

**FY 2024-25: DEPARTMENT OF TRANSPORTATION**  
**Summary: As Passed by the Senate**  
**Senate Bill 761 (S-1)**



**Analyst: William E. Hamilton**

	FY 2023-24 Enacted as of 2/7/24	FY 2024-25 Executive	FY 2024-25 House	FY 2024-25 Senate	FY 2024-25 Conference	Difference: Senate From FY 2023-24 Enacted	
						Amount	%
<b>IDG/IDT</b>	\$4,353,000	\$4,316,700	\$4,316,700	\$4,316,700	\$	(\$36,300)	(0.8)
<b>Federal</b>	2,149,121,400	2,253,675,100	2,253,675,100	2,253,675,100		104,553,700	4.9
<b>Local</b>	85,773,500	87,448,500	87,448,500	87,448,500		1,675,000	2.0
<b>Private</b>	16,800,000	18,800,000	18,800,000	18,800,000		2,000,000	11.9
<b>Restricted</b>	4,082,402,000	4,232,048,900	4,327,048,900	4,230,660,000		148,258,000	3.6
<b>GF/GP</b>	288,100,000	185,000,000	170,000,000	215,000,100		(73,099,900)	(25.4)
<b>Gross</b>	<b>\$6,626,549,900</b>	<b>\$6,781,289,200</b>	<b>\$6,861,289,200</b>	<b>\$6,809,900,400</b>	<b>\$</b>	<b>\$234,739,300</b>	<b>3.5</b>
<b>FTEs</b>	3,224.3	3,228.3	3,228.3	3,028.3		(196.0)	(6.1)

Note: Appropriation figures for FY 2024-25 include all proposed appropriation amounts, including amounts designated as "one-time." FY 2023-24 "Enacted" figures do not include \$3.9 million GF/GP supplemental appropriation for Critical Infrastructure Projects made in HB 4292, signed by the Governor December 18, 2023, but not effective until February 14, 2024.

**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). Historically, two-thirds of the revenue in this budget has come from state restricted revenue, with approximately one-third from federal sources. State-restricted revenue in this budget includes revenue from motor fuel taxes, vehicle registration taxes, and from a \$600.0 million earmark of Income Tax Act revenue. Approximately \$3.7 billion in state restricted revenue is first credited to the Michigan Transportation Fund (MTF) and then distributed in accordance with 1951 PA 51 ("Act 51") to other state transportation funds and programs, including the State Trunkline Fund (STF), the Comprehensive Transportation Fund (CTF), and local road agencies (county road commissions and cities/villages). Revenue from aviation fuel and registration taxes, as well as a portion of Airport Parking Tax revenue, is credited to the State Aeronautics Fund for aeronautics programs. Federal funds for transportation programs are authorized under the federal Infrastructure Investment and Jobs Act (IIJA).

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Senate Change
<b>Major Budget Changes from FY 2023-24 Enacted Appropriations</b>			
<b>1. Debt Service</b>	<b>Gross</b>	<b>\$343,740,100</b>	<b>(\$3,036,400)</b>
Executive includes \$340.7 million for debt service, \$3.0 million less than current year. Debt service is primarily based on debt service schedules for previously issued and outstanding bonds, including STF Rebuilding Michigan bonds issued in 2020, 2021, and 2023. Debt service also includes estimated debt service on remaining Rebuilding Michigan bonds the department anticipates issuing in late 2024. House concurs with Executive. Senate concurs with Executive.	Restricted	343,740,100	(3,036,400)
	GF/GP	\$0	\$0
<b>2. Transportation Asset Management Council</b>	<b>Gross</b>	<b>\$1,876,400</b>	<b>\$423,600</b>
Executive increases baseline support by \$423,600 MTF for increased data collection and information technology costs. House concurs with Executive. Senate concurs with Executive.	Restricted	1,876,400	423,600
	GF/GP	\$0	\$0
<b>3. Finance, Contracts, Support Services – MICARS Support</b>	<b>Gross</b>	<b>\$27,123,200</b>	<b>\$156,200</b>
Executive includes \$270,000 STF increase for MICARS cash receipt/accounts receivable system; reduces IDG support by \$113,800 to better reflect service costs; net adjustment totals \$156,200 Gross. House concurs with Executive. Senate concurs with Executive.	IDG	4,353,000	(113,800)
	Restricted	22,770,200	270,000
	GF/GP	\$0	\$0

	FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Senate Change
<b>Major Budget Changes from FY 2023-24 Enacted Appropriations</b>		
<b>4. Transportation Planning Services</b>	FTE 145.0	0.0
<u>Executive</u> recognizes \$2.0 million increase in federal Statewide Planning and Research (SPR) funds. <u>House</u> concurs with Executive. <u>Senate</u> concurs with Executive.	<b>Gross \$42,843,800</b>	<b>\$2,000,000</b>
	Federal 24,000,000	2,000,000
	Restricted 18,843,800	0
	GF/GP \$0	\$0
<b>5. Design and Engineering Services</b>	FTE 1,706.3	(200.0)
<u>Executive</u> does not make any changes other than economics and internal position transfers. <u>House</u> concurs with Executive. <u>Senate</u> reduces staffing authorization by 200.0 FTEs (exclusive of internal transfers) and STF support by \$20.0 million. The Senate shifts the \$20.0 million STF to the one-time Federal aid match line item. See corresponding action in Item #27a, below.	<b>Gross \$258,071,200</b>	<b>(\$20,000,000)</b>
	Federal 13,529,800	0
	Restricted 244,541,400	(20,000,000)
	GF/GP \$0	\$0
<b>6. State Trunkline Maintenance</b>	FTE 909.7	0.0
<u>Executive</u> increases baseline STF support by \$17.9 million: \$12.8 million is related to increased cost of maintenance materials; \$5.1 million is for contract services, including contract state trunkline maintenance performed by county road agencies. <u>House</u> concurs with Executive. <u>Senate</u> concurs with Executive.	<b>Gross \$466,088,700</b>	<b>\$17,878,700</b>
	Restricted 466,088,700	17,878,700
	GF/GP \$0	\$0
<b>7. State Trunkline Road and Bridge Capital Program</b>	<b>Gross \$1,494,482,900</b>	<b>\$123,409,800</b>
<u>Executive</u> includes \$123.4 million increase for the capital State Trunkline Road and Bridge Construction line item. This reflects a \$76.5 million increase in estimated federal funds made available under IIJA, and a net increase in state restricted funds of \$46.9 million: available STF revenue increases by \$48.5 million while Blue Water Bridge Fund (BWBF) support would decline by \$1.6 million. <u>House</u> concurs with Executive. <u>Senate</u> concurs with Executive.	Federal 1,195,230,900	76,542,800
	Local 30,003,500	0
	Private 10,000,000	0
	Restricted 259,248,500	46,867,000
	GF/GP \$0	\$0
<b>8. MTF to Local Road Agencies</b>	<b>Gross \$1,949,687,800</b>	<b>\$100,991,500</b>
<u>Executive</u> includes \$2.051 billion in estimated MTF distribution to local road agencies (county road commissions, and cities and villages), \$101.0 million more than the current year. This reflects the Act 51 distribution of estimated MTF revenue from motor fuel and vehicle registration taxes as well as local road agency share of \$600.0 million earmarked for road and bridge programs in the Income Tax Act, and the local agency share of an earmark of the excise tax on recreational marijuana. The actual distribution will be based on actual MTF revenue collections. <u>House</u> concurs with Executive. <u>Senate</u> concurs with Executive.	Restricted 1,949,687,800	100,991,500
	GF/GP \$0	\$0
Increases in estimated MTF revenue reflect anticipated increases in motor fuel tax revenue due to the indexing of the motor fuel tax rate, increases in estimated vehicle registration taxes, and increases in revenue from the earmark revenue from the excise tax on recreational marijuana.		
<b>9. Local Bridge Fund/Program</b>	<b>Gross \$27,398,500</b>	<b>(\$483,800)</b>
<u>Executive</u> decrease of \$483,800 MTF reflects lower per-penny yield of the motor fuel tax on gasoline. The Local Bridge Fund/Program receives two statutory earmarks of MTF revenue: a fixed amount of \$5.0 million, and revenue equal to one-half cent of motor fuel tax revenue. <u>House</u> concurs with Executive. <u>Senate</u> concurs with Executive.	Restricted 27,398,500	(483,800)
	GF/GP \$0	\$0

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Senate Change
<b>Major Budget Changes from FY 2023-24 Enacted Appropriations</b>			
<b>10. Movable Bridge Fund</b>			
<p><u>Executive</u> recognizes inflation adjustment of \$150,500 MTF pursuant to statute. The Movable Bridge Fund was established through a 2016 amendment to Act 51 to provide targeted funding for operation of publicly owned movable bridges in Michigan – 12 on the state trunkline system and 12 owned by local road agencies (8 separate jurisdictions). The earmark, originally \$5.0 million, is indexed for inflation. <u>House</u> concurs with Executive. <u>Senate</u> concurs with Executive.</p>	<b>Gross</b>	<b>\$6,016,600</b>	<b>\$150,500</b>
	Restricted	6,016,600	150,500
	GF/GP	\$0	\$0
<b>11. Local Federal Aid and Road and Bridge</b>			
<p><u>Executive</u> includes \$411.2 million, an increase of \$26.2 million, for line item representing federal-aid highway funds available for local road agency federal-aid projects. The increase reflects additional federal funds made available to Michigan under IJA as allocated to local road agencies in accordance with Act 51. <u>House</u> concurs with Executive. <u>Senate</u> concurs with Executive.</p>	<b>Gross</b>	<b>\$384,987,800</b>	<b>\$26,181,000</b>
	Federal	384,987,800	26,181,000
	GF/GP	\$0	\$0
<b>12. Blue Water Bridge Operations</b>			
<p><u>Executive</u> increases baseline support by \$515,800 BWBF, and authorizes a 3.0 FTE position staffing increase, for bridge operations and maintenance. <u>House</u> concurs with Executive. <u>Senate</u> concurs with Executive.</p>	FTE	44.0	3.0
	<b>Gross</b>	<b>\$7,152,700</b>	<b>\$515,800</b>
	Restricted	7,152,700	515,800
	GF/GP	\$0	\$0
<b>13. Transportation Economic Development Fund (TEDF)</b>			
<p><u>Executive</u> includes \$52.7 million restricted TEDF support, a decrease of \$2.6 million. The decrease reflects a reduction in estimated driver's license fee revenue earmarked to the TEDF as well as reduced interest on the TEDF balance. The TEDF program is a targeted transportation program established and governed by statute, 1987 PA 231. <u>House</u> concurs with Executive. <u>Senate</u> concurs with Executive.</p>	<b>Gross</b>	<b>\$55,369,000</b>	<b>(\$2,642,700)</b>
	Restricted	55,369,000	(2,642,700)
	GF/GP	\$0	\$0
<b>14a. Local Bus Operating – Baseline CTF Funding</b>			
<p><u>Executive</u> includes a \$5.0 million baseline increase in CTF funding. As described in Item 13b below, FY 2023-24 also included \$45.0 million in federal American Rescue Plan (ARP) COVID-19 relief funds as a one-time appropriation. <u>House</u> includes a \$12.5 million baseline increase - \$7.5 million more than the Executive – by shifting \$7.5 million from Transit capital. As shown in Item #13c, below, House also includes one-time funding of \$25.0 million GF/GP. <u>Senate</u> concurs with Executive with respect to CTF support but adds \$40.0 million GF/GP to baseline.</p>	<b>Gross</b>	<b>\$216,750,000</b>	<b>\$45,000,000</b>
	Restricted	216,750,000	5,000,000
	GF/GP	\$0	\$40,000,000
<b>14b. Local Bus Operating – Federal ARP Funds (One-Time)</b>			
<p><u>Executive</u> removes \$45.0 million one-time appropriation of federal ARP funding for local bus operating assistance. <u>House</u> concurs with Executive. <u>Senate</u> concurs with Executive.</p>	<b>Gross</b>	<b>\$45,000,000</b>	<b>(\$45,000,000)</b>
	Federal	45,000,000	(45,000,000)
	GF/GP	\$0	\$0
<b>14c. Local Bus Operating – One-Time GF/GP</b>			
<p><u>House</u> includes \$25.0 million GF/GP in one-time support for local bus operating. As shown above, <u>Senate</u> includes \$40.0 million GF/GP in ongoing funding but nothing in One-Time unit.</p>	<b>Gross</b>	<b>\$0</b>	<b>\$0</b>
	GF/GP	\$0	\$0
<b>15. Transit Programs – Non-Urban Operating/Capital</b>			
<p><u>Executive</u> includes \$40.6 million for federal non-urbanized area formula grants under 49 USC 5311, an increase of \$780,900 in federal funds reflecting estimated increase in federal grants available to Michigan under IJA. <u>House</u> concurs with Executive. <u>Senate</u> concurs with Executive.</p>	<b>Gross</b>	<b>\$39,845,600</b>	<b>\$780,900</b>
	Federal	37,845,600	780,900
	Local	2,000,000	0
	GF/GP	\$0	\$0

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Senate Change
<b>Major Budget Changes from FY 2023-24 Enacted Appropriations</b>			
<b>16. Transit Capital</b>	<b>Gross</b>	<b>\$222,717,500</b>	<b>\$36,925,800</b>
<u>Executive</u> includes \$36.9 million increase. Increase represents \$22.4 million in additional federal aid made available to Michigan under IJA, as well as \$14.5 million CTF available from the CTF fund balance. This line item represents federal transit capital grant programs and related state, local, and private matching funds. <u>House</u> recognizes \$22.4 million of increased federal funding and includes \$7.0 million CTF baseline increase - \$7.5 million less than the Executive; House shifts \$7.5 million to Local bus operating as shown in Item #13a above. <u>Senate</u> concurs with Executive.	Federal	121,641,400	22,425,800
	Local	31,000,000	0
	Private	2,000,000	0
	Restricted	68,076,100	14,500,000
	GF/GP	\$0	\$0
<b>17. Service Initiatives</b>	<b>Gross</b>	<b>\$18,681,600</b>	<b>\$2,120,400</b>
<u>Executive</u> includes \$2.1 million Gross net increase. Increase recognizes additional federal and local funds; includes \$2.0 million in private funds; reduces baseline CTF support by \$1.7 million. <u>House</u> concurs with Executive. <u>Senate</u> concurs with Executive.	Federal	9,327,200	186,500
	Local	325,000	1,675,000
	Private	0	2,000,000
	Restricted	9,029,400	(1,741,100)
	GF/GP	\$0	\$0
<b>18. Specialize Services</b>	<b>Gross</b>	<b>\$30,312,400</b>	<b>\$262,500</b>
<u>Executive</u> recognizes \$262,500 increase in estimated federal grant funding. Gross appropriation for public transportation program targeted for elderly and disabled populations would total \$30.6 million. <u>House</u> concurs with Executive. <u>Senate</u> concurs with Executive.	Federal	13,127,400	262,500
	Local	4,185,000	0
	Restricted	13,000,000	0
	GF/GP	\$0	\$0
<b>19a. Rail Operations and Infrastructure</b>	<b>Gross</b>	<b>\$137,687,700</b>	<b>\$14,501,500</b>
<u>Executive</u> includes \$14.5 million increase in baseline CTF support from available CTF fund balance. <u>House</u> concurs with Executive. As described in Item 18b below, FY 2023-24 also included \$14.9 million CTF as a one-time appropriation. <u>Senate</u> concurs with Executive.	Federal	30,000,000	0
	Local	100,000	0
	Private	2,000,000	0
	Restricted	105,587,700	14,501,500
	GF/GP	\$0	\$0
<b>19b. Rail Operations and Infrastructure (One-Time)</b>	<b>Gross</b>	<b>\$14,900,000</b>	<b>(\$14,900,000)</b>
<u>Executive</u> removes \$14.9 million CTF included as one-time in FY 2023-24. <u>House</u> concurs with Executive. <u>Senate</u> concurs with Executive.	Restricted	14,900,000	(14,900,000)
	GF/GP	\$0	\$0
<b>20. Marine Passenger Service</b>	<b>Gross</b>	<b>\$5,152,000</b>	<b>\$15,053,000</b>
<u>Executive</u> recognizes \$15.1 million increase in federal grants available to Michigan under IJA. This line item that provides capital assistance to eligible public ferry services in Michigan. <u>House</u> concurs with Executive. <u>Senate</u> concurs with Executive.	Federal	2,652,000	15,053,000
	Local	500,000	0
	Restricted	2,000,000	0
	GF/GP	\$0	\$0
<b>21. Capital Outlay - Airport Improvement Program (AIP)</b>	<b>Gross</b>	<b>\$179,983,500</b>	<b>\$2,258,800</b>
<u>Executive</u> recognizes \$3.6 million increase in state restricted State Aeronautics Fund revenue for program of capital assistance to eligible local public airports in the state. This increase would come, in part, from a proposed increase in the state aircraft registration fee. The Gross appropriation total of \$183.6 million is supported by federal AIP funds, as well as state restricted, local, and private funds. This program is shown in the budget under the line item, Airport Safety, Protection, and Improvement (ASAP). <u>House</u> concurs with Executive. <u>Senate</u> only includes \$2.3 million of the restricted fund increase and apparently rejects the proposed aircraft registration fee increase.	Federal	155,000,000	0
	Local	17,500,000	0
	Private	2,000,000	0
	Restricted	5,483,500	2,258,800
	GF/GP	\$0	\$0
<b>22. Detroit Metropolitan Wayne County Airport</b>	<b>Gross</b>	<b>\$6,370,000</b>	<b>\$390,000</b>
<u>Executive</u> recognizes \$390,000 increase in estimated Qualified Airport Fund revenue. As provided through 2015 amendments to the State Aeronautics Code, Qualified Airport Fund revenue is appropriated to the Detroit Metropolitan Wayne County Airport. <u>House</u> concurs with Executive. <u>Senate</u> concurs with Executive.	Restricted	6,370,000	390,000
	GF/GP	\$0	\$0

	<b>FY 2023-24 Enacted (as of 2/7/24)</b>	<b>FY 2024-25 Senate Change</b>
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**Major Budget Changes from FY 2023-24 Enacted Appropriations**

**23. IJJA Airport Infrastructure Grants**

Executive includes \$115.0 million federal spending authority, an increase of \$20.0 million, for a program of federal aid to public airports established under Division J of IJJA. House concurs with Executive. Senate concurs with Executive.

<b>Gross</b>	<b>\$95,000,000</b>	<b>\$20,000,000</b>
Federal	95,000,000	20,000,000
GF/GP	\$0	\$0

**24. Removal of FY 2023-24 One-Time Appropriations**

Executive budget removes \$344.1 million Gross (\$285.1 million GF/GP) of one-time funding that had been included in the FY 2023-24 budget, for the following items:

- Intermodal Capital Investment Grants, (\$45.0 million CTF, \$5.0 million GF/GP)
- Local Bridge Bundling Initiative, (\$80.0 million GF/GP)
- Critical Infrastructure Projects, (\$181.6 million GF/GP)
- New Technology and Mobility, (\$18.5 million GF/GP)
- ARP – Mobility Fund Platform (\$3.5 million federal)
- ARP – Mobility Challenge (\$3.5 million federal)
- ARP – Air Service Revitalization (\$7.0 million federal)

<b>Gross</b>	<b>\$344,100,000</b>	<b>(\$344,100,000)</b>
Federal	14,000,000	(14,000,000)
Restricted	45,000,000	(45,000,000)
GF/GP	\$285,100,000	(\$285,100,000)

House and Senate concur with Executive and do not retain the above one-time items.

One-time appropriations for Local bus operating, and Rail Operations and Infrastructure, are described above in Item #s 14b and 19b, respectively. MI Contracting Opportunity is described in Item #25, below.

**25. MI Contracting Opportunity (One-Time)**

Executive includes \$5.0 million in one-time GF/GP for program to increase contracting opportunities for socially or economically disadvantaged business concerns. This represents an increase of \$2.0 million GF/GP as compared to FY 2023-24. Also includes authorization for 1.0 FTE position. The program is defined in boilerplate section 1003. House concurs with Executive. Senate concurs with Executive.

	FTE	0.0	1.0
<b>Gross</b>		<b>\$3,000,000</b>	<b>\$2,000,000</b>
GF/GP		\$3,000,000	\$2,000,000

**26. Blue Water Bridge Equipment and Facilities (One-Time)**

Executive includes \$990,000 BWBF for one-time equipment and facilities. House concurs with Executive. Senate concurs with Executive.

<b>Gross</b>	<b>\$0</b>	<b>\$990,000</b>
Restricted	0	990,000
GF/GP	\$0	\$0

**27a. Federal Aid Match (One-Time)**

Executive includes \$150.0 million GF/GP. \$95.0 million represents MDOT's estimate of additional funds needed to match all available federal-aid highway funds available to Michigan through IJJA. The remaining \$55.0 million would be used to support local road agency bridge and culvert projects. Defined in boilerplate section 1001.

<b>Gross</b>	<b>\$0</b>	<b>\$95,000,000</b>
Restricted	0	20,000,000
GF/GP	\$0	\$75,000,000

House concurs with Executive in total but uses \$95.0 million from the Make it in Michigan Competitiveness Fund and \$55.0 million GF/GP.

Senate breaks out into two separate line items: Federal Aid Match, and Priority Bridge Investments. For Federal Aid Match, the Senate includes \$95.0 million Gross (\$75.0 million GF/GP). Senate uses \$20.0 million STF shifted from Design and Engineering service, Item #5, above).

**27b. Priority Bridge Investments (One-Time)**

As noted above, Senate breaks out Federal Aid Match and Priority Bridge Investments into two separate lines. For Priority Bridge Investments, Senate includes \$40.0 million GF/GP, effectively \$15.0 million less than the Executive proposal for the rolled up line item.

<b>Gross</b>	<b>\$0</b>	<b>\$40,000,000</b>
GF/GP	\$0	\$40,000,000

		FY 2023-24 Enacted (as of 2/7/24)	FY 2024-25 Senate Change
<b>Major Budget Changes from FY 2023-24 Enacted Appropriations</b>			
<b>28. GF/GP for Transit Innovation Grants (One-Time)</b>	<b>Gross</b>	<b>\$0</b>	<b>\$20,000,000</b>
<u>Executive</u> includes \$30.0 million GF/GP to support local transit agency technology and innovation grants. <u>House</u> concurs with Executive. <u>Senate</u> includes \$20.0 million GF/GP, \$10.0 million less than Executive.	GF/GP	\$0	\$20,000,000
<b>29. Road Usage Charge Study (One-Time)</b>	<b>Gross</b>	<b>\$0</b>	<b>\$5,000,000</b>
<u>Senate</u> includes \$5.0 million GF/GP for a study of road usage charges. This is not included as a separate line item in the House bill, but is included in the House bill as an earmark within a larger New Technology and Mobility line item – see below.	GF/GP	\$0	\$5,000,000
<b>30. Infrastructure Projects (One-Time)</b>	<b>Gross</b>	<b>\$0</b>	<b>\$30,000,100</b>
<u>Senate</u> includes \$30.0 million GF/GP for various projects designated in boilerplate section 1007. Not included in House bill.	GF/GP	\$0	\$30,000,100
<b>31. Economic Adjustments</b>	<b>Gross</b>	<b>NA</b>	<b>\$10,936,500</b>
<u>Executive</u> budget reflects increased costs of \$10.9 million Gross (\$0 GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2024), actuarially required retirement contributions, worker's compensation, building occupancy charges, rent, and other economic adjustments. <u>House</u> and <u>Senate</u> concur with Executive.	IDG/IDT	NA	77,500
	Federal	NA	0
	Local	NA	0
	Restricted	NA	10,859,000
	GF/GP	NA	\$0

**House One-Time Proposals**

House includes \$55.0 million in one-time items that are not included in the Senate bill:

**Air Service/Airport Revitalization**

House includes \$6.0 million GF/GP for new airport grant program.

**Lake Michigan Car Ferry**

House includes \$2.0 million GF/GP for decarbonization planning and implementation of clean-energy maritime technology on the S. S. Badger.

**Local Rail Grade Separation Program**

House includes \$5.0 million GF/GP for rail grade separation program.

**Local Rail Grade Crossing Surface Improvements**

House includes \$2.0 million GF/GP for rail grade crossing surface improvements.

**Local Road and Material Research Program**

House includes \$1.0 million GF/GP for a local road and material research program.

**New Technology and Mobility**

House includes \$36.5 million GF/GP for the following initiatives:

- (a) \$15.0 million for aerial mobility/ drone infrastructure projects including drone hubs, drone ports, and last mile delivery.
- (b) \$8.0 million for Michigan Mobility Fund Platform and Mobility Public-Private Partnership and Programming projects.
- (c) \$1.0 million for Michigan Mobility Fellows program
- (d) \$4.5 million for an inductive charging interoperability pilot project.
- (e) \$5.0 million to develop and implement a road usage charge vehicle miles traveled fee pilot project. #
- (f) \$2.95 million for a Michigan e-bike purchase incentive program.

# Senate includes \$5.0 million for road usage charge pilot project as a separate line item, shown above as item # 29.

**Major Budget Changes from FY 2023-24 Enacted Appropriations**

***School Zone Automated Speed Enforcement Pilot Project***

House includes \$2.5 million GF/GP for pilot project.

***Supplier Risk and Information Subscription***

House includes \$50,000 for supplier risk and information subscription.

**Major Boilerplate Changes from FY 2023-24**

***Sec. 207. Communication with the Legislature – REVISED***

Executive deletes section that prohibits department from taking disciplinary action against an employee for communicating with the Legislature. House and Senate retain with technical changes to reflect new standard language; renumbered as Sec. 206.

***Sec. 212. Transparency Website – REVISED***

Executive deletes section that requires the department to cooperate with the Department of Technology, Management and Budget to maintain a searchable website, accessible by the public, that provides expenditure and staffing information. House and Senate retain with technical changes to reflect new standard language; renumbered as Sec. 211.

***Sec. 213. Restricted Fund Report – REVISED***

Executive deletes section that requires the department to work with the State Budget Office to provide a report on restricted fund revenues, expenditures, and fund balances; renumbered as Sec. 212. [This report is currently included in the annual Budget Presentation.] House and Senate retain with technical changes to reflect new standard language.

***Sec. 214. Key Metrics – DELETED***

Executive deletes section that requires the department to maintain on a publicly accessible website information on key metrics and performance measures. House and Senate concur with Executive and do not include.

***Sec. 218. Remote Work Policy – DELETED***

Executive deletes section that indicates legislative intent that the department maximize the efficiency of the state workforce and, where possible, prioritize in-person work and post its in-person, remote, or hybrid work policy on its website. House retains with technical changes to reflect new standard language; renumbered as Sec. 217. Senate deletes section.

***Sec. 219. State Administrative Board Transfers – DELETED***

Executive deletes section that authorizes the legislature to intertransfer funds within budget if the State Administrative Board transfers funds from an appropriation within this budget. House and Senate delete section.

***Sec. 221. Record Retention Policy – REVISED***

Executive deletes section that prescribes the department's record retention policy. House retains with technical changes to reflect new standard language; renumbered as Sec. 219. Senate retains with technical changes to reflect new standard language; renumbered as Sec. 221.

***Sec. 222. Impact of New Legislation – REVISED***

Executive deletes section that requires a report on specific policy changes made to implement new public acts enacted in prior calendar year. House retains with technical changes to reflect new standard language; renumbered as Sec. 219. Senate retains with technical changes to reflect new standard language; renumbered as Sec. 222.

***Sec. 223. Severance Pay Report – RETAINED***

Executive deletes section that established reporting requirements related to severance pay paid to department personnel upon the termination of employment. House concurs with Executive and does not include. Senate retains.

***Sec. 225. Work Project Expenditures – REVISED***

Executive deletes section that requires that work project balances be exhausted before expenditure from part 1 appropriations. House retains with technical changes to reflect new standard language; renumbered as Sec. 222. Senate retains with technical changes to reflect new standard language.

***Sec. 302. Report on Debt Service Coverage – REVISED***

Executive deletes section that established a reporting requirement regarding debt service. House concurs and does not include. Senate retains with updated period and reporting dates.

## **Major Boilerplate Changes from FY 2023-24**

### ***Sec. 305. Practice and Policies Regarding Homelessness – NEW***

Senate includes new section on practices and policies regarding homelessness.

### ***Sec. 311. Bridge Bundling Report – REVISED***

Executive deletes reporting requirement related to 2021-2022 bridge bundling initiative. House retains report with expanded scope. Senate retains with updated period and reporting dates.

### ***Sec. 383. Report on State Airfleet – RETAINED***

Executive deletes reporting requirement regarding use of state airfleet. House and Senate retain.

### ***Sec. 389. Long-Term Obligations – RETAINED***

Executive deletes reporting requirement related to long-term agreements that obligate the department to make future payments of over \$5.0 million for five or more years. House concurs and does not include. Senate retains.

### ***Sec. 393. Public Transportation Best Practices – DELETED***

Executive deletes section that directs the department to promote best practices for public transportation and reported reporting requirement. House retains (Does not retain reporting requirement.) Senate deletes.

### ***Sec. 399. Capital Preventive Maintenance – DELETED***

Executive deletes section that allocates sets \$100.0 million to prioritize capital preventive maintenance. House retains. Senate deletes.

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

Executive deletes section that directs the department to maintain documentation to support acceptance of warranted projects; includes reporting requirement. House and Senate retain.

### ***Sec. 612. Incentive/Disincentive Contracts – REVISED***

Executive deletes section that directs the department to maintain documentation to support acceptance of warranted projects; includes reporting requirement. House retains. Senate retains with updated report due date.

### ***Sec. 613. Magnetic Sweepers – NEW***

House earmarks \$350,000 (STF) for purchase of magnetic roadway sweepers. Not included in Senate bill.

### ***Sec. 614. Earmark for Low Impact Development Stormwater Management Practices – DELETED***

Executive deletes "up to" \$5.0 million earmark to incentivize and support the inclusion of low impact development stormwater management practices in trunkline and local road agency construction projects. House retains but deletes "up to" limitation. Senate deletes.

### ***Sec. 615. Federal Vehicle Usage Fee Pilot Program – DELETED***

Executive deletes section that requires the department to apply for federal grants established under IIJA for a per-mile user fee pilot project. House retains. Senate deletes but includes separate language related to road usage charges in Sec. 1006.

### ***Sec. 660. Alternative Materials – DELETED***

Executive deletes section that encouraged the department to examine the use of alternative road surface materials. Subsection 2, which directed the department to establish a transportation innovation council, was deemed unenforceable in the governor's signing statement. House retains. Senate deletes.

### ***Sec. 707. Rail Strategic Plan – REVISED***

Executive deletes section that required the department to report on a five-year rail strategic plan and that also earmarked \$20.0 million for rail-related economic and rail freight system preservation projects. House retains; revises earmark to \$15.0 million. Senate retains current year language with updated reporting dates.

### ***Sec. 1001/ Secs. 1004 and 1005. Federal Aid Match/ Priority Bridge Investments – NEW***

Executive includes new section, Sec. 1001, to define the use of the one-time \$150.0 million GF/GP appropriation: to ensure the department secures all federal-aid highway funds made available under IIJA with remaining funds to support a grant program for the rehabilitation and reconstruction of locally owned bridges and culverts. House concurs. Senate includes new Sec. 1004 language defining the \$95.0 million one-time federal aid match appropriation and a separate section, Sec. 1005, defining the \$40.0 million Priority Bridge Investments line item.

### ***Sec. 1002. Transit Innovation Grants – NEW***

Executive includes new section to defines the use of the one-time \$30.0 million GF/GP appropriation: 1) for studies in support of local and regional transit development; 2) development of transit facilities that support connections between local, regional, national, or international public transportation services. House concurs with Executive. Senate concurs with Executive.



## **Major Boilerplate Changes from FY 2023-24**

### ***Sec. 1003. MI Contracting Opportunity – REVISED***

Executive includes section that defines the one-time \$5.0 million GF/GP Mi Contracting Opportunity line item; directs that funds be expended in support of activities that enhance the development and availability of contractors or suppliers for the delivery of department programs that are socially or economically disadvantaged as defined in Section 100002 of IIJA; establishes a revolving loan fund. [This section is a modified version of Sec. 1003 in the FY 2023-24 budget.] House concurs with Executive. Senate concurs with Executive.

### ***Sec. 1006. Road Usage Charge Pilot Program – NEW***

Senate includes new section defining \$5.0 million one-time appropriation for the study of road usage charges. This section provides detailed direction on implementation and administration of the study.

### ***Sec. 1007. Senate Infrastructure Projects – NEW***

Senate defines \$30.0 million one-time appropriation for various infrastructure projects. Specific project earmarks are as follows:

- a. Resurface Ferry Lane, St. Ignace, \$1,000,000
- b. Lewis Farm Tunnel, Shelby Township (Oceana County), \$2,200,000
- c. Wayne Road, Romulus (Wayne County), \$5,000,000
- d. Placeholder for rail grade separation fund, \$100
- e. Industrial park roads, City of Fraser (Macomb County), \$3,400,000
- f. Airport Road, Clinton County, \$4,000,000
- g. SMART bus stops/shelters, \$1,000,000
- h. Mt. Morris Township roads (Genesee County), \$2,320,000
- i. Grosse Pointe Woods roads (Wayne County), \$980,000
- j. Roseville pump station, \$6,600,000
- k. Wayne County, Jefferson Ave. Bridge, \$2,000,000
- l. Reconstruction 10 Mile Road, Eastpointe (Macomb County), \$1,500,000

## **The Following Sections Appear Only in the House Bill**

### ***Sec. 1101. Air Service/Airport Revitalization – NEW***

House includes section that defines uses of the \$10.0 million GF/GP grant program appropriation in part 1: \$2.0 million for air service development; \$4.0 million for capital development projects at general aviation airports in the state.

### ***Sec. 1102. Lake Michigan Car Ferry – NEW***

House includes section that directs that the \$2.0 million GF/GP part 1 appropriation for Lake Michigan car ferry be used for decarbonization planning and implementation of clean-energy maritime technology on the S. S. Badger.

### ***Sec. 1103. Rail Grade Separation Program – NEW***

House includes section that defines the use of the \$5.0 million GF/GP rail grade separation program funded in part 1.

### ***Sec. 1104. Local Road and Material Research Program – NEW***

House includes section that defines the \$1.0 million GF/GP part 1 appropriation; establishes a Local roads and materials research grant program; establishes a local road agency research board to administer the program.

### ***Sec. 1105. New Technology/Mobility Grants – NEW***

House includes section that defines the uses of the \$36.5 million GF/GP part 1 appropriation (See Item #33, above).

### ***Sec. 1106. School Zone Automated Speed Enforcement Pilot Project – NEW***

House includes section that defines the \$2.5 million GF/GP part 1 appropriation; provides guidance on development and implementation of the pilot program; provides for a report.

### ***Sec. 1107. Supplier Risk and Information Subscription Service – NEW***

House includes new section that requires the department to use not less than \$50,000 from the part 1 appropriation for a comprehensive supplier risk and information subscription service for precontract risk assessment.

### ***Sec. 1108. BioSwales – NEW***

House includes new section that directs the department to install bioswales, biofilters, and other vegetation on state trunkline highway medians to mitigate impact of stormwater runoff.

### ***Sec. 1109. Road Diets – NEW***

House includes new section that directs the department to study factors related to implementation of road diets on nonfreeway state trunkline highways within municipal boundaries.

**Major Boilerplate Changes from FY 2023-24**

***Sec. 1110. One-Time Local Bus Operating – NEW***

House includes section that directs that the one-time \$25.0 million GF/GP appropriation be distributed according to the current Act 51 formula for local bus operating assistance.