

**FY 2017-18: DEPARTMENT OF TRANSPORTATION**  
**Summary: Conference Report**  
**Article XVII, House Bill 4323 (H-1) CR-1**



**Analyst: William E. Hamilton**

	FY 2016-17 YTD as of 2/8/17	FY 2017-18 Executive	FY 2017-18 House	FY 2017-18 Senate	FY 2017-18 Conference	<i>Difference: Conference From FY 2016-17 YTD</i>	
						<i>Amount</i>	<i>%</i>
<b>IDG/IDT</b>	\$4,013,400	\$4,039,300	\$4,039,300	\$4,039,300	\$4,039,300	\$25,900	0.6
<b>Federal</b>	1,314,744,000	1,340,301,200	1,340,301,200	1,340,301,200	1,340,301,200	25,557,200	1.9
<b>Local</b>	50,418,500	50,532,000	50,532,000	50,532,000	50,532,000	113,500	0.2
<b>Private</b>	100,000	100,000	100,000	100,000	100,000	0	0.0
<b>Restricted</b>	2,736,727,700	2,952,470,500	2,952,470,500	2,952,470,500	2,952,470,500	215,742,800	7.9
<b>GF/GP</b>	9,750,000	0	0	0	0	(9,750,000)	(100.0)
<b>Gross</b>	<b>\$4,115,753,600</b>	<b>\$4,347,443,000</b>	<b>\$4,347,443,000</b>	<b>\$4,347,443,000</b>	<b>\$4,347,443,000</b>	<b>\$231,689,400</b>	<b>5.6</b>
<b>FTEs</b>	2,918.3	2,918.3	2,727.3	2,918.3	2,826.3	(92.0)	(3.2)

Notes: (1) FY 2016-17 year-to-date figures include mid-year budget adjustments through February 8, 2017. (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

**Overview**

The state 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. Most of the state-restricted revenue in this budget is constitutionally restricted – from motor fuel taxes and vehicle registration taxes – and is first credited to the Michigan Transportation Fund (MTF) and then distributed in accordance with Public Act 51 of 1951 (Act 51) to other state transportation funds and programs, including the State Trunkline Fund (STF), the Comprehensive Transportation Fund (CTF), and local road agencies. Revenue from aviation fuel and registration taxes and from an earmark of the Airport Parking Tax is credited to the State Aeronautics Fund (SAF) for aeronautics programs.

<b>Major Budget Changes From FY 2016-17 YTD Appropriations</b>		<b>FY 2016-17 Year-to-Date (as of 2/8/17)</b>	<b>FY 2017-18 Conference Change</b>	
<b>1. Debt Service</b>		<b>Gross</b>	<b>\$237,925,300</b>	<b>(\$8,985,900)</b>
<u>Executive</u> budget reduces debt service by \$9.0 million reflecting anticipated debt service schedules. The reduction in federal-aid supported debt service reflects the 2016 refunding of \$607.1 million in federal grant anticipation notes. [Total outstanding transportation-related debt at September 30, 2016, was \$1,578.1 million.] <u>House</u> and <u>Senate</u> concur with <u>Executive</u> . <u>Conference</u> concurs with <u>House</u> and <u>Senate</u> .		Federal	45,767,900	(7,984,600)
		Restricted	192,157,400	(1,001,300)
		GF/GP	\$0	\$0
<b>2. Asset Management Council</b>		<b>Gross</b>	<b>\$1,626,400</b>	<b>\$250,000</b>
<u>Executive</u> includes \$250,000 MTF increase for increased costs of data collection and education efforts. This line has not been increased since first established in 2002. <u>House</u> and <u>Senate</u> concur with <u>Executive</u> . <u>Conference</u> concurs with <u>House</u> and <u>Senate</u> .		Restricted	1,626,400	250,000
		GF/GP	\$0	\$0
<b>3. Information Technology</b>		<b>Gross</b>	<b>\$32,364,500</b>	<b>\$1,000,000</b>
<u>Executive</u> recommends \$1.0 million STF increase to reflect increasing IT costs and increased use of e-construction technology. <u>House</u> concurs with <u>Executive</u> . <u>Senate</u> shifts \$100 STF for one-time only project. <u>Conference</u> concurs with <u>Executive</u> / <u>House</u> .		Federal	520,500	0
		Restricted	31,844,000	1,000,000
		GF/GP	\$0	\$0

<b>Major Budget Changes From FY 2016-17 YTD Appropriations</b>	<b>FY 2016-17 Year-to-Date (as of 2/8/17)</b>	<b>FY 2017-18 Conference Change</b>
<b>4. MDOT FTE Reductions</b>		
<u>House</u> eliminates 191.0 authorized FTE positions and reduces related funding in various department operating lines, redirecting \$19.3 million STF to the State trunkline road and bridge construction program (Item #6, below) and \$735,000 SAF to the Airport Improvement Program, (Item #19 below). <u>Senate</u> does not include these FTE reductions or funding shifts.	FTE <b>Gross</b> Restricted GF/GP	NA <b>NA</b> NA NA
		(92.0) <b>(\$9,135,000)</b> (9,135,000) \$0
<u>Conference</u> reduces FTE authorization by 92.0 and shifts \$9.135 million to State trunkline road and bridge construction. <u>Conference</u> does not include any shift of SAF to the Airport Improvement Program.		
<b>5. State Trunkline Maintenance</b>		
<u>Executive</u> increases baseline funding by \$8.5 million STF targeted for improved drainage and flooding mitigation in Metropolitan Detroit. Also rolls up Welcome center operations, \$4.5 million STF and 50.0 FTEs positions, into this line from Design and engineering services. <u>House</u> and <u>Senate</u> concur with Executive. <u>Conference</u> concurs with <u>House</u> and <u>Senate</u> .	FTE <b>Gross</b> Restricted GF/GP	743.7 <b>\$303,948,000</b> 303,948,000 \$0
		50.0 <b>\$13,032,800</b> 13,032,800 \$0
<b>6. State Trunkline Road and Bridge Construction</b>		
<u>Executive</u> reflects \$68.9 million net increase in state trunkline road and bridge capital construction/preservation program; the anticipated increase in federal aid of \$25.7 million and \$62.5 million in available state restricted STF revenue would be partially offset by \$19.2 million reduction in Blue Water Bridge Fund revenue reflecting the end of one-time funding for Blue Water Bridge Plaza expansion project. <u>Senate</u> concurs with Executive.	<b>Gross</b> Federal Local Restricted GF/GP	<b>\$1,062,702,900</b> 757,714,800 30,000,000 274,988,100 \$0
		<b>\$78,053,900</b> 25,652,500 3,500 52,397,900 \$0
<u>House</u> is \$88.2 million more than current year, \$19.3 million STF higher than Executive reflecting the redirection of STF revenue from MDOT operating lines described in Item #4, above.		
<u>Conference</u> is \$78.1 million more than current year; \$9.1 million STF more than Executive as a result of the shift of STF associated with FTE reductions.		
<b>7. Local Federal Aid Road and Bridge Program</b>		
Act 51 mandates that a portion of the federal-aid highway funds made available to the state be suballocated to local road agencies. Federal funds for local road agency construction and preservation programs would increase by \$5.9 million reflecting anticipated available federal revenue. <u>Conference</u> concurs with Executive/House/Senate in recognizing Act 51 mandates and anticipated increase in federal aid.	<b>Gross</b> Restricted GF/GP	<b>\$272,511,000</b> 272,511,000 \$0
		<b>\$5,889,300</b> 5,889,300 \$0
<b>8. Local Agency Wetland Mitigation Fund Program</b>		
Act 51 earmarks \$2.0 million MTF for this program. [The current year funding of \$4.0 million is double the normal earmark amount because it effectively includes both FY 2015-16 and FY 2016-17 funding].	<b>Gross</b> Restricted GF/GP	<b>\$4,000,000</b> 4,000,000 \$0
		<b>(\$2,000,000)</b> (2,000,000) \$0
<u>Executive</u> includes \$2.0 million MTF per provisions of Act 51. <u>House</u> includes as a \$100 placeholder and redirects \$2.0 million MTF for distribution to local road agencies, (Item #10, below). <u>Senate</u> concurs with Executive. <u>Conference</u> concurs with <u>Executive</u> and <u>Senate</u> ; includes \$2.0 million MTF.		
<b>9. Local Bridge Program</b>		
<u>Executive</u> budget reflects Act 51 earmarks of MTF revenue to this program, including the dedication of one-half cent of the motor fuel tax on gasoline. <u>House</u> and <u>Senate</u> concur with Executive. <u>Conference</u> concurs with <u>House</u> and <u>Senate</u> .	<b>Gross</b> Restricted GF/GP	<b>\$27,468,600</b> 27,468,600 \$0
		<b>\$814,300</b> 814,300 \$0

	<b>FY 2016-17 Year-to-Date (as of 2/8/17)</b>	<b>FY 2017-18 Conference Change</b>
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**Major Budget Changes From FY 2016-17 YTD Appropriations**

**10. MTF to Local Road Agencies**

Executive recognizes a total of \$1,372.1 million as the MTF distribution to local road agencies, an increase of \$138.5 million. County road commissions would receive \$880.9 million, an increase of \$88.9 million; cities/villages would receive \$491.2 million, an increase of \$49.6 million. These distributions reflect estimated MTF revenue and Act 51 statutory distribution formulas.

	<b>Gross</b>	<b>\$1,233,570,100</b>	<b>\$138,530,600</b>
	Restricted	1,233,570,100	138,530,600
	GF/GP	\$0	\$0

House includes an additional \$12.0 million MTF as compared to the Executive, reflecting the \$10.0 million shift of TEDF Category A funds (Item #11 below) and \$2.0 million shift from the Local Agency Wetland Mitigation Fund (Item #8, above). Senate concurred with Executive.

Conference concurs with Executive/Senate.

**11. Transportation Economic Development Fund (TEDF)**

The current year budget reflected the redirection of \$19.8 million in TEDF revenue – \$10.4 million to the STF and \$9.4 million to the state General Fund. Executive budget proposal is \$17.6 million more than the current year reflecting the end of these TEDF revenue shifts, as well as a reduction in estimated TEDF interest revenue.

	<b>Gross</b>	<b>\$24,447,500</b>	<b>\$17,671,600</b>
	Restricted	24,447,500	17,671,600
	GF/GP	\$0	\$0

House redirects \$10.0 million from TEDF, Category A, to the MTF distribution to county road commission and cities and villages, (Item #10 above).

Senate concurs with Executive.

Conference concurs with Executive/Senate.

**12. Local Bus Transit**

Executive recognizes anticipated increase in federal transit grant to non-urban transit agencies. House redirects \$3.5 million CTF to local bus operating from Rail operations and infrastructure. Senate includes additional \$1.0 million CTF from Rail operations and infrastructure. (Item #15, below). Conference includes an additional \$2.0 million CTF as compared to the Executive through redirection from Rail operations and infrastructure.

	<b>Gross</b>	<b>\$212,277,900</b>	<b>\$4,000,000</b>
	Federal	24,027,900	2,000,000
	Local	2,000,000	0
	Restricted	186,250,000	2,000,000
	GF/GP	\$0	\$0

**13. Intercity Services**

Executive increases baseline support by \$1.6 million CTF and recognizes anticipated increase in local matching funds.

House and Senate concur with Executive.

Conference concurs with Executive/House.

	<b>Gross</b>	<b>\$6,250,000</b>	<b>\$1,610,000</b>
	Federal	4,500,000	0
	Local	50,000	110,000
	Restricted	1,700,000	1,500,000
	GF/GP	\$0	\$0

**14. Detroit Wayne County Port Authority**

Executive recommends same funding as current year. Senate concurs with Executive. House includes as \$100 placeholder, redirects \$468,100 CTF to Rail operations and infrastructure, below.

	<b>Gross</b>	<b>\$468,200</b>	<b>(\$268,200)</b>
	Restricted	468,200	(268,200)
	GF/GP	\$0	\$0

Conference includes \$200,000; redirects \$268,200 to Rail freight economic development.

**15. Rail Operations and Infrastructure/Rail Freight Economic Dev.**

Current year line item includes operating support for three Amtrak service routes in Michigan, capital assistance for the Detroit-Chicago high speed rail corridor, and a rail economic development program. Executive recommends \$7.5 million CTF increase identified as for capital improvements along the high-speed rail corridor. Senate provides \$6.5 million CTF increase, shifts \$1.0 million CTF to Local bus operating.

	<b>Gross</b>	<b>\$118,894,800</b>	<b>\$5,864,700</b>
	Federal	60,100,000	0
	Local	100,000	0
	Private	100,000	0
	Restricted	58,594,800	5,864,700
	GF/GP	\$0	\$0

House redirects \$3.5 million CTF to local bus operating; includes \$468,100 CTF from redirection of Detroit/Wayne County Port Authority; unrolls \$8.5 million into new Rail freight economic development line item.

Conference provides \$5.9 million CTF increase; \$2.0 million less than Executive with the \$2.0 million redirected to Local bus operating. Conference also unrolls \$8.8 million into a new Rail freight economic development line item, supported with \$6.0 million from the Rail Freight Fund and \$2.8 million CTF.

<b>Major Budget Changes From FY 2016-17 YTD Appropriations</b>		<b>FY 2016-17 Year-to-Date (as of 2/8/17)</b>	<b>FY 2017-18 Conference Change</b>
<b>16. Transit Capital</b>	<b>Gross</b>	<b>\$53,907,100</b>	<b>\$5,496,400</b>
<u>Executive</u> recommends increase in CTF support of \$5.5 million to match available federal transit grants to local transit agencies. <u>House</u> and <u>Senate</u> concur with <u>Executive</u> .	Federal	15,300,000	0
<u>Conference</u> concurs with <u>House</u> and <u>Senate</u> .	Local	1,250,000	0
	Restricted	37,357,100	5,496,400
	GF/GP	\$0	\$0
<b>17. Service Initiatives</b>	<b>Gross</b>	<b>\$2,889,200</b>	<b>\$500,000</b>
<u>Executive</u> increases CTF support by \$500,000 million to match available federal transit grants for programs targeted for seniors.	Federal	1,650,000	0
<u>House</u> and <u>Senate</u> concur with <u>Executive</u> .	Local	325,000	0
<u>Conference</u> concurs with <u>House</u> and <u>Senate</u> .	Restricted	914,200	500,000
	GF/GP	\$0	\$0
<b>18. Capital Outlay – State Facilities/Salt Buildings</b>	<b>Gross</b>	<b>\$3,001,500</b>	<b>\$2,500,000</b>
<u>Executive</u> recommends \$2.5 million STF increase for salt buildings and containment systems at counties that perform state trunkline maintenance work for MDOT under contract. <u>House</u> and <u>Senate</u> concur with <u>Executive</u> .	Restricted	3,001,500	2,500,000
<u>Conference</u> concurs with <u>House</u> and <u>Senate</u> .	GF/GP	\$0	\$0
<b>19. Airport Improvement Program</b>	<b>Gross</b>	<b>\$97,824,000</b>	<b>(\$3,881,000)</b>
<u>Executive</u> budget is \$3.9 million SAF less than current year, reflecting revenue estimates. Revenue from the redirection of aviation-related sales tax made in the 2015 aviation funding package (Public Acts 258 through 262 of 2015) has been less than originally estimated. <u>Senate</u> concurs with <u>Executive</u> .	Federal	79,000,000	0
	Local	12,508,500	0
	Restricted	6,315,500	(3,881,000)
	GF/GP	\$0	\$0
<u>House</u> includes an additional \$735,000 SAF by redirecting funding from Aeronautics services (Item #4, above).			
<u>Conference</u> concurs with <u>Senate/Executive</u> .			
<b>20. Detroit Metropolitan Wayne County Airport</b>	<b>Gross</b>	<b>\$8,775,000</b>	<b>(\$2,275,000)</b>
<u>Executive</u> includes \$6.5 million for the Detroit Metro Airport, a reduction of \$2.3 million from the current year. This is an earmark established through an amendment to the State Aeronautics Code made in the 2015 aviation funding package (Public Acts 258 through 262 of 2015). The reduction reflects revenue estimates. <u>House</u> and <u>Senate</u> concur with <u>Executive</u> .	Restricted	8,775,000	(2,275,000)
<u>Conference</u> concurs with <u>House</u> and <u>Senate</u> .	GF/GP	\$0	\$0
<b>21. End of One-Time GF/GP Special Projects/Grants</b>	<b>Gross</b>	<b>\$9,750,000</b>	<b>(\$9,750,000)</b>
Current year budget includes \$8.5 million in one-time earmarks for projects in Berrien, Lenawee, and Macomb counties and \$1.2 million for erosion control grants to local road agencies. <u>Executive</u> budget reflects the end of these one-time appropriations. <u>House</u> and <u>Senate</u> concur with <u>Executive</u> .	GF/GP	\$9,750,000	(\$9,750,000)
<u>Conference</u> concurs with <u>House</u> and <u>Senate</u> .			
<b>22. One-time Gogebic County Repair Project</b>	<b>Gross</b>	<b>NA</b>	<b>\$0</b>
<u>Senate</u> includes \$100 STF placeholder for one-time project. <u>House</u> did not include. <u>Conference</u> does not include.	Restricted	NA	0
	GF/GP	NA	\$0
<b>23. Technical and Revenue Adjustments</b>	<b>Gross</b>	<b>NA</b>	<b>(\$1,092,400)</b>
<u>Executive</u> budget reflects other technical and revenue adjustments to appropriated state restricted revenue. <u>House</u> and <u>Senate</u> concur with <u>Executive</u> . <u>Conference</u> concurs with <u>House</u> and <u>Senate</u> .	Restricted	NA	(1,092,400)
	GF/GP	NA	\$0
<b>24. Economic Adjustments</b>	<b>Gross</b>	<b>NA</b>	<b>\$3,255,900</b>
<u>Executive</u> budget reflects increased costs of \$3.3 million Gross (\$0.0 GF/GP) for negotiated salary and wage increases (3.0% ongoing after removing the FY 2016-17 one-time 1.5% lump sum), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments. <u>House</u> and <u>Senate</u> concur with <u>Executive</u> .	IDG	NA	25,900
<u>Conference</u> concurs with <u>House</u> and <u>Senate</u> .	Federal	NA	603,100
	Local	NA	3,500
	Restricted	NA	2,623,400
	GF/GP	NA	\$0

## **Major Boilerplate Changes From FY 2016-17**

### **Sec. 215. Communication with the Legislature – RETAINED**

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

### **Sec. 217. Report on Proposed Federal Rule Changes – RETAINED**

Requires the department to notify the Legislature on proposed federal rule changes that would impact state law. Executive deletes. Conference retains.

### **Sec. 270. Remanufactured Parts – RETAINED**

Requires use of remanufactured parts for repair and maintenance of state motor vehicle fleet. Executive deletes. Conference retains.

### **Sec. 302. Pilot Concrete Pavement Test – NOT INCLUDED**

Senate includes new language to require the department to conduct a pilot program to test specific concrete pavement design. Not included in Conference report.

### **Sec. 305. Rental of Public Transportation Properties – RETAINED**

Authorizes department to rent space to public or private tenants at market rates; requires the department charge transit agencies and intercity bus tenants equal rates; requires the department to use rental revenue to maintain and improve the property. Executive deletes. Conference retains.

### **Sec. 313(3). State Infrastructure Bank Report – RETAINED**

Section 313 provides guidance to department regarding the State Infrastructure Bank. Executive retains guidance language but deletes subsection that requires report. Conference retains reporting requirement.

### **Sec. 319. Rest Areas Maintenance Signage – RETAINED**

Require the department to identify agency or contractor responsible for rest area maintenance; post phone number to report unsafe or unclean conditions. Executive deletes. Conference retains.

### **Sec. 353. Prompt Payment – RETAINED**

Directs department to review contractor payment process; references Special Provision 109.10. Executive deletes. Conference retains.

### **Sec. 357. Local Federal Aid Project Review – RETAINED**

Directs MDOT to complete local federal aid project reviews within 120 days. Executive deletes. Conference retains.

### **Sec. 375. MDOT Open Houses and Groundbreaking Ceremonies – RETAINED**

Prohibits department from reimbursing contractors or consultants for groundbreaking ceremonies, receptions, open houses, or press conferences related to transportation projects funded from appropriations. Executive deletes. House and Senate retain.

### **Sec. 376. Prohibition on Studies of Highway Signs and Motorist Behavior – RETAINED**

Prohibits the department from studying the association between highway signs and motorist behavior. Executive deletes. Conference retains.

### **Sec. 381. E-Verify for Legal Status of Contractor/Subcontractor New Employees – RETAINED**

Requires department to use the E-Verify system to verify legal status of contractor and subcontractor new hires. Executive deletes. Conference retains.

### **Sec. 382. Finalize Local Agency Cost Sharing Agreements – RETAINED**

Requires department to submit final bill to the local agency within two years of final payment to construction contractor. Executive deletes. Conference retains.

### **Sec. 383(5). Report on Use of State Airfleet – DELETED**

Subsection states legislative intent that department work with Michigan State Police on employing fixed winged aircraft. Executive deletes subsection. House and Senate concur with Executive and delete subsection. Conference deletes subsection.

### **Sec. 386. Toll Credits – NOT INCLUDED**

House includes new section directing the department to use all available toll credits, sets priority order for use of toll credits. Senate includes alternative section directing the use of available toll credits. Conference not included.

### **Sec. 393. Best Practices for Public Transportation – RETAINED**

Requires MDOT to promote best practices in public transportation, including transit vehicle rehabilitation to reduce life-cycle cost. Executive deletes. Conference retains.

## **Major Boilerplate Changes From FY 2016-17**

### **Sec. 394. Priority of Preservation – RETAINED**

Directs department and local road agencies to make preservation of the existing infrastructure a funding priority. Executive deletes. Conference retains.

### **Sec. 395. Contingent Use of Capital Trunkline Funds for Maintenance – RETAINED**

Allows the use of up to \$10.0 million from the capital road and bridge construction line for highway maintenance activities to support safety-related, high-priority, and other deferred maintenance needs on the state trunkline system. Executive and House retain. Senate revises to earmark \$3.1 million STF for small village resurfacing grant program. Conference concurs with House/Executive.

### **Sec. 396. Assurance that Contractors Have Ability to Perform Work – RETAINED**

Requires department to obtain assurance that contractors, other than construction contractors, have ability to complete work. Executive and House delete. Senate retains. Conference retains.

### **Sec. 397. Report on Work Project Balances/Federal Earmarks – NEW**

Senate includes new reporting requirement. Not included in House bill. Conference concurs with Senate.

### **Sec. 398. Towards Zero Deaths – NEW**

Senate includes new section directing the department to continue to work to eliminate road fatalities and serious injuries; direct department to prioritize use of median cable guardrail. Not included in House bill. Conference concurs with Senate.

### **Sec. 403. Priority of Federal Transit Grants – NEW**

Senate includes new section establishing priority for federal Section 5310 transit grants. Not included in House bill. Conference includes modified Senate language.

### **Sec. 505. Road Innovation Fund Report – DELETED**

Required the department to prepare a report on the amount of MTF revenue withheld if the Roads Innovation Fund created as part of the November, 2015 Road Funding Plan had not been released on or before October 1, 2016. Road Innovation Fund funds were released in 2016. Conference deletes.

### **Sec. 601. Road Construction Warranties – RETAINED**

Directs the department to work with the road construction and engineering consulting community on warranty program; identifies warranty considerations; and provides reporting requirements. Executive deletes. House retains subsection 5 only which requires department to maintain documentation; review and evaluate consultant evaluation requirements. Senate retains entire current section. Conference concurs with House and includes current subsection 5 only.

### **Sec. 605. Flood Mitigation – NEW**

Executive includes new section that establishes performance measures related to additional maintenance funding provided for flood mitigation. Conference concurs.

### **Sec. 606. Earmark for Project on I-94/between M60 and Sargent Road in Jackson County – NEW**

Senate includes \$5.0 million project earmark. Not included in House bill. Conference includes modified Senate language.

### **Sec. 610. Dead Deer – RETAINED**

Section that indicates legislative intent with regard to cleanup of dead deer and other large animal remains. Executive and House delete. Senate retains.

### **Sec. 612. Incentive/Disincentive – RETAINED**

Requires department to establish guidelines for use of incentive/disincentive contracts; reporting requirement. Executive deletes. House and Senate retain. Conference retains.

### **Sec. 613. Report on Engineering Costs – NEW**

House includes new reporting requirement on engineering costs including breakout of department and consultant costs, engineering as a percentage of construction costs. Not included in Senate bill. Conference concurs with House.

### **Sec. 660. Use of Alternative Materials – RETAINED**

Encourages the department to examine the use of alternative road surface materials; use of crumb rubber from tires. Executive deletes. House retains. Senate concurs with Executive and deletes. Conference concurs with House and retains.

## **Major Boilerplate Changes From FY 2016-17**

### ***Sec. 670. Rehabilitation of Winter Maintenance Trucks – NEW***

Senate includes new section which directs the department to investigate costs of refurbishing winter maintenance trucks. Not included in House bill.

Conference concurs with Senate.

### ***Sec. 703. Rail Abandonment Notice – RETAINED***

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

Executive deletes. House and Senate retain. Conference retains.

### ***Sec. 704. Rail Operations and Infrastructure Report – REVISED***

Requires report on anticipated expenditures from the rail operations and infrastructure line item.

Executive changes "expenditures" to "obligations". House and Senate concur with Executive.

Conference concurs.

### ***Sec. 705. City of Woodhaven Grade Separation – DELETED***

Indicates legislative intent that department assist the city of Woodhaven in established rail/street grade separation.

Executive deletes. House and Senate concur with Executive and delete.

Conference deletes.

### ***Sec. 711. Rail Passenger Service (Amtrak) – REVISED***

Provides for reporting requirement.

Executive retains. Senate concurs with Executive.

House includes additional report element – fare revenue and fare revenue as a percentage of operating cost.

Conference concurs with House.

### ***Sec. 712. Rail Economic Development – NEW***

House includes guidance language regarding new rail freight economic development line item.

Not included in Senate bill. Conference concurs with Senate.

### ***Sec. 750. Rail Economic Development – NEW***

Senate directs department to spend not less than \$2.5 million from Rail operations and infrastructure appropriation for rail freight economic development. Not included in House bill.

Conference directs the department to expend at least \$2.5 million CTF from the new Rail freight economic development line item.

### ***Sec. 802. MDOT-Owned Airports – RETAINED***

Section encourages department to find private entities or local public agencies to assume ownership of state owned airports.

Executive deletes. Senate concurs with Executive and deletes. House retains.

Conference concurs with House and retains.

### ***Sec. 803. MDOT-Owned Airplanes – REVISED***

Section requires the department to request proposals for management of the state airfleet.

Executive deletes. House revises to require the sale of two state-owned planes.

Senate retains current year language.

Conference modifies, requires sale of one airplane.

### ***Sec. 1001. One-time Special Projects – DELETED***

Executive deletes one-time earmarks for projects in Berrien, Lenawee, and Macomb counties.

House and Senate concur with Executive and delete.