

LINE ITEM AND BOILERPLATE SUMMARY

TRANSPORTATION

Fiscal Year 2024-25
Article 15, Public Act 121 of 2024
Senate Bill 747 as Enacted



William E. Hamilton, Senior Fiscal Analyst

September 2024

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September 2024

TO: Members of the Michigan House of Representatives

The House Fiscal Agency has prepared a **Line Item Summary** for each of the FY 2024-25 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

Line Item

Specific funding amount in an appropriation bill which establishes spending authorization for a particular program or function.

Boilerplate

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

Lapse

Appropriated amounts that are unspent or 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

Account authorized through statutory process which allows appropriated spending authorization from one fiscal year to be utilized for expenditures in a succeeding fiscal year or years for a specific project or purpose.

APPROPRIATIONS AND FUND SOURCES

Appropriations

Authority to expend funds for a particular purpose. An appropriation is not a mandate to spend.

Gross: Total of all applicable appropriations in an appropriation bill.

Adjusted Gross: Net amount of gross appropriations after subtracting interdepartmental grants (IDGs) and intradepartmental transfers (IDTs).

Interdepartmental Grant (IDG) Revenue

Funds received by one state department from another state department—usually for service(s) provided.

Intradepartmental Transfer (IDT) Revenue

Funds transferred from one appropriation unit to another within the same departmental budget.

Federal Revenue

Federal grant or match revenue; generally dedicated to specific programs or purposes.

Local Revenue

Revenue received from local units of government for state services.

Private Revenue

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

State Restricted Revenue

State revenue restricted by the State Constitution, state statute, or outside restriction that is available only for specified purposes; includes most fee revenue; at year-end, unused restricted revenue generally remains in the restricted fund.

General Fund/General Purpose (GF/GP) Revenue

Unrestricted general fund revenue available to fund basic state programs and other purposes determined by the Legislature; unused GF/GP revenue lapses to the General Fund at the end of a fiscal year.

MAJOR STATE FUNDS

General Fund

The state's primary operating fund; receives state revenue not dedicated to another state fund.

School Aid Fund (SAF)

A restricted fund that serves as the primary state funding source for K-12 schools and Intermediate School Districts. Constitutionally, SAF revenue may also be used for postsecondary education.

Budget Stabilization Fund

The Countercyclical Economic and Budget Stabilization Fund (also known as the "rainy day fund"); the Management and Budget Act provides guidelines for making deposits into and withdrawals from the fund.

REVENUE SOURCES FOR TRANSPORTATION APPROPRIATIONS

FEDERAL REVENUE

Federal surface transportation programs are established and defined in federal law. Provisions are codified in 23 U.S. Code (Highways) and 49 U.S. Code (Transportation). The programs are administered primarily through three U.S. Department of Transportation (DOT) agencies: Federal Highway Administration (FHWA), Federal Transit Administration (FTA), and Federal Railroad Administration (FRA). Federal surface transportation program funds are generally made available to states for eligible projects and programs. Federal revenue amounts shown in state transportation appropriations are based on estimates of available federal funding made by the Michigan Department of Transportation (MDOT).

Federal surface transportation programs are established, or reauthorized, through multi-year authorizing acts. These reauthorization acts amend 23 USC and 49 USC. They also establish target funding levels for the authorized or reauthorized programs.

On November 5, 2021, Congress completed final actions on the Infrastructure Investment and Jobs Act (IIJA). The act was presented to the president on November 8, 2021, and on November 15, 2021, President Biden signed the act into law, as PL 117-58. Among other things, the IIJA extended enacted funding levels for federal-aid highway, transit, and safety programs through September 30, 2022. IIJA also included a five-year reauthorization (through September 30, 2026) for surface transportation programs, including the federal-aid highway program, transit programs, highway safety, motor carrier safety, and rail programs.

<https://www.congress.gov/bill/117th-congress/house-bill/3684?r=4&s=3>

In addition to federal aid for surface transportation programs, the federal government also provides support for aeronautics programs through Airport Improvement Program (AIP) grants. In Michigan's state transportation budget, the appropriation of federal AIP grant revenue is made in the Capital Outlay appropriations unit.

The AIP, which provides grants to airports for airport safety, capacity, security and environmental projects, is established under 49 U.S. Code, Subtitle VII (Aviation Programs) and is administered by the Federal Aviation Administration (FAA). In May 2024, Congress passed, and President Biden signed, the Federal Aviation Administration Reauthorization Act of 2023 (HR 3935), referenced as Public Law No: 118-63. The act extended authorization for federal aviation programs, including the AIP, for five years, through September 30, 2028.

<https://www.congress.gov/bill/118th-congress/house-bill/3935>

In Michigan's transportation budget, all federal fund sources are shown under the umbrella description "Federal aid – transportation programs."

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 generated from motor fuel taxes and motor vehicle registration taxes. The MTF also receives money from an earmark of Income Tax Act revenue. That earmark, one of the elements of the 2015 Road Funding Package, totals \$600.0 million in FY 2022-23. In addition, beginning in FY 2020-21, the MTF has received money from an earmark of marijuana excise tax revenue. Estimated MTF revenue from that earmark totals \$113.6 million in FY 2024-25.

Act 51 establishes the MTF and provides for the formula distribution of MTF revenue 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 531 incorporated cities and villages for city/village streets, and to the Comprehensive Transportation Fund (CTF) for public transportation programs.

STATE RESTRICTED REVENUE (CONT.)

Act 51 also allocates MTF revenue to various targeted or categorical programs (e.g., rail grade crossing account, rail grade surface program, Local Bridge Fund, Local Agency Wetland Mitigation Bank Fund, Movable 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 share, up to 10% 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 safety regulation and air service promotion as administered by MDOT's Office of Aeronautics under the State Aeronautics Code (1945 PA 327). The SAF receives revenue from aviation fuel and aircraft registration taxes established in the State Aeronautics Code, revenue from an earmark of Airport Parking Tax revenue under the Airport Parking Tax Act (1987 PA 248), and revenue from charges for use of MDOT-owned aircraft, primarily by other state departments. In addition, beginning October 1, 2016 and each calendar quarter thereafter, the SAF will be credited with an amount equal to the collection of sales tax imposed at a rate of 2% attributable to retail sales of aviation fuel. This earmark was established through an amendment to the General Sales Tax Act (1933 PA 167), part of an aviation funding package (Public Acts 258 through 262 of 2015).

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. Ongoing fund revenue comes from two Act 51 MTF earmarks: 1/2 cent of the motor fuel tax on gasoline tax (estimated \$21.1 million in FY 2024-25), and a separate fixed amount of \$5.0 million. There is also an Act 51 earmark of MTF revenue of up to \$3.0 million to the Local Bridge Fund for debt service on 1992 bonds sold to finance local bridge projects. That earmark equates to \$556,500 in FY 2024-25.

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	3,222.3	Full-time equated (FTE) positions in the state classified service. <i>Note: based on 2,088 hours for 1.0 FTE position.</i>
GROSS APPROPRIATION	\$6,807,900,300	Total of all applicable line item appropriations.
Total interdepartmental grant/intradepartmental transfer revenue	4,316,700	Revenue received from other departments or transferred within the department.
ADJUSTED GROSS APPROPRIATIONS	\$6,803,583,600	Gross appropriation less (or minus) interdepartmental grant (IDG) and intradepartmental transfer (IDT) revenue.
Federal aid – transportation programs	2,273,675,100	Revenue received from federal departments and agencies.
Local revenues	87,448,500	Revenue received from local units of government.
Private revenues	18,800,000	Revenue received from private individuals and entities.
Total other state restricted revenues	4,230,660,000	State revenue dedicated to a specific fund (other than the General Fund) or restricted for a specific purpose.
STATE GENERAL FUND/ GENERAL PURPOSE	\$193,000,000	Unrestricted state revenue from taxes and other sources.

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. As of **September 30, 2024** outstanding bonded debt totaled **\$3.118 billion**.*

Airport safety and protection plan	\$3,615,900	Debt service related to CTF bonds issued for airport improvement and security projects.	
		Funding Source(s):	Restricted 3,615,900
		<i>Related Boilerplate Section(s): None</i>	
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Blue water bridge fund	3,963,100	Principal and interest payments for 1996 and 2011 bonds used to finance Blue Water Bridge projects.	
		Funding Source(s):	Restricted 3,963,100
		<i>Related Boilerplate Section(s): None</i>	
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Economic development	1,687,400	Principal and interest payments on various TEDF bond programs, including bonds issued to fund Build Michigan III economic development projects (2001), and various refunding bonds.	
		Funding Source(s):	Restricted 1,687,400
		<i>Related Boilerplate Section(s): None</i>	
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Local bridge fund	556,500	Act 51 distribution from the MTF for debt service on 1992 bonds issued to finance local agency bridge projects.	
		Funding Source(s):	Restricted 556,500
		<i>Related Boilerplate Section(s): None</i>	
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State trunkline	330,880,800	Principal and interest payments on various STF debt issues, the proceeds of which were used for state trunkline preservation or capacity improvement projects, or for refunding prior debt issues.	
		<p>Of the \$330.9 million in STF supported debt service, \$152.8 million relates to debt service on three Rebuilding Michigan bond issues:</p> <ul style="list-style-type: none"> • \$35.9 million attributable to \$800.0 million (face value) STF bond issue made September 1, 2020. • \$48.0 million attributable to \$800.0 million (face value) STF bond issue made August 3, 2021. • \$68.9 million attributable to \$1.194 billion (face value) STF bond issue made August 23, 2023. 	
		Funding Source(s):	Restricted 330,880,800
		<i>Related Boilerplate Section(s): 302</i>	
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GROSS APPROPRIATION	\$340,703,700	Total of all applicable line item appropriations.	
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Blue Water Bridge fund	3,963,100	Subsidiary fund of STF used to account for debt service, capital projects, maintenance, and operating costs of Blue Water Bridge.	
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Economic development fund	1,687,400	Fund established by 1987 PA 231 to help fund highway, road, and street projects that support economic growth.	
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Local bridge fund	556,500	Established by 2004 PA 384, an amendment to Act 51.	
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State aeronautics fund (SAF)	3,615,900	State restricted fund dedicated for aviation development, regulation, and promotion.
State trunkline fund (STF)	330,880,800	State restricted fund dedicated for state trunkline programs.
STATE GENERAL FUND/ GENERAL PURPOSE	\$0	Unrestricted state revenue from taxes and other sources.

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 5, 2024 PA 121) authorizes the Department of Technology, Management and Budget (DTMB) to assess transportation funds a proportionate share of SIGMA accounting system costs.

CTF grant to civil service commission	\$250,000	Civil service administrative expenses for MDOT, based on constitutionally mandated charge of not less than 1% of related payroll.	Funding Source(s): Restricted 250,000
<i>Related Boilerplate Section(s): 306</i>			
CTF grant to department of attorney general	110,900	Legal services and litigation costs of the Attorney General in support of transportation programs.	Funding Source(s): Restricted 110,900
<i>Related Boilerplate Section(s): 306</i>			
CTF grant to department of technology, management, and budget	36,300	Accounting, budget, payroll, purchasing, and mail services from DTMB attributable to the CTF.	Funding Source(s): Restricted 36,300
<i>Related Boilerplate Section(s): 306</i>			
CTF grant to department of treasury	54,900	Investment activity costs attributable to CTF funds managed by the Department of Treasury.	Funding Source(s): Restricted 54,900
<i>Related Boilerplate Section(s): 306</i>			
CTF grant to legislative auditor general	47,100	Audit costs attributable to transportation programs and funds.	Funding Source(s): Restricted 47,100
<i>Related Boilerplate Section(s): 306</i>			
MTF grant to department of environment, Great Lakes, and energy	2,182,800	Supports EGLE, Land and Water Management Division environmental clearance activities for state and local road and bridge construction projects.	Funding Source(s): Restricted 2,182,800
<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	3,528,000	Costs attributable to collection of motor fuel taxes.	Funding Source(s): Restricted	3,528,000
<i>Related Boilerplate Section(s): 306</i>				
MTF grant to legislative auditor general	382,400	Audit costs attributable to transportation programs and funds.	Funding Source(s): Restricted	382,400
<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 attorney general	194,500	Legal services and litigation costs of the Attorney General in support of transportation programs.	Funding Source(s): Restricted	194,500
<i>Related Boilerplate Section(s): 306</i>				
SAF grant to department of technology, management, and budget	26,000	Accounting, budget, payroll, purchasing, and mail services from DTMB attributable to the SAF.	Funding Source(s): Restricted	26,000
<i>Related Boilerplate Section(s): 306</i>				
SAF grant to department of treasury	81,600	Investment activity costs attributable to SAF funds managed by the Department of Treasury.	Funding Source(s): Restricted	81,600
<i>Related Boilerplate Section(s): 306</i>				
SAF grant to legislative auditor general	37,000	Audit costs attributable to transportation programs and funds.	Funding Source(s): Restricted	37,000
<i>Related Boilerplate Section(s): 306</i>				
STF grant to civil service commission	6,321,000	Civil service administrative expenses for MDOT, based on constitutionally mandated charge of not less than 1% of related payroll.	Funding Source(s): Restricted	6,321,000
<i>Related Boilerplate Section(s): 306</i>				
STF grant to department of attorney general	2,210,100	Legal services and litigation costs of the Attorney General in support of transportation programs.	Funding Source(s): Restricted	2,210,100
<i>Related Boilerplate Section(s): 306</i>				
STF grant to department of state police	12,864,700	Supports Michigan State Police, Commercial Vehicle [Motor Carrier] Enforcement, and the transportation portion of Criminal Justice Information Center.	Funding Source(s): Restricted	12,864,700
<i>Related Boilerplate Section(s): 306</i>				

STF grant to department of technology, management, and budget	1,173,100	Accounting, budget, payroll, purchasing, and mail services from DTMB attributable to the STF.	Funding Source(s): Restricted 1,173,100
<i>Related Boilerplate Section(s): 306</i>			
STF grant to department of treasury	167,000	Investment activity costs attributable to STF funds managed by the Department of Treasury.	Funding Source(s): Restricted 167,000
<i>Related Boilerplate Section(s): 306</i>			
STF grant to legislative auditor general	888,300	Audit costs attributable to transportation programs and funds.	Funding Source(s): Restricted 888,300
<i>Related Boilerplate Section(s): 306</i>			
GROSS APPROPRIATION	\$50,705,700	Total of all applicable line item appropriations.	
Comprehensive transportation fund (CTF)	499,200	State restricted fund dedicated for public transportation purposes.	
Michigan transportation fund (MTF)	26,093,200	Primary collection/distribution fund for state transportation revenue from motor fuel taxes and vehicle registration taxes.	
State aeronautics fund (SAF)	489,100	State restricted fund dedicated for aviation development, regulation, and promotion.	
State trunkline fund (STF)	23,624,200	State restricted fund dedicated for state trunkline programs.	
STATE GENERAL FUND/ GENERAL PURPOSE	\$0	Unrestricted state revenue from taxes and other sources.	

SECTION 104: DEPARTMENTAL ADMINISTRATION AND SUPPORT

This appropriation unit authorizes six unclassified FTE positions within the department including the Department Director. The unit also provides funding for Transportation Asset Management Council, Business Support Services, Office of Commission Audits, Economic Development and Enhancement Programs, Finance and Administration, Property Management, and Workers Compensation.

Full-time equated unclassified positions	6.0	Full-time equated (FTE) positions not in the state classified service.
Full-time equated classified positions	309.3	Full-time equated (FTE) positions in the state classified service.
Unclassified salaries – 6.0 FTE positions	\$964,300	Provides spending authority for salaries of six unclassified FTE positions. Three positions were filled as of October 1, 2024: Department Director; Deputy Director, Office of Governmental Affairs and State Transportation Commission Adviser; Chief Culture, Equity, and Inclusion Officer. [The position of Governmental Affairs Director/State Transportation Commission Adviser was unfilled as of October 1, 2024.]
		Funding Source(s): Restricted 964,300
		<i>Related Boilerplate Section(s): None</i>
Asset management council	2,300,000	Provides data collection and related support for Transportation Asset Management Council established by 2002 PA 499. Staff support is provided from Transportation Planning appropriation unit.
		Funding Source(s): Restricted 2,300,000
		<i>Related Boilerplate Section(s): None</i>
Business support services – 75.0 FTE positions	13,041,200	Salaries, benefits, and other costs of Executive Office support staff, Office of Communications (including mapping and media services), Office of Governmental Affairs, and Chief Administrative Officer.
		Funding Source(s): Restricted 13,041,200
		<i>Related Boilerplate Section(s): None</i>
Commission audit and support services– 29.3 FTE positions	4,883,300	Office of Commission Audits (OCA) was established by Section 17a of Act 51 to conduct financial and performance audits. OCA also provides management advisory services to the department. The Commission Auditor is appointed by and serves at the pleasure of the State Transportation Commission.
		Funding Source(s): Restricted 4,883,300
		<i>Related Boilerplate Section(s): None</i>
Economic development and enhancement programs – 11.0 FTE positions	1,881,000	Salaries, benefits, and other operating costs of the Office of Economic Development which 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 1,881,000
		<i>Related Boilerplate Section(s): None</i>

Finance, contracts, and support services – 194.0 FTE positions	27,646,900	<u>Financial Operations Division</u> provides budgetary and accounting control for all MDOT financial operations, including preparation of financial reports/statements, project accounting, and accounts payable/receivable functions. Financial Outreach Services Unit calculates, monitors, and reports on MTF monies distributed to local units of government. Office Services Section within this division provides engineering and other document reproduction, facilities management, and mail room support.
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Financial Operations Division also ensures compliance with boilerplate reporting requirements listed below.

Contract Services Division manages the overall service and construction contracting process, including bid lettings, contract awards, consultant and contractor payments, prequalification, and contract monitoring. CSD also manages the statewide purchasing activities for the department.

Accounting Service Division provides accounting services for the department as well as for the Michigan Department of Agriculture and Rural Development (MDARD), the Michigan Department of Environment, Great Lakes, and Energy (EGLE), and the Michigan Department of Natural Resources (MDNR). Responsibilities include accounts receivable, accounts payable, and cashiering and credit card receipting functions. The division is also responsible for general ledger accounting and preparation of financial statements.

These functions are housed within the Bureau of Finance and Administration.

Funding Source(s):	IDG	4,316,700
	Restricted	23,330,200

Related Boilerplate Section(s): Financial Operations Division ensures compliance with all boilerplate requirements including reporting requirements.

Property management	8,320,400	DTMB property management charges for occupancy of state-owned buildings (Transportation Building, part of North Ottawa Building, Secondary Complex buildings for Testing and Research, and Central Warehouse) and rent for privately owned land or buildings at locations across the state.
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Funding Source(s):	Restricted	8,320,400
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Related Boilerplate Section(s): None

Worker's compensation	1,616,600	Estimated worker's compensation obligations.
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Funding Source(s):	Restricted	1,616,600
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Related Boilerplate Section(s): None

GROSS APPROPRIATION	\$60,653,700	Total of all applicable line item appropriations.
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IDG for accounting service center user charges	4,316,700	Funds received from MDARD, EGLE, and MDNR for costs associated with Accounting Service Center functions.
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Comprehensive transportation fund	1,825,200	State restricted fund dedicated for public transportation purposes.
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Economic development fund	413,100	Fund established by 1987 PA 231 to assist in funding highway, road, and street projects that support economic growth.
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Michigan transportation fund (MTF)	4,884,300	Primary collection/distribution fund for state transportation revenue from motor fuel taxes and vehicle registration taxes. Used to support Bureau of Finance and Administration contract letting and project accounting for local units of government and administration of Act 51-required MTF distribution to local units of government.
State aeronautics fund	711,500	State restricted fund dedicated to aviation development, regulation, and promotion.
State trunkline fund (STF)	48,502,900	State restricted fund dedicated for state trunkline programs.
STATE GENERAL FUND/ GENERAL PURPOSE	\$0	Unrestricted state revenue from taxes and other sources.

SECTION 105: INFORMATION TECHNOLOGY

This appropriation unit gives MDOT authority to reimburse the DTMB for ongoing information technology (IT) services and projects.

In addition to the line item appropriations shown below, Section 807 of the General Government budget (Article 5, 2024 PA 121) authorizes the Department of Technology, Management and Budget (DTMB) to assess transportation funds a proportionate share of SIGMA accounting system costs.

In addition to line item appropriations for IT support services shown below, funding for major software development projects may be funded from work project designations of STF funds lapsed from prior years' departmental operating line items. The focus of these IT work projects is the modernization of outdated software platforms.

Information technology services and projects	\$42,055,400	Provides spending authority for MDOT to reimburse DTMB for IT services, projects, and IT inventory.
		Funding Source(s):
		Federal 520,500
		Restricted 41,534,900

Related Boilerplate Section(s): None

GROSS APPROPRIATION	\$42,055,400	Total of all applicable line item appropriations.
Federal aid – transportation programs	520,500	Federal funds available for information technology applications.
Blue Water Bridge fund	58,200	Subsidiary fund of STF used for debt service, capital projects, maintenance, and operating costs of the Blue Water Bridge.
Comprehensive transportation fund (CTF)	236,800	State restricted fund dedicated for public transportation purposes.
Economic development fund	39,200	Fund established by 1987 PA 231 to assist in funding highway, road, and street projects that support economic growth.
Michigan transportation fund (MTF)	309,400	Primary collection/distribution fund for state transportation revenue from motor fuel taxes and vehicle registration taxes.
State aeronautics fund (SAF)	184,600	State restricted fund dedicated to aviation development, regulation, and promotion.
State trunkline fund (STF)	40,706,700	State restricted fund dedicated for state trunkline programs.
STATE GENERAL FUND/ GENERAL PURPOSE	\$0	Unrestricted state revenue from taxes and other sources.

SECTION 106: TRANSPORTATION PLANNING

The Bureau of Transportation Planning develops and implements a comprehensive transportation planning process so that transportation investments are consistent with financial, social, and economic policies of the State Transportation Commission.

Major responsibilities include ensuring compliance with state and federal program requirements in order to maintain state and federal funding eligibility; strategic planning and policy development for all transportation modes; program development and management; travel demand modeling; economic analyses; and providing support to the Michigan Transportation Asset Management Council (TAMC).

Full-time equated classified positions	144.0	Full-time equated (FTE) positions in the state classified service.
Planning services – 144.0 FTE positions	\$45,074,800	<p>Supports Bureau of Transportation Planning activities carried out through three divisions: Asset Management and Policy Division, Statewide Transportation Planning Division, and Data Inventory and Integration Division.</p> <p><u>Asset Management and Policy Division</u> provides assistance to the State Transportation Commission and department management in developing transportation policy. The division coordinates the Transportation Asset Steering Committee which provides strategic direction and policy for the department's asset management efforts. The division also provides staff support for TAMC; provides guidance to the TAMC regarding state and federal legislation that impact transportation asset management; coordinates the development of the federally required Transportation Asset Management Plan and State Freight Plan; coordinates responses to state and federal policy decisions that may impact the department; and provides education, training and planning for non-motorized transportation.</p> <p><u>Statewide Transportation Planning Division</u> – Responsibilities include preparation of State Long Range Transportation Plan and State Transportation Improvement Program 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>Data Inventory and Integration Division</u> – Responsibilities include administration of the activities and technology associated with the collection, analysis, and distribution of data to measure MDOT's infrastructure. These activities and technology ensure state eligibility for funding under federal-aid programs, support measuring state trunkline system condition, state trunkline system performance, asset management, capital programming, and pre-engineering.</p> <p><i>[continued on next page]</i></p>

Planning services – 144.0
 FTE positions
 (continued)

Specific activities include:

- Collection and analysis and distribution of detailed Traffic, Travel, Pavement surface condition data, and Road Asset Inventory data.
- Annual certification of 614 local agency Act 51 public road mileages and maps.
- Annual reporting of overall system condition and use, through submittal of FHWA Highway Performance Monitoring System on all federal-aid roads.
- Administration of MDOT's enterprise Geographic Information Systems and Services and maintenance of the State of Michigan linear referencing system of all roads.
- Provision of roadway digital video imaging services.
- Administration of jurisdictional transfers, annexations, and National Functional Classification review.

Funding Source(s): Federal 26,000,000
 Restricted 19,074,800

Related Boilerplate Section(s): 250, 307, 399, 402

Grants to regional planning councils 488,800 Grants to regional planning agencies for data collection and analysis, public involvement, and coordination between agencies.

Funding Source(s): Restricted 488,800

Related Boilerplate Section(s): None

GROSS APPROPRIATION \$45,563,600 Total of all applicable line item appropriations.

Federal aid – transportation programs 26,000,000 Federal funds designated for statewide planning activities; derived from 2% set aside of certain federal-aid programs.

Comprehensive transportation fund (CTF) 355,800 Restricted funds that support public transportation components of statewide transportation planning.

Michigan transportation fund (MTF) 11,169,100 Primary collection/distribution fund for revenue from motor fuel and vehicle registration taxes. Used in this appropriations unit to support statewide planning activities.

State aeronautics fund (SAF) 30,300 Restricted funds that support aviation components of statewide transportation planning.

State trunkline fund (STF) 8,008,400 State restricted fund dedicated for state trunkline programs.

STATE GENERAL FUND/ GENERAL PURPOSE \$0 Unrestricted state revenue from taxes and other sources.

SECTION 107: DESIGN AND ENGINEERING SERVICES

This appropriation unit supports administration of state trunkline program development, delivery, and system operations, including development and delivery of the annual state trunkline capital construction program. The appropriation for capital road and bridge construction projects is made in a separate appropriation unit.

Also supports Welcome Center operations.

Full-time equated classified positions	1,682.3	Full-time equated (FTE) positions in the state classified service.
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Business services – 50.8 FTE positions	\$11,771,700	<p>Supports business services within Highway Operations, including:</p> <p><i>Office of Executive Operations Administration</i> is headed by MDOT's Chief Operating Officer.</p> <p><i>Office of Business Development</i> – administers the department's Disadvantaged Business Enterprise (DBE) program and on-the-job training (OJT) programs.</p> <p><i>Attorney General – Transportation Division</i> - provides 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> <p>Note that Attorney General – Transportation Division attorneys and support staff, although funded from this line item, are not MDOT employees and associated FTEs are not included in the 50.8 FTEs authorized in this line item.</p>
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Funding Source(s): Restricted 11,771,700

Related Boilerplate Section(s): 398, 399, 601, 612, 660

Program development and delivery – 1,060.5 FTE positions	130,627,900	Supports administration (salary, benefits, and other operating costs) of state trunkline program development, delivery, and system operations. This line supports functions related to the development and delivery of the annual state trunkline capital construction program.
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Highway Operations activities are carried out from Lansing Central Office, at seven MDOT Regions, and at Transportation Service Centers (TSCs) within regions.

Program functions and activities include:

Planning – assists in development of the State Long Range Transportation Plan (SLRTP), the Transportation Improvement Program (TIP), and State Transportation Improvement Program (STIP)

Project Environmental – manages environmental clearance process for proposed projects to ensure compliance with state and federal requirements; identifies ways to mitigate project impacts; manages environmental consultant contracts; conducts hydrological analysis related to trunkline crossings of waterways and drainage; coordinates with EGLE for environmental permitting related to construction projects.

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Program development and delivery – 1,060.5 FTE positions
(continued)

Surveys – provides statewide survey coordination; administers consultant survey contracts; provides photogrammetry and mapping services.

Utility Coordination and Clearance – coordinates use of MDOT right of way by utilities, including relocation of utility facilities when necessary; coordinates relocation and design of municipal utilities such as water mains, sewers, and lighting.

Design – responsible for preparation of project documents (plans, specifications, estimates) used as the basis for bid letting and project construction. Provides assurance that project plans and proposals are prepared and delivered in accordance with FHWA, AASHTO, and MDOT standards and contracting practices. Maintains the department's Design Standard Plans and Guidelines, and Design Package Evaluation (DPE) systems. Design engineering work is performed by both department staff and contract consulting engineering firms under the supervision of MDOT engineering staff.

Construction – provides construction engineering and inspection of construction project work; construction contract administration including management of contractor payments; development of standard specifications for highway construction; evaluation of innovative technologies; technical support to Disadvantaged Business Enterprise (DBE) firms. Construction engineering work is performed by both department staff and contract consulting engineering firms under the supervision of MDOT engineering staff.

Materials Management – develops procedures and guidelines for materials sampling, testing, and control; develops and implements quality control/quality assurance (QC/QC) plans for testing and acceptance of construction materials; manages research projects; and recommends changes in the department's Standard Specifications for Construction.

Pavement Management – develops pavement design standards. Also performs pavement condition analysis, pavement investigations, Life Cycle Cost Analysis, pavement design for projects, and remaining service life reviews.

Project Maintenance of Traffic – provides traffic coordination between MDOT projects, and between MDOT projects and local projects; develops traffic management plans and maintaining traffic plans.

Program Coordination – coordinates annual program call for projects, coordinates Region investments in Capital Preventive Maintenance (CPM), rehabilitation, reconstruction, and capacity improvements.

Welcome Centers – operation of 14 Welcome Centers in Michigan is also funded from this line item.

Funding Source(s):	Federal	2,500,000
	Restricted	128,127,900

Related Boilerplate Section(s): 398, 399, 601, 612, 660

System operations
management – 571.0 FTE
positions

117,518,100 **System Operations and Maintenance**

Highway Operations are under the direction of the department's Chief Operations Office. Functions are broadly organized under three bureaus: Bureau of Development; Bureau of Field Services; and Bureau of Bridges and Structures.

Traffic Safety and Operations – responsible for signal operations, sign operations, pavement marking, work zone safety, incident management, traffic safety, and congestion mitigation. Coordinates payment of freeway lighting and traffic signal utility billings.

Intelligent Transportation Systems (ITS) – operations include Southeast Michigan Transportation Operations Center (SEMTOC) in Detroit, West Michigan Transportation Operations Center (WMTOC) in Grand Rapids, and the Statewide Traffic Operations Center (STOC) in Lansing. Coordinates connected vehicle research.

System Environmental – identifies social, economic, and environmental impacts of projects for use in planning documents; implements wetland mitigation site corrective action program; coordinates with EGLE.

Permits – manages department use of department right of way and facilities through permitting functions including construction, billboard, and oversize/overweight vehicle permits.

Research Administration – coordinates the department's research program, including various research initiatives in cooperation with national industry groups such as the American Association of State Highway and Transportation Officials (AASHTO), the Transportation Research Board (TRB), the National Cooperative Highway Research Program (NCHRP) and U.S. Department of Transportation's University Transportation Centers (UTCs) program. Many research projects are supported with FHWA State Planning and Research grants. Research administration also provides research library services.

Local Agency Programs – administers federal-aid programs on behalf of local road agencies; ensures that local federal-aid projects have environmental clearance and are in compliance with federal-aid program requirements; provides oversight for the Local Bridge Program; administers Local Safety Program. Assists local road agencies in programming Transportation Economic Development projects.

Real Estate Services – manages MDOT property (right-of-way); functions include including appraisal, acquisition, and sale of excess property in accordance with state and federal regulations.

Geotechnical – provides engineering, design, and analysis related to the physical properties affecting buildability and stability of structures, including subsurface investigation; foundation design and analysis; soils testing and classification; grading and drainage design and engineering; and soil and sedimentation control.

Bridge Program Management and Inspection – manages statewide bridge inspection program; maintains Bridge Management System; develops state trunkline bridge program strategies; and performs scoping for bridge projects.

[continued on next page]

System operations management – 571.0 FTE positions (continued)	<i>Bridge Design</i> – develops contract documents for bridge projects; manages bridge consultant design contracts.	Funding Source(s):	Federal	21,029,800
			Restricted	96,488,300
<i>Related Boilerplate Section(s): 398, 399, 601, 612, 660</i>				

GROSS APPROPRIATION	\$259,917,700	Total of all applicable line item appropriations.
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Federal aid – transportation programs	23,529,800	Federal funds support research, materials, technology, and QA/QC program and assurance testing. Federal funds also support ITS and Safe Routes to Schools programs.
Comprehensive transportation fund (CTF)	187,100	Restricted funds that support public transportation programs.
Michigan transportation fund (MTF)	18,123,900	Primary collection/distribution fund for transportation revenue from motor fuel and vehicle registration taxes. Used in this appropriations unit to support engineering oversight, technical assistance, and coordination related to state and federal funds provided to counties, cities, and villages.
State trunkline fund (STF)	218,076,900	State restricted fund dedicated for state trunkline programs.
STATE GENERAL FUND/ GENERAL PURPOSE	\$0	Unrestricted state revenue from taxes and other sources.

SECTION 108: HIGHWAY MAINTENANCE

This appropriation unit supports road and bridge maintenance activities on the state trunkline system.

*The State trunkline operations line item, funded entirely from the state restricted STF, supports MDOT's program of routine maintenance for **9,664** centerline miles of state trunkline highways and **4,518** state trunkline bridges.*

Full-time equated classified positions	909.7	Full-time equated (FTE) positions in the state classified service.
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State trunkline operations – 909.7 FTE positions	\$486,654,800	Salary, benefits, and other operating costs of MDOT's state trunkline maintenance program; includes activities performed by MDOT maintenance personnel from Lansing Central Office and seven MDOT Regions. Department personnel also manage and coordinate work and reimbursements to those counties, municipalities, and private contractors who perform trunkline maintenance under contract with MDOT.
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In 22 counties, state trunkline maintenance is performed by MDOT personnel ("direct counties.") MDOT contracts with county road agencies ("contract counties") for state trunkline maintenance work in 61 counties.

Functions include: winter maintenance, including deicer surface treatment, snow removal, and winter incident response; surface maintenance including joint and crack filling, remove and replace pavement, and pothole repair; structure maintenance, including bridge deck maintenance, superstructure and substructure maintenance, bridge drainage maintenance and repair, and emergency response to bridge hit incidents; sign and signal maintenance, including sign fabrication, maintenance, and repair and signal maintenance and repair; shoulder and roadside maintenance, including gravel and paved shoulders, road drainage inspection, maintenance, and repair, vegetation and brush control, litter pickup, and area and right-of-way mowing; guardrail maintenance and repair and trunkline system emergency response; fleet and facility operations, maintenance, and repair, including maintenance and repair of MDOT's 63 rest areas and 14 Welcome Centers; and managing the Adopt-A-Highway program.

Funding Source(s): Restricted 486,654,800

Related Boilerplate Section(s): 395, 605, 610

GROSS APPROPRIATION	\$486,654,800	Total of all applicable line item appropriations.
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State trunkline fund (STF)	486,654,800	State restricted fund dedicated for state trunkline highway purposes.
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STATE GENERAL FUND/ GENERAL PURPOSE	\$0	Unrestricted state revenue from taxes and other sources.
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SECTION 109: ROAD AND BRIDGE PROGRAM

This appropriation unit includes spending authorization for the state trunkline capital construction/preservation program, the local federal-aid program, and certain targeted/categorical programs established in Act 51. The distribution of MTF revenue to local road agencies as provided in Act 51 is also appropriated from this unit.

Cities and villages	\$734,069,200	Act 51 allocation of 21.8% of net MTF revenue. Appropriation is based on estimated revenue. The actual distribution to cities and villages will be based on actual MTF revenue and Act 51 external formula. Distribution to specific cities and villages is governed by Act 51 internal formula (includes population, state trunkline mileage, major street mileage, and local street mileage factors).
		Funding Source(s): Restricted 734,069,200
		<i>Related Boilerplate Section(s): None</i>
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County road commissions	1,316,610,100	Act 51 allocation of 39.1% of net MTF revenue. Appropriation is based on estimated revenue. The actual distribution to county road commissions will be based on actual MTF revenue and Act 51 external formula. Distribution to specific county road commissions is governed by the Act 51 internal formula (includes urban, primary, and local road miles, vehicle registration tax receipts, and population factors).
		Funding Source(s): Restricted 1,316,610,100
		<i>Related Boilerplate Section(s): None</i>
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Grants to local programs	33,000,000	Act 51 allocation to Local Program Fund; distributed 64.2% to county road commissions and 35.8% to cities and villages.
		Funding Source(s): Restricted 33,000,000
		<i>Related Boilerplate Section(s): None</i>
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Local agency wetland mitigation bank fund	2,000,000	Recognizes Act 51 earmark for local wetland mitigation bank; established through Act 51 amendment, 2016 PA 246.
		Funding Source(s): Restricted 2,000,000
		<i>Related Boilerplate Section(s): None</i>
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Local bridge program	26,914,700	Local Bridge Program provides grants for the repair or replacement of local road agency bridges. The Local Bridge Program and related MTF funding earmark are established in Sec. 10 of Act 51.
		Funding Source(s): Restricted 26,914,700
		<i>Related Boilerplate Section(s): 503</i>
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Local federal aid and road and bridge construction	411,168,800	Act 51 requires that an average of 25% of federal aid, excluding certain program categories, be allocated to local road agencies for eligible local road and bridge construction projects. This line is a placeholder representing the current-year estimate of that allocation.
		Funding Source(s): Federal 411,168,800
		<i>Related Boilerplate Section(s): 402</i>

Movable bridge	6,167,100	Recognizes earmark for state and local movable bridges established through Act 51 amendment, 2016 PA 246.
		Funding Source(s): Restricted 6,167,100
		<i>Related Boilerplate Section(s): None</i>
Rail grade crossing	3,000,000	Act 51 allocation for rail grade crossing program; funds grade crossing safety enhancements, including crossing surface improvements on the state trunklines.
		Funding Source(s): Restricted 3,000,000
		<i>Related Boilerplate Section(s): None</i>
Rail grade crossing – surface improvements	3,000,000	Act 51 allocation for rail grade crossing surface improvement projects on the local road system; established in 2015 PA 175, an amendatory act that was part of the November 2015 Road Funding Package, effective January 1, 2017.
		[Note: An additional \$2.0 million GF/GP for this program is included in One-Time Appropriations.]
		Funding Source(s): Restricted 3,000,000
		<i>Related Boilerplate Section(s): None</i>
State trunkline federal aid and road and bridge construction	1,617,892,700	State trunkline capital road and bridge construction program.
		[Note: An additional \$76.0 million GF/GP (Federal aid match) is included in One-Time Appropriations to ensure that the department is able to secure all available federal-aid highway funds under IIJA.]
		Funding Source(s): Federal 1,261,773,700 Local 30,003,500 Private 10,000,000 Restricted 316,115,500
		<i>Related Boilerplate Section(s): 307, 384, 601, 612, 660</i>
GROSS APPROPRIATION	\$4,153,822,600	Total of all applicable line item appropriations.
Federal aid – transportation programs	1,672,942,500	Federal-aid surface transportation funds provided for both state and local road agency capital construction programs from federal-aid programs established in 23 U.S. Code (Highways) as reauthorized and amended by IIJA.
Local funds	30,003,500	City or village cost participation for opening, widening, or improving state trunkline highways as required by Act 51.
Private funds	10,000,000	Revenue from private/non-governmental entities.
Blue Water Bridge fund	19,058,400	Subsidiary fund of STF used primarily to account for debt service, maintenance, and operating costs of Blue Water Bridge. In the State Trunkline Federal Aid and Road and Bridge Construction line item this fund source supports capital construction projects, including work related to the Blue Water Bridge Plaza project.
Local bridge fund	26,914,700	Fund established by 2004 PA 384, which amended Act 51, is dedicated for the Local Bridge Program. Fund revenue is derived from two Act 51 MTF earmarks: a half-cent from the motor fuel tax on gasoline; and a separate \$5.0 million earmark.
Michigan transportation fund (MTF)	2,097,846,400	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)	297,057,100	State restricted fund dedicated for state trunkline highway purposes.
STATE GENERAL FUND/ GENERAL PURPOSE	\$0	Unrestricted state revenue from taxes and other sources.

SECTION 110: BLUE WATER BRIDGE

This appropriations unit, first recognized in the FY 1997-98 transportation budget, is used to account for operating and maintenance costs of the Michigan-owned half of the twin-span Blue Water Bridge. Capital construction/rehabilitation costs of the bridge and the Blue Water Bridge Plaza project are funded from the State Trunkline Federal Aid and Road and Bridge Construction line item in the Road and Bridge Programs appropriations unit.

Full-time equated classified positions	47.0	Full-time equated (FTE) positions in the state classified service.
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Blue Water Bridge operations – 47.0 FTE positions	\$7,804,500	Operating and maintenance costs for the <i>Michigan-owned half of the twin-span Blue Water Bridge</i> , which crosses the St. Clair River between Port Huron, Michigan and Sarnia, Ontario, Canada.
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[Administratively, Blue Water Bridge operations and maintenance functions are under the department's Bureau of Bridges and Structures.]

[Note: An additional \$990,000 GF/GP for Blue Water Bridge equipment and purchases is included in One-Time Appropriations.]

Funding Source(s): Restricted 7,804,500

Related Boilerplate Section(s): None

GROSS APPROPRIATION	\$7,804,500	Total of all applicable line item appropriations.
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Blue Water Bridge fund	7,804,500	Subsidiary fund of STF used to account for debt service, capital projects, maintenance, and operating costs of Blue Water Bridge.
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STATE GENERAL FUND/ GENERAL PURPOSE	\$0	Unrestricted state revenue from taxes and other sources.
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SECTION 111: TRANSPORTATION ECONOMIC DEVELOPMENT

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 six 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 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.

Funding Source(s): Restricted 5,000,000

Related Boilerplate Section(s): 503

Rural county primary 10,431,600 Category D (Rural County Primary Roads) receives 25% of net TEDF balance after deducting administrative costs, debt service, and category E and F amounts.

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; funds 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.

Note: Section 10(3) of Act 51 allocates 16.5% of the state's Equity Bonus federal-aid funds to Category D. However, Equity Bonus as a federal aid category was eliminated under the 2015 reauthorization of the federal surface transportation program, the FAST Act. The department allocates additional federal aid to counties to offset the loss of these Equity Bonus funds, although not necessarily for Category D programs.

Funding Source(s): Restricted 10,431,600

Related Boilerplate Section(s): 503

Rural county urban system 2,500,000 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.

Funding Source(s): Restricted 2,500,000

Related Boilerplate Section(s): 503

Target industries/economic redevelopment	24,363,100	<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 the Category E and F distributions), less the \$3.0 million takedown for Category B.</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 is administered jointly by MDOT's Office of Economic Development and the Michigan Economic Development Corporation (MEDC).</p> <p style="text-align: right;">Funding Source(s): Restricted 24,363,100</p> <p><i>Related Boilerplate Section(s): 503</i></p>
Urban county congestion	10,431,600	<p>Category C (Urban County Congestion Relief) receives 25% of net TEDF balance after deducting administrative costs, debt service, and category E and F amounts.</p> <p>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.</p> <p>Section 10(3) of Act 51 allocates 15% of the state's Equity Bonus federal-aid funds to Category C. However, Equity Bonus as a federal aid category was eliminated under the 2015 reauthorization of the federal surface transportation program, the FAST Act. The department allocates additional federal aid to counties to offset the loss of these Equity Bonus funds, although not necessarily for Category C programs.</p> <p style="text-align: right;">Funding Source(s): Restricted 10,431,600</p> <p><i>Related Boilerplate Section(s): 503</i></p>
GROSS APPROPRIATION	\$52,726,300	Total of all applicable line item appropriations.
Economic development fund	52,726,300	Established by 1987 PA 231 to help fund highway, road, and street projects that support economic growth; revenue is derived primarily from Act 51 earmarks of MTF revenue and through a statutory earmark of driver's license fee revenue.
STATE GENERAL FUND/ GENERAL PURPOSE	\$0	Unrestricted state revenue from taxes and other sources.

SECTION 112: AERONAUTICS SERVICES

The State Aeronautics Code (1945 PA 327) 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; development and maintenance of uncrewed aircraft-related infrastructure; 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	48.0	Full-time equated (FTE) positions in the state classified service.
Air service program	\$50,000	<p>Provides grant assistance to the state's 18 commercial air service airports with a focus on smaller commercial service airports. Air service program funds are expended on projects that are not eligible for federal Airport Improvement Program funding. Program has four grant categories: Air Carrier Recruitment and Retention, Capital Improvement and Equipment, Airport Awareness, and Aircraft Rescue and Fire Fighting Training.</p> <p>[Note: An additional \$6.0 million GF/GP for air service/airport revitalization is included in One-Time Appropriations.]</p> <p style="text-align: right;">Funding Source(s): Restricted 50,000</p> <p style="text-align: right;"><i>Related Boilerplate Section(s): 801</i></p>
Aviation services – 48.0 FTE positions	7,726,600	<p>The Office of Aeronautics is divided into three sections: Planning & Development; Programming; and Transport & Safety.</p> <p>The Office provides administrative services, fiscal coordination, and legislative liaison for aeronautics programs; administers all-weather airport access program; supports the Michigan Aeronautics Commission.</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>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 style="text-align: right;">Funding Source(s): Restricted 7,726,600</p> <p style="text-align: right;"><i>Related Boilerplate Section(s): 383, 801</i></p>
GROSS APPROPRIATION	\$7,776,600	Total of all applicable line item appropriations.
State aeronautics fund (SAF)	7,776,600	Restricted fund for aviation development, regulation, and promotion; revenue from aviation fuel taxes and licensing/registration fees.
STATE GENERAL FUND/ GENERAL PURPOSE	\$0	Unrestricted state revenue from taxes and other sources.

SECTION 113: 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	40.0	Full-time equated (FTE) positions in the state classified service.
Passenger transportation services – 40.0 FTE positions	\$6,476,900	Administers local public transit, marine passenger, and intercity service programs. Implements Motor Bus Transportation Act safety regulations.
		Funding Source(s): Federal 1,200,000 Restricted 5,276,900
		<i>Related Boilerplate Section(s): 393, 701</i>
GROSS APPROPRIATION	\$6,476,900	Total of all applicable line item appropriations.
Federal aid – transportation programs	1,200,000	Federal transit funding from Title 49 USC as amended by IIJA.
Comprehensive transportation fund (CTF)	5,276,900	State restricted fund dedicated for public transportation purposes.
STATE GENERAL FUND/ GENERAL PURPOSE	\$0	Unrestricted state revenue from taxes and other sources.

SECTION 114: LOCAL BUS TRANSIT

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

Local bus operating	\$226,750,000	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.
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[Note: An additional \$20.0 million for local bus operating, from federal ARP funds, is included in One-Time Appropriations.]

Funding Source(s): Restricted 226,750,000

Related Boilerplate Section(s): 393

Nonurban operating/capital	40,626,500	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.
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Funding Source(s): Federal 38,626,500
 Local 2,000,000

Related Boilerplate Section(s): 393

GROSS APPROPRIATION	\$267,376,500	Total of all applicable line item appropriations.
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Federal aid – transportation programs	38,626,500	Federal transit grants for operating and capital assistance to nonurban transit systems authorized by 49 USC 5311 as amended by IIJA.
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Local funds	2,000,000	Local funding match for certain federal grants.
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Comprehensive transportation fund (CTF)	226,750,000	State restricted fund for public transportation purposes.
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STATE GENERAL FUND/ GENERAL PURPOSE	\$0	Unrestricted state revenue from taxes and other sources.
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SECTION 115: INTERCITY PASSENGER AND FREIGHT

This appropriation unit provides funds for intercity bus service, rail passenger service, rail freight development, port development, and marine passenger programs. The Office of Rail within this appropriations unit also provides administrative support for state public transportation programs.

Full-time equated classified positions	41.0	Full-time equated (FTE) positions in the state classified service.
Detroit/Wayne County Port Authority	\$600,000	Operating assistance to Detroit/Wayne County Port Authority; a local unit of government established under 1978 PA 639.
		Funding Source(s): Restricted 600,000
		<i>Related Boilerplate Section(s): None</i>
Freight property management	1,300,000	MDOT currently owns rail property, including approximately 530 miles of track, acquired in the 1970s and 1980s when private railroads abandoned a number of rail lines in Michigan. Four short line railroads operate on the state-owned track under contract with the department. This line item is used to pay leases and trackage rights on certain non-state-owned segments in order to provide for the continuity of service on the state-owned lines. In addition, costs of certain property management activities, including culvert repair and replacement, and drainage assessments, are charged to the line.
		[MDOT also owns an additional 135 miles of track, between Dearborn and Kalamazoo, acquired from the Norfolk Southern railroad in December 2012, primarily for rail passenger service. Maintenance and rehabilitation costs of that segment are charged to the Rail Operations and Infrastructure line item.]
		Funding Source(s): Restricted 1,300,000
		<i>Related Boilerplate Section(s): None</i>
Intercity services	9,635,400	MDOT contracts with intercity carriers to provide intercity bus service to small urban and rural communities without other intercity public transportation services.
		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 that promote intermodal coordination may be considered.
		Funding Source(s): Federal 6,180,000 Local 160,000 Private 800,000 Restricted 2,495,400
		<i>Related Boilerplate Section(s): 701</i>

Marine passenger service	20,205,000	Provides capital assistance for marine passenger systems. First funding priority is matching federal capital grants awarded to public ferryboat systems. Remaining funds are used to fund system capital needs to ensure safe, efficient operations. Eligible systems currently include the Eastern Upper Peninsula Transportation Authority (St. Mary's River ferry service), the Beaver Island Transportation Authority (ferry service between Beaver Island and Charlevoix), Charlevoix County Transportation Authority (Ironton Ferry), and the Mackinac Island Transportation Authority.
		Funding Source(s):
		Federal 17,705,000
		Local 500,000
		Restricted 2,000,000

Related Boilerplate Section(s): None

Office of rail – 41.0 FTE positions	7,361,700	Administers rail passenger, rail freight, rail economic development, port, and grade crossing programs, including project management functions. Provides fiscal coordination and contract administration for Office of Rail and Office of Passenger Transportation.
		Funding Source(s):
		Restricted 7,361,700

Related Boilerplate Section(s): 702, 704, 707

Rail operations and infrastructure	152,189,200	Provides operating and capital support for rail passenger service on three lines in Michigan operated by Amtrak: The <i>Blue Water</i> (Port Huron to Chicago), the <i>Pere Marquette</i> (Grand Rapids to Chicago), and the <i>Wolverine</i> (Pontiac-Detroit-Chicago). Supports maintenance and capital investments on the state-owned Kalamazoo-Dearborn corridor. Supports capital improvements on state-owned rail facilities; provides the required non-federal match for competitive federal grants awarded to MDOT for rail projects; supports a rail-freight economic development grant program, and a rail-freight preservation/enhancement program.
		Funding Source(s):
		Federal 30,000,000
		Local 100,000
		Private 2,000,000
		Restricted 120,089,200

Related Boilerplate Section(s): 702, 704, 707

GROSS APPROPRIATION \$191,291,300 Total of all applicable line item appropriations.

Federal aid – transportation programs	53,885,000	Reflects federal FRA grants in support of capital costs of facilities, infrastructure, and equipment necessary to provide or improve freight rail infrastructure or high speed and intercity passenger rail service. Also reflects federal aid for intercity services provided through FTA grants under 5311 49 USC.
Local funds	760,000	Local funding match for certain federal and state grants.
Private funds	2,800,000	Revenue from private/non-governmental entities.
Comprehensive transportation fund (CTF)	124,794,900	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 and facility fund	45,400	Revenue is generated primarily from facility maintenance charges under terms of the leases of state-owned intercity facilities; the fund is used as a fund source in the Intercity Services line item.

Related Boilerplate Section(s): 701

Michigan transportation fund (MTF)	2,181,600	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 within the Office of Rail line item.
Rail freight fund	6,000,000	Sources of revenue include trackage rights, real estate activities (property sales/leases/permits), and contractual reimbursements and repayments. Used as a fund source for rail programs. <i>Related Boilerplate Section(s): 702</i>
State trunkline fund (STF)	824,400	State restricted fund dedicated for state trunkline highway purposes, appropriated in the Office of Rail line item.
STATE GENERAL FUND/ GENERAL PURPOSE	\$0	Unrestricted state revenue from taxes and other sources.

SECTION 116: 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.

Municipal credit program \$2,000,000 Section 10/ of Act 51 established the Municipal Credit Program. As amended by 2012 PA 391, Section 10/ 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 10/, 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. The Municipal Credit Program line item reflects this additional \$2.0 million Act 51 earmark.

Funding Source(s): Restricted 2,000,000

Related Boilerplate Section(s): None

Service initiatives 20,802,000 Provides funds to advance and improve mobility such as demonstration and implementation of new technology, innovative service models, regional services, research, training, planning and coordination.

Funding Source(s): Federal 9,513,700
 Local 2,000,000
 Private 2,000,000
 Restricted 7,288,300

Related Boilerplate Section(s): 393

Specialized services 30,574,900 Act 51 requires a minimum appropriation of \$3,600,100 (CTF) for the specialized services program, a program that supports transit service targeted for the elderly and persons with disabilities. Additional program goals are to remove barriers to employment and improve access to health care targeted for low income populations. Federal spending authority represents a grant program, Enhanced Mobility for Seniors and Persons with Disabilities, authorized under 49 USC 5310. Local funds represent local matching funds for the federal program.

Funding Source(s): Federal 13,389,900
 Local 4,185,000
 Restricted 13,000,000

Related Boilerplate Section(s): None

Transit capital	254,601,300	Provides funds for capital equipment needs of local transit systems, specialized service providers, and commuter rail systems through a match of federal funds, or, for some projects, 100% state funds. Act 51 requires the CTF to provide 66.67% of non-federal match for federal capital grants, and a minimum of \$8.0 million CTF for transit capital.
		Funding Source(s):
		Federal 144,067,200
		Local 31,000,000
		Private 2,000,000
		Restricted 77,534,100
		<i>Related Boilerplate Section(s): 393</i>
Van pooling	400,000	Funds MichiVan vanpool services to qualified commuting groups in the state; used for vehicles and marketing.
		Funding Source(s):
		Restricted 400,000
		<i>Related Boilerplate Section(s): None</i>
GROSS APPROPRIATION	\$308,378,200	Total of all applicable line item appropriations.
Federal aid – transportation programs	166,970,800	Federal transit grants authorized by 49 USC as amended by IIJA.
Local funds	37,185,000	Local funding match for certain federal and state grants.
Private funds	4,000,000	Revenue from private/non-governmental entities.
Comprehensive transportation fund (CTF)	100,222,400	State restricted funds dedicated for public transportation purposes.
STATE GENERAL FUND/ GENERAL PURPOSE	\$0	Unrestricted state revenue from taxes and other sources.

**SECTION 117(1): CAPITAL OUTLAY
BUILDINGS AND FACILITIES**

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

Salt storage buildings and containment control	\$3,000,000	Provides funding for salt storage buildings and containment systems at counties that perform state trunkline maintenance work for MDOT under contract.
		Funding Source(s): Restricted 3,000,000
		<i>Related Boilerplate Section(s): 903</i>
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Special maintenance, remodeling, and additions	5,000,500	For various department-owned transportation facilities.
		Funding Source(s): Restricted 5,000,500
		<i>Related Boilerplate Section(s): 903</i>
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GROSS APPROPRIATION	\$8,000,500	Total of all applicable line item appropriations.
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State trunkline fund (STF)	8,000,500	State restricted fund dedicated for state trunkline highway purposes.
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STATE GENERAL FUND/ GENERAL PURPOSE	\$0	Unrestricted state revenue from taxes and other sources.
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**SECTION 117(2): CAPITAL OUTLAY
AIRPORT IMPROVEMENT PROGRAMS**

This appropriation unit authorizes the expenditure of federal Airport Improvement Program funds, Airport Infrastructure grant funds under IIJA, and a statutory distribution to the Detroit Metropolitan Wayne County Airport from the Qualified Airport Fund.

Airport safety, protection and improvement program	\$182,242,300	Supports the federal Airport Improvement Program grants to eligible airports in the state.
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Funding Source(s):	Federal	155,000,000
	Local	17,500,000
	Private	2,000,000
	Restricted	7,742,300

Related Boilerplate Section(s): 801, 901, 903

Detroit Metropolitan Wayne County Airport	6,760,000	Earmark for Detroit Metropolitan Wayne County Airport established through 2015 amendment to the State Aeronautics Code.
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Funding Source(s):	Restricted	6,760,000
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Related Boilerplate Section(s): None

IIJA airport infrastructure grants	115,000,000	A federal program of airport assistance established under IIJA.
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Funding Source(s):	Federal	115,000,000
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Related Boilerplate Section(s): None

GROSS APPROPRIATION	\$304,002,300	Total of all applicable line item appropriations.
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Federal aid – transportation programs	270,000,000	Federal aid from the Airport Improvement Program.
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Local funds	17,500,000	Estimated local match for airport improvement programs.
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Private funds	2,000,000	Revenue from private/non-governmental entities.
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Qualified airport fund	6,760,000	Earmark for Detroit Metropolitan Wayne County Airport and related fund source, the Qualified Airport Fund, were established through amendment to the State Aeronautics Code in a 2015 aviation funding package (Public Acts 258 through 262 of 2015).
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State aeronautics fund (SAF)	7,742,300	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.
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STATE GENERAL FUND/ GENERAL PURPOSE	\$0	Unrestricted state revenue from taxes and other sources.
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SECTION 118: ONE-TIME APPROPRIATIONS

This appropriation unit contains all FY 2024-25 appropriations which are intended by the Legislature to be one-time allocations that will not be reauthorized in future fiscal years.

Full-time equated classified positions	1.0	Full-time equated (FTE) positions in the state classified service.		
Air service/airport revitalization	\$6,000,000	One-time federal ARP funds for an air service revitalization grant program: \$2.0 million for capital development at general aviation airports for projects including obstruction removal; \$4.0 million for air service development program.	Funding Source(s):	GF/GP 6,000,000
			<i>Related Boilerplate Section(s): 1101</i>	
ARP – one-time local bus operating	20,000,000	One-time funding from federal American Rescue Plan (ARP) funds to supplement ongoing program funding. ARP is a federal-aid program to provide relief from economic and fiscal impact of the COVID-19 pandemic.	Funding Source(s):	Federal 20,000,000
			<i>Related Boilerplate Section(s): 1110</i>	
Blue water bridge equipment and purchases	990,000	Includes \$990,000 for one-time equipment and facilities for the Blue Water Bridge.	Funding Source(s):	Restricted 990,000
			<i>Related Boilerplate Section(s): None</i>	
Critical infrastructure projects	74,500,000	Provides one-time funding for 30 specific critical infrastructure projects identified in the table in boilerplate Section 1005 below.	Funding Source(s):	GF/GP 74,500,000
			<i>Related Boilerplate Section(s): 1111</i>	
Federal aid match	76,000,000	MDOT's estimate of additional funds needed to match all available federal-aid highway funds available to Michigan through IJA for state trunkline program.	Funding Source(s):	GF/GP 76,000,000
			<i>Related Boilerplate Section(s): 1001</i>	
Lake Michigan car ferry	2,000,000	Provides \$2.0 million GF/GP for decarbonization planning and implementation of clean-energy maritime technology on the S. S. Badger.	Funding Source(s):	GF/GP 2,000,000
			<i>Related Boilerplate Section(s): 1102</i>	
Local rail grade crossing surface improvements	2,000,000	Provides \$2.0 million GF/GP for rail grade crossing surface improvements.	Funding Source(s):	GF/GP 2,000,000
			<i>Related Boilerplate Section(s): None</i>	

Local road and material research program	1,000,000	Provides \$1.0 million GF/GP for a local road and material research program.	Funding Source(s): GF/GP 1,000,000
<i>Related Boilerplate Section(s): 1104</i>			
MI contracting opportunity – 1.0 FTE position	5,000,000	One-time GF/GP program to increase contracting opportunities for socially or economically disadvantaged business concerns.	Funding Source(s): GF/GP 5,000,000
<i>Related Boilerplate Section(s): 1003</i>			
New technology and mobility	23,950,000	One-time GF/GP for three projects in support of new transportation technology.	Funding Source(s): GF/GP 23,950,000
<i>Related Boilerplate Section(s): 1105</i>			
School zone automated speed enforcement pilot project	2,500,000	One-time GF/GP program to increase contracting opportunities for socially or economically disadvantaged business concerns.	Funding Source(s): GF/GP 2,500,000
<i>Related Boilerplate Section(s): 1106</i>			
Supplier risk and information subscription	50,000	Includes \$50,000 GF/GP for supplier risk and information subscription for precontract risk assessment.	Funding Source(s): GF/GP 50,000
<i>Related Boilerplate Section(s): 1107</i>			
GROSS APPROPRIATION	\$213,990,000	Total of all applicable line item appropriations.	
Federal aid – coronavirus state fiscal recovery fund	20,000,000	Federal aid provided under ARP/State Fiscal Recovery Funds.	
Blue water bridge fund (BWBF)	990,000	State restricted funds dedicated for public transportation purposes.	
STATE GENERAL FUND/ GENERAL PURPOSE	\$193,000,000	Unrestricted state revenue from taxes and other sources.	

BOILERPLATE SECTION INFORMATION

The governor's signing letter stated that sections violating the following provisions of the Michigan Constitution are unenforceable:

- Article 3, Section 2: Separation of Powers of Government
- Article 4, Section 22: An attempt to authorize legislation other than by bill
- Article 4, Section 24: No law shall embrace more than one object, which shall be expressed in its title
- Article 4, Section 25: Amendment by reference
- Article 5, Section 28: Duties of the State Transportation Commission

Specific sections deemed unenforceable are provided noted in the boilerplate section descriptions below.

GENERAL SECTIONS

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

Identifies state spending from state resources and state resources to be paid to local units of government.

Sec. 202. Applicability of Management and Budget Act

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

Sec. 203. Definitions

Defines various terms and acronyms appearing in the article.

Sec. 204. Internet Reporting

Requires the department to use the internet to fulfill legislative reporting requirements; requires email notification of report recipients.

Sec. 205. Buy American and Buy Michigan Preference

Prohibits the purchase of foreign goods or services if competitively priced and comparable quality American goods and services are available; requires that preference be given to Michigan businesses and to Michigan businesses owned and operated by veterans if such goods and services are competitively priced and of comparable quality.

Sec. 206. Communications with the Legislature – UNENFORCEABLE

With certain specific exceptions, prohibits the department from taking disciplinary action against an employee for communicating with a member of the legislature or legislative staff. *(The Governor's signing letter indicated that this section is unenforceable.)*

Sec. 207. Out-of-State Travel

Provides for out-of-state travel report due January 1 of each year, detailing out-of-state travel by employees in the prior fiscal year.

Sec. 208. Hire of Outside Legal Counsel

Prohibits the department from hiring a person to provide legal services that are the responsibility of the Attorney General; exempts legal services for bonding activities and activities authorized by the Attorney General.

Sec. 209. General Fund/General Purpose Lapse Report

Requires the State Budget Office to prepare and transmit a report by December 15 of estimated GF/GP lapses for major department programs or program areas for the prior fiscal year.

Sec. 210. Contingency Authorization

Provides contingent spending authority of \$500.0 million federal funds, \$40.0 million state restricted funds, \$1.0 million in local and \$11.0 million in private funds, subject to legislative transfer process of Section 393(2) of the Management and Budget Act.

Sec. 211. Transparency Website

Directs the department, in cooperation with DTMB, to maintain a searchable website accessible by the public at no cost that includes various appropriation, expenditure, procurement, and staffing information.

Sec. 212. Restricted Fund Balance Report

Requires report on restricted fund revenues, expenditures, and estimated year-end balances; due within 14 days of the release of the Executive budget recommendation.

BOILERPLATE SECTION INFORMATION

Sec. 214. Access to Government Services

Prohibits use of money appropriated in part 1 to restrict or impede a marginalized community's access to government resources, programs, or facilities. Also requires local governments to report any action or policy that attempts to restrict or interfere with the duties of the local health officer.

Sec. 215. Geographically Disadvantaged Business Enterprises

Requires department director to take reasonable steps to ensure that geographically disadvantaged business enterprises compete for and perform contracts to provide services or supplies, or both. Requires the department director to strongly encourage department contractors to subcontract with certified geographically disadvantaged business enterprises.

Sec. 216. Report on FTE Positions

Requires a quarterly report on staffing levels in relation to FTE authorization.

Sec. 219. Record Retention

Requires department to retain reports funded from part 1 appropriations in accordance with state and federal record retention guidelines.

Sec. 222. Work Project Expenditures – UNENFORCEABLE

Requires that work project balances be exhausted before expenditure from part 1 appropriations. (*The Governor's signing letter indicated that this section is unenforceable.*)

Sec. 223. Use of State Fiscal Recovery Funds

Directs the State Budget Office to take steps to ensure that all state Fiscal Recovery Funds allocated to the state under the American Rescue Plan Act are expended by December 31, 2026. Requires notice of reallocation of funds if necessary to ensure funds are fully utilized.

Sec. 250. Report on Grant Sponsors and Grant Recipients

Reporting requirement for grant agreements, including grant recipient, project purpose, and project location for single recipient grants; status of funds allocated and disbursed; and legislative sponsor.

DEPARTMENTAL ADMINISTRATION AND SUPPORT

Sec. 301. Permit Fees

Authorizes the department to establish and collect fees sufficient to cover the costs of receiving, reviewing, and processing permits, and requires that permit revenue be credited to the appropriate fund.

Sec. 304. Confidentiality of Bid Documents

Provides for confidentiality of highway project bid documents.

Sec. 305. Practice and Policies Regarding Homelessness

Section on practices and policies regarding homelessness.

Sec. 306. Use of Transportation Funds by Other State Agencies

Sets guidelines for use of transportation funds (interdepartmental grants) by other state agencies; requires report by each state department receiving funding from interdepartmental contract with the department to report on use of transportation funds no later than two months after the publication of the state Annual Certified Financial Report.

Sec. 307. Rolling Five-Year Plan

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

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. Local Bridge Bundling Initiative

Requires a report, due March 30, 2025 on the bridge bundling initiative funded from federal CRRSAA COVID-19 relief funds in FY 2020-21 supplemental appropriations [Article 14 of 2021 PA 87].

Sec. 313. State Infrastructure Bank (SIB)

Provides guidelines for SIB program; provides carryforward authority; requires a report on SIB statues due December 31, 2024.

BOILERPLATE SECTION INFORMATION

Sec. 383. Report on Use of State Airfleet

Requires annual report on use of MDOT-owned aircraft during the prior fiscal year, due February 1, 2025. The section also requires the department maintain a system for the recovery of department costs.

Sec. 384. Gordie Howe International Crossing

Restricts expenditure of "state transportation revenue" for "construction planning or construction" related to the project. The section also indicates that "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." In May 2015, the project for the crossing of the Detroit River between Detroit and Windsor Ontario, Canada, was designated the Gordie Howe International Bridge.

Sec. 385. Gordie Howe Bridge – Reporting Requirement

Requires a monthly report on expenditures made by the state related to the Gordie Howe Bridge, as well as reimbursements made by Canada. The section requires information in right-of-way acquisition. The initial report is due by December 1, 2024 and would cover the prior fiscal year.

Sec. 389. Long-Term Obligations

Requires the department to notify legislature within 30 days of entering into long-term agreements that obligate future payments of over \$5.0 million for five or more years.

Sec. 393. Public Transportation Best Practices

Directs the department to promote best practices in public transportation, including transit vehicle rehabilitation to reduce life-cycle cost.

Sec. 395. Authority to Transfer Between Construction/Maintenance

Authorizes the department to transfer up to \$10.0 million from the state trunkline road and bridge construction line item to state trunkline maintenance for certain specified activities.

Sec. 398. Towards Zero Deaths

Directs the department to continue to work to eliminate road fatalities and serious injuries.

Sec. 399. Capital Preventive Maintenance

Requires the department to make capital preventive maintenance a priority in developing its state trunkline road and bridge construction program; indicates that not less than \$100.0 million of the state trunkline road and bridge appropriation be allocated for capital preventive maintenance treatments for pavement preservation.

MICHIGAN TRANSPORTATION FUND

Sec. 501. Motor Carrier Act

Describes distribution of revenue received under the Motor Carrier Act (1933 PA 254). [This section is an anachronism; no revenue from the Motor Carrier Act has been credited to transportation funds since FY 2003-04.]

Sec. 503. TEDF/Local Bridge Fund Lapse

Directs that unexpended funds appropriated from the TEDF lapse to the TEDF. Also directs that unexpended funds appropriated for the to the Local Bridge Program carry forward and are appropriated the Local Bridge Program. The section also prohibits diversion from the TEDF or Local Bridge Fund for other purposes; authorizes use of federal, local, or private funds for the two programs.

Sec. 504. MTF Distribution

Requires use of MTF in accordance with Act 51 requirements.

STATE TRUNKLINE FUND

Sec. 604. State Trunkline Fund Carryforward

Directs that at the close of the fiscal year, the unexpended balance in the STF be carried forward; appropriates the STF balance for the state trunkline federal aid and road and bridge program.

Sec. 612. Incentive/Disincentive Contracts

Requires MDOT to provide a report on incentive/disincentive contracts, due March 31, 2025.

BOILERPLATE SECTION INFORMATION

Sec. 613. Industrial Magnet Roadway Sweepers

Earmarks \$350,000 (STF) for purchase of industrial magnet roadway sweepers; describes specifications.

Sec. 660. Use of Alternative Materials – UNENFORCEABLE

Encourages department to examine the use of alternative road surface materials. In subsection 2, directs the department to establish a new stakeholder group to review submission of innovative construction material and design specifications. (A State Budget Office document dated September 3, 2024, indicated that Subsection 2 was unenforceable in that it violated Article 3, Section 2 of the Michigan Constitution dealing with the separation of powers of government.)

TRANSIT AND RAIL RELATED FUNDS

Sec. 701. Intercity Bus Equipment 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. 704. Rail Operations and Infrastructure Report

Provides for a report on planned obligations for programs funded from the Rail Operations and Infrastructure line item; report due by December 31, 2025.

Sec. 707. Rail Strategic Plan

Requires the department to provide a rolling five-year rail plan and summary of the department's obligations for programs funded from the Rail Operations and Infrastructure line item. The plan would be due by March 1, 2025. Also requires that not less than \$20.0 million from the part 1 Rail Operations and Infrastructure appropriation be allocated for support of rail-related economic development projects and rail freight system preservation 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 for the fiscal year ending September 30, 2025.

AERONAUTICS FUND

Sec. 801. State Aeronautics Fund

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

CAPITAL OUTLAY

Sec. 901. Aeronautics Capital Program

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

Sec. 903. Capital Outlay Carry Forward

Provides carryforward authority for capital outlay appropriations in accordance with Section 248 of the Management and Budget Act.

ONE-TIME ONLY APPROPRIATIONS

Sec. 1001. Federal Aid Match

Defines use of one-time \$76.0 million part 1 appropriation intended to ensure the department secures all federal funding made available to the department by the FHWA under IJA.

Sec. 1003. MI Contracting Opportunity

Defines the part 1, \$5.0 million, 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 IJA. Also provides for a revolving loan program for socially or economically disadvantaged businesses.

Sec. 1101. Air Service/Airport Revitalization

Defines use of the \$6.0 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.

BOILERPLATE SECTION INFORMATION

Sec. 1102. Lake Michigan Car Ferry

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. 1104. Local Road and Material Research Program — PARTIALLY UNENFORCEABLE

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.

(A State Budget Office document dated September 3, 2024, indicated that Subsections 2 and 3, which provide for program administration, were unenforceable in that they included an object in the bill that was not included in the bill's title, in violation of Article 4, Section 24 of the Michigan Constitution, as well as Article 3, Section 2 of the Michigan Constitution dealing with the separation of powers of government.)

Sec. 1105. New Technology/Mobility Grants

Defines the uses of the \$23.95 million part 1 appropriation.

- (a) \$7.5 million for aerial mobility/ drone infrastructure projects including drone hubs, drone ports, and last mile delivery.
- (b) \$6.0 million for Michigan Mobility Funding Platform.
- (c) \$4.5 million for an inductive charging pilot project.
- (d) \$3.0 million for Shared streets and spaces.
- (e) \$2.95 million for e-bike purchase incentive program.

Sec. 1106. School Zone Automated Speed Enforcement Pilot Project

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

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. Best Environmental Practices Report

Requires a report, due September 30, 2025, on 2025 construction season projects that benefited from best environmental practices including but not limited to bioswales, biofilters, and other vegetative channels.

Sec. 1109. Complete Streets Policy Report

Requires a report on State Transportation Commission's Complete Streets policy.

Sec. 1110. One-Time Local Bus Operating/ARP Funds

Directs that the \$20.0 million one-time part 1 appropriation of federal ARP funds for local bus operating be distributed to eligible transit agencies in accordance with provisions of Section 10e of 1951 PA 51.

BOILERPLATE SECTION INFORMATION

Sec. 1111. Critical Infrastructure

Defines uses of the \$74.5 million part 1 grant program as follows:

Sub. (2) Subdivision	Recipient/Designation	Amount
a	Ferry Lane road project St. Ignace, Mackinac County	\$1,000,000
b	Tunnel under M-20, Shelby Township, Oceana County	2,200,000
c	Wayne Road, Romulus, Wayne County	5,000,000
d	Deposit to Local [rail] grade separation fund	5,000,000
e	Industrial Park roadwork, City of Fraser, Macomb County	4,000,000
f	Airport Road, Clinton County	4,000,000
g	SMART bus stops and shelters	1,000,000
h	Road repairs, Mt. Morris Township, Genesee County	2,320,000
i	Road and intersection improvements, Grosse Pointe Woods, Wayne County	980,000
j	Pump station and roadway rehabilitation; Roseville, Macomb County	6,600,000
k	Leland Avenue Bridge over Silver Creek, Wayne County	2,000,000
l	Jefferson Avenue Bridge over Monguagon Creek, Wayne County	2,000,000
m	Reconstruction, 10-Mile Road, Eastpointe, Macomb County	3,000,000
n	Noise study of M-14 corridor, Ann Arbor	3,000,000
o	Road repairs, Southfield, Oakland County	4,000,000
p	Street maintenance and cleanup, City of Detroit	5,000,000
q	Road project, Ingham County	1,500,000
r	Street repairs, East Lansing, Ingham County	2,400,000
s	Palmer Road bridge over I-275, Wayne County	3,250,000
t	Horizon Park, City of Belleville, Wayne County	750,000
u	Sidewalk and alley repairs; Hamtramck, Wayne County	1,500,000
v	Streetscapes, Westland, Wayne County	1,000,000
w	Mound Road reconstruction, Macomb County	2,500,000
x	City of Northville	750,000
y	Pedestrian pathways, Dearborn, Wayne County	500,000
z	Exit ramp safety improvements, M-14 in Ann Arbor	500,000
aa	Intersection safety improvements, Quirk Road, City of Belleville, Wayne County	750,000
bb	Sidewalk repairs, City of Detroit	500,000
cc	MDOT for soundwall construction, I-75 in Southgate	6,500,000
dd	Road repairs, Romulus, Wayne County	1,000,000
	Total	\$74,500,000

Also establishes the appropriation as a work project.



Mary Ann Cleary, Director
 Kevin Koorstra, Deputy Director
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AREAS OF RESPONSIBILITY

Agriculture and Rural Development	William E. Hamilton
Attorney General	Michael Clossen
Auditor General	Michael Clossen
Bill Analysis	Rick Yuille Edith Best; Holly Kuhn; Josh Roesner; Alex Stegbauer
Capital Outlay	Perry Zielak
Civil Rights	Michael Clossen
Community Colleges	Perry Zielak
Corrections	Robin R. Risko
Economic and Revenue Forecasting	Benjamin Gielczyk
Education (Department)	Noel Benson
Environment, Great Lakes, and Energy	Austin Scott
Executive Office	Michael Clossen
Fiscal Oversight, Audit, and Litigation	Mary Ann Cleary
Health and Human Services:	
Child Welfare, Public Health	Sydney Brown
Child Support, Community Services, Local Office Operations, Public Assistance	Cassidy Uchman
Behavioral Health, Medicaid	Kevin Koorstra
Aging, Medicaid	Kent Dell
Higher Education	Perry Zielak
Insurance and Financial Services	Marcus Coffin; Una Jakupovic
Judiciary	Robin R. Risko
Labor and Economic Opportunity	Marcus Coffin
Legislature	Michael Clossen
Licensing and Regulatory Affairs	Marcus Coffin; Una Jakupovic
Lifelong Education, Advancement, and Potential	Perry Zielak; Noel Benson
Local Finance	Benjamin Gielczyk
Lottery	Michael Clossen
Michigan Strategic Fund	Marcus Coffin
Military and Veterans Affairs	Michael Clossen; Aaron Meek
Natural Resources	Austin Scott
Natural Resources Trust Fund	Austin Scott
Retirement	Benjamin Gielczyk
Revenue Forecasting	Benjamin Gielczyk
Revenue Sharing	Benjamin Gielczyk
School Aid	Noel Benson; Jacqueline Mullen
State (Department)	Michael Clossen
State Police	Michael Clossen; Aaron Meek
Supplemental Coordinator	Robin R. Risko
Tax Analysis	Benjamin Gielczyk
Technology, Management, and Budget	Michael Clossen
Transfer Coordinators	Mary Ann Cleary; Robin R. Risko
Transportation	William E. Hamilton
Treasury	Michael Clossen
Unemployment Insurance	Marcus Coffin



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