilerplate Section(s): None

Service initiatives	1,682,900	Provides funds for transit-related research, training, development, demonstration, planning, and coordination, and technical projects. Funding Source(s): Federal 1,150,000 Local 200,000 Restricted 332,900
<i>Related Boilerplate Section(s): None</i>		
Transportation to work	4,700,000	Supports transportation services which help remove transportation as a barrier to employment primarily for low-income individuals. State funds primarily used to match federal program funds appropriated in other line items – primarily <i>Nonurban operating/capital</i> . Funding Source(s): Restricted 4,700,000
<i>Related Boilerplate Section(s): None</i>		
GROSS APPROPRIATION	\$57,364,000	Total of all applicable line item appropriations.
DOT-federal transit administration	16,050,000	Federal transit grants authorized by Title 49 USC as amended by MAP-21.
Local funds	5,635,000	Local funding match for certain federal grants.
Comprehensive transportation fund (CTF)	35,679,000	State restricted funds dedicated for public transportation purposes.
GENERAL FUND/ GENERAL PURPOSE	\$0	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.

**SECTION 119(1): CAPITAL OUTLAY
BUILDINGS AND FACILITIES**

This appropriation unit provides funds for state building and facility projects.

Special maintenance, remodeling, and additions	\$3,001,500	For various department-owned transportation facilities. Funding Source(s): Restricted	3,001,500
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Related Boilerplate Section(s): 903

GROSS APPROPRIATION	\$3,001,500	Total of all applicable line item appropriations.
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State trunkline fund (STF)	3,001,500	State restricted fund dedicated for state trunkline highway purposes.
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GENERAL FUND/ GENERAL PURPOSE	\$0	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.
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**SECTION 119(2): CAPITAL OUTLAY
AIRPORT IMPROVEMENT PROGRAMS**

This appropriation unit authorizes the expenditure of federal Airport Improvement Program funds.

Airport safety, protection and improvement program	\$93,104,300	Supports the federal Airport Improvement Program grants to eligible airports in the state.
		Funding Source(s):
		Federal 78,578,000
		Local 12,392,100
		Restricted 2,134,200

Related Boilerplate Section(s): 901, 902, 903

GROSS APPROPRIATION	\$93,104,300	Total of all applicable line item appropriations.
DOT-federal aeronautics administration	78,578,000	Total federal grant or matchable revenue. Supports anticipated federal Airport Improvement Program grants.
Local funds	12,392,100	Estimated local match for airport improvement programs.
State aeronautics fund (SAF)	2,134,200	Restricted fund established in the State Aeronautics Code dedicated for aviation development, regulation, and promotion. SAF revenue derived from aviation fuel taxes and licensing/registration fees, as well as an earmark of Airport Parking Tax revenue. Provides part of the non-federal match for Airport Improvement Program grants.
GENERAL FUND/ GENERAL PURPOSE	\$0	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.

SECTION 120: ONE-TIME BASIS ONLY

This appropriation unit contains all FY 2013-14 appropriations which are intended by the Legislature to be one-time allocations that will not be reauthorized in future fiscal years.

Priority roads investment program	\$115,000,000	<p>The fund source for this appropriation is the <i>Roads and risks reserve fund</i>, established through boilerplate Section 211b of Article VIII of 2013 PA 59 (General Government).</p> <p style="text-align: right;">Funding Source(s): Restricted 115,000,000</p> <p style="text-align: right;"><i>Related Boilerplate Section(s): None</i></p>
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Federal aid match for state trunkline road and bridge construction	121,300,000	<p>Provides one-time state General Fund revenue to match federal-aid highway funds for the state trunkline federal aid construction program.</p> <p style="text-align: right;">Funding Source(s): GF/GP 121,300,000</p> <p style="text-align: right;"><i>Related Boilerplate Section(s): 1001</i></p>
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GROSS APPROPRIATION	\$236,300,000	Total of all applicable line item appropriations.
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Roads and risks reserve fund	115,000,000	<p>Restricted fund established in boilerplate Section 211b of Article VIII of 2013 PA 59 (General Government).</p>
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GENERAL FUND/ GENERAL PURPOSE	\$121,300,000	The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.
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BOILERPLATE SECTION INFORMATION

Sec. 201. Total State Spending and Payments to Local Units of Government

Identifies total state spending in Part 1 and state payments to local units of government.

Sec. 202. Management and Budget Act

References the Management and Budget Act (1984 PA 431).

Sec. 203. Abbreviations

Defines abbreviations used in the Act.

Sec. 206. Contingency Appropriations

Provides for contingency appropriations, subject to legislative transfer process in accordance with Section 393(2) of the Management and Budget Act: up to \$200.0 million federal, \$40.0 million state restricted, \$1.0 million local, and \$1.0 million private funds.

Sec. 207. Transparency Website

Directs department to cooperate with the Department of Technology, Management, and Budget to maintain a searchable website of expenditures made during the fiscal year, vendor payments, number of employees, and job specifications and wage rates.

Sec. 208. Internet Reports

Directs the department to use the internet to fulfill reporting requirements.

Sec. 209. Foreign Goods and Services

Prohibits use of foreign goods and services if comparatively priced and comparable quality American goods and services are available. Directs the department to give priority to Michigan goods and services, and to businesses owned by Michigan veterans.

Sec. 210. Deprived and Depressed Communities

Directs department director to take reasonable steps to insure that businesses in deprived and depressed communities compete for and perform contracts for services or supplies, or both; directs the department director to encourage department contractors to subcontract with certified businesses in deprived and depressed communities.

Sec. 212. Receive and Retain Reports

Provides guidelines regarding record retention.

Sec. 215. Employee Discipline

Prohibits departments and agencies from taking disciplinary action against an employee for communicating with legislator or legislative staff.

Sec. 228. General Fund Lapse Report

Requires report on estimated GF/GP lapses by November 30.

Sec. 229. Restricted Fund Balances

Requires report on restricted fund balances within 14 days of the release of the Executive budget recommendation.

Sec. 233. Report on Department Administration/Planning for Local Units of Government – NEW

Establishes new reporting requirement, due by April 1, 2014.

Sec. 235. Website Scorecard of Key Performance Measures

Requires that the department maintain a publicly accessible website scorecard of key metrics used to monitor and improve agency performance.

Sec. 260. Out-of-State Travel

Provides for out-of-state travel report, due by January 1 for prior fiscal year.

Sec. 262. Hire of Outside Legal Counsel

Prohibits MDOT from hiring a person to provide legal services that are the responsibility of the Attorney General; exempts bond counsel.

Sec. 263. Impact of New Legislation and Administrative Rules

Requires a report, by April 1, 2014, on specific policy changes adopted to implement new public acts. Prohibits MDOT from adopting administrative rules that have a disproportionate impact on small business.

BOILERPLATE SECTION INFORMATION

Sec. 270. Remanufactured Parts

Requires use of remanufactured parts for repair and maintenance of state motor vehicle fleet.

Sec. 301. Permit Fees/Bridge Tolls

Provides for permit and FOIA processing fees; provides process for raising bridge tolls.

Sec. 303. Legislative Report

Provides for report (on request) of funds received by city, village, and county road commission by legislative district.

Sec. 304. Confidentiality of Bid Documents

Provides for confidentiality of highway project bid documents.

Sec. 305. Lease of Space in Public Transportation Property

Subsection (1) requires lease of space in public transportation facilities at market rates; requires that revenue be used for property maintenance/improvements. Subsection (2) directs the department to charge transit agencies and intercity bus carriers the same rent when leasing similar space in state-owned intermodal facilities.

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

Sets guidelines for use of transportation funds (grants) by other state agencies; requires report. Provides for biennial audit of use of transportation funds by other state departments, due nine months after state CAFR issue.

Sec. 307. Rolling Five-Year Plan

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

Sec. 308. Contract Compliance

Provides for a report, by December 1, 2013, on department's prequalification process and unsatisfactory contractor performance rating.

Sec. 310. State Transportation Commission Minutes/Agenda

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. 311. Father Marquette National Memorial Museum – NEW

Directs the department to work with the MEDC to update a 1992 study, including identification of funding alternatives.

Sec. 313. State Infrastructure Bank

Provides guidelines for State Infrastructure Bank program; provides carryforward authority; provides for a report, by December 1, 2013, on State Infrastructure Bank loans, activity, and fund balance.

Sec. 319. Rest Area Maintenance

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

Sec. 353. Prompt Payment

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

Sec. 357. Local Federal Aid Project Review

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

Sec. 375. MDOT Open Houses and Groundbreaking Ceremonies

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. 381. E-Verify for Legal Status of Contractor/Subcontractor New Employees

Requires the department to require, as a condition of each contract for construction, maintenance, or engineering services, the use of the E-Verify system to verify legal status of contractor and subcontractor new hires. Requires report by March 1, 2014.

Sec. 382. Require Department to Settle Local Agency Cost Sharing Agreements – NEW

Requires the department to submit final bill to the local agency within two years of final payment to construction contractor. In a signing letter dated June 13, 2013, the Governor indicates that this boilerplate section "is considered enforceable to the extent that it does not alter or amend Act 51 of 1951 requiring local cost sharing."

BOILERPLATE SECTION INFORMATION

Sec. 383. Report on Use of State Airfleet

Requires annual report on use of MDOT-owned aircraft, due July 1; restricts use by legislative employees; requires recovery of department costs.

Sec. 384. Detroit River International Crossing (DRIC)

Restricts expenditures related to the project, currently referenced by the Executive as the *New International Trade Crossing* (NITC). Indicates "an expenditure for staff resources used in connection with project activities, which expenditure is subject to full and prompt reimbursement from Canada, shall not be considered an expenditure of state transportation resources."

Sec. 385. Detroit River International Crossing (DRIC) – Reporting Requirement

Requires a report on DRIC/NITC activity by December 1, 2013.

Sec. 395. Gateway Project Completion

Indicates legislative intent that the Gateway project be completed.

Sec. 401. Federal Aid Distribution Report

Requires MDOT to report to the Legislature on proposed distribution of federal funds.

Sec. 402. Sale of Local Federal Aid

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

Sec. 501. Motor Carrier Act

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

Sec. 503. TEDF/Local Bridge Fund Carryforward

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

Sec. 504. MTF Distribution

Requires use of MTF in accordance with Act 51 requirements.

Sec. 601. Road Construction Warranties

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

Sec. 603. Traffic Congestion

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

Sec. 604. State Trunkline Fund Carryforward

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

Sec. 610. Dead Deer

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

Sec. 612. Incentive/Disincentive Contracts

Requires MDOT to establish guidelines for use of incentive/disincentive contracts; requires report by January 1 of each year.

Sec. 660. Use of Alternative Materials

Encourages the department to examine the use of alternative road surface materials, including recycled materials. Includes language encouraging use of crumb rubber from tires.

Sec. 701. Intercity Bus and Facility Fund

Provides for separate accounting and carryforward authority for this fund.

Sec. 702. Rail Freight Fund

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

Requires that MDOT notify Legislature when railroad companies file for abandonment of lines.

BOILERPLATE SECTION INFORMATION

Sec. 706. Detroit/Wayne County Port Authority

Requires report due by February 15th.

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

Requires report, due May 1, 2014, on capital projects.

Sec. 735. Street Railway Appropriation

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

Sec. 736. Rail Grade Crossing Pilot Project – VETOED

The Governor vetoed this boilerplate earmark of \$1.5 million (CTF) for a pilot project on high-speed rail corridor.

Sec. 740. Review of CTF Fund Balances

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

Sec. 801. State Aeronautics Fund

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

Sec. 901. Aeronautics Capital Program

Allows MDOT to contract for airport improvement projects on behalf of local airport owners; establishes local match requirement.

Sec. 902. Aeronautics Capital Program Status Report

Requires report, due before end of fiscal year.

Sec. 903. Capital Outlay Carry Forward

Provides carryforward authority in accordance with the Management and Budget Act.

Sec. 1001. One-Time General Fund Appropriation

Indicates that the \$121.3 million GF/GP one-time basis only appropriation is appropriated to the state trunkline road and bridge construction program and is intended to ensure that the state is able to match all available federal-aid highway funds.

Sec. 1201. Intent to Provide FY 2013-14 Appropriations

Indicates legislative intent to make appropriations in FY 2014-15.



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AREAS OF RESPONSIBILITY

Table with 2 columns: Area of Responsibility and Assigned Staff. Rows include Agriculture and Rural Development, Attorney General, Auditor General, Bill Analysis, Capital Outlay, Casino Gaming, Civil Rights, Clean Michigan Initiative, Community Colleges, Community Health (Mental Health/Substance Abuse, Public Health/Aging/Medicaid-Backup, Medicaid/Children's Special Health Care Services), Corrections, Economic and Revenue Forecast, Education (Department), Environmental Quality, Executive Office, Fiscal Oversight, Audit, and Litigation, Higher Education, Human Services (Department), Insurance and Financial Services, Judiciary, Legislature, Licensing and Regulatory Affairs, Lottery, Michigan Strategic Fund, Military and Veterans Affairs, Natural Resources, Natural Resources Trust Fund, Retirement, Revenue Sharing/EVIP, School Aid, State (Department), State and Local Finance, State Police, Supplementals, Tax Analysis, Technology, Management, and Budget, Transfers, Transportation, and Treasury.



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