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DEPARTMENT OF TRANSPORTATION

TRANSPORTATION BUILDING, 425 WEST OTTAWA POST OFFICE BOX 30050, LANSING, MICHIGAN 48909

PHONE: (517) 373-2090 FAX: (517) 373-0167 WEB SITE: <http://www.mdot.state.mi.us>

GREGORY J. ROSINE, DIRECTOR

January 26, 2001

Craig Theil
Senate Fiscal Agency
P.O. Box 30036
Lansing, MI 48909-7536

Dear Mr. Theil:

Subject: Section 401 of the Fiscal Year 2001 Department of Transportation Appropriations Bill

We are pleased to present you with a summary of Michigan's 2001 federal funds and the proposed distribution to state and local programs. Section 401 of the fiscal year (FY) 2001 Department of Transportation Appropriations Act requires the department to "present to the senate and house appropriations transportation subcommittees and the senate and house fiscal agencies [sic], the federal amounts and categories authorized and the department's recommendation for distribution of these funds." This letter and enclosures are submitted to you in compliance with Section 401.

The Michigan Department of Transportation was notified of Michigan's FY 2001 funding by the Federal Highway Administration on November 28, 2000. We are still waiting to hear if a 13th-hour federal budget cut will have any impact on the highway program. In the meantime, we have been seeking input from the Michigan Municipal League and the County Road Association of Michigan regarding distribution of the local share of the funds. With those discussions concluded and their concurrence to the proposed distribution, we are able to present our FY 2001 recommendation. It should be noted that local agencies have been notified of their approximate level of funding and encouraged to continue their programs without delay. If adjustments become necessary, they can be made through future funding.

Craig Thiel
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The Federal Highway Administration provided notice that Michigan's new apportionment is \$976 million, compared to \$932 million in FY 2000. Of the \$976 million, approximately \$250 million will be allocated to local programs in FY 2001. In addition, Michigan will receive new authority to obligate about \$870 million of our new apportionments. Of the total new obligation authority, approximately \$224 million will be made available to local programs. A 0.22-percent budget cut was imposed on federal appropriations by Congress and the President for FY 2001. This cut is not reflected in these amounts. Any impact on these programs is likely to be very small. However, if the amounts reported here vary in any substantive way because of the manner in which the budget cut is eventually imposed, we will inform you. Details of federal funding and our recommended distribution for FY 2001 are shown in the enclosure.

Thank you for this opportunity to share our recommended distribution of FY 2001 Michigan federal aid to highways. We are looking forward to working closely with our federal and local partners to provide the citizens of Michigan with another successful highway program. If you have any questions regarding the FY 2001 program, please call either me or Louis Lambert, Deputy Director, Bureau of Transportation Planning at (517) 373-0343.

Sincerely,



Gregory J. Rosine
Director

Enclosures

BTP:STP:GJR:MK:kjf

**SUMMARY OF FY 2001 TOTAL FEDERAL-AID APPORTIONMENTS AND
OBLIGATION AUTHORITY BY FEDERAL-AID CATEGORY**

Program	Fiscal 2001 Apportionments	Obligation Authority ⁽¹⁾
Interstate Maintenance (IM)	\$158,936,589	\$139,672,775
National Highway System (NHS)	\$190,697,311	\$167,583,957
Surface Transportation Program (STP)	\$265,721,095	\$233,514,529
Minimum Guarantee (MG)	\$99,941,144	\$99,244,629
Bridge (BR)	\$133,551,753	\$117,364,692
Congestion Mitigation & Air Quality (CMAQ)	\$40,695,383	\$35,762,923
State Planning & Research (SPR)	\$18,153,944	\$15,953,606
Metro Planning (PL)	\$6,752,123	\$5,933,736
High Priority Projects (HPP)	\$60,561,884	\$53,856,693
Recreational Trails (RT)	\$1,558,943	\$1,369,992
TOTAL ⁽²⁾	\$976,570,169	\$870,257,532

⁽¹⁾ Except for High Priority Projects and some Minimum Guarantee funds, the obligation limit applies to the total, not to individual federal-aid categories.

⁽²⁾ The total does not include mid-year allocations and apportionments.

**SUMMARY OF FY 2001 MDOT FEDERAL-AID APPORTIONMENTS AND
OBLIGATION AUTHORITY BY FEDERAL-AID CATEGORY**

Program	Fiscal 2001 Apportionments	Obligation Authority ⁽¹⁾
Interstate Maintenance (IM)	\$158,936,589	\$139,672,775
National Highway System (NHS)	\$190,697,311	\$167,583,956
Surface Transportation Program (STP)	\$112,980,204	\$99,286,506
Minimum Guarantee (MG)	\$68,459,683	\$67,763,168
Bridge (BR)	\$113,518,990	\$99,759,989
Congestion Mitigation & Air Quality (CMAQ) ⁽²⁾	\$20,347,691	\$17,881,461
State Planning & Research (SPR)	\$18,153,944	\$15,953,606
High Priority Projects (HPP)	\$41,526,373	\$36,928,724
Recreational Trails (RT)	\$1,558,943	\$1,369,992
TOTAL ⁽³⁾	\$726,179,728	\$646,200,177

- (1) Except for High Priority Projects and some Minimum Guarantee funds, the obligation limit applies to the MDOT program as a whole, not individual federal-aid categories. The assignment of obligation authority by associated apportionment is made primarily to determine the total to be made available to MDOT. MDOT obligation authority is not exactly 75 percent of the total because some programs are independent of the mandatory 75/25 calculation. The actual percentage will vary from year to year.
- (2) This amount is initially estimated at 50 percent of apportionments. The final amount for fiscal 2000 grants are subject to minor changes. Adjustments will be made once they are determined.
- (3) The total does not include mid-year allocations and apportionments, which are outside the 75/25 calculation. In addition, the total does not reflect local agency federal-aid-buyout agreements, adjustments for which will occur later in the fiscal year.

**SUMMARY OF FY 2001 LOCAL FEDERAL-AID APPORTIONMENTS AND
OBLIGATION AUTHORITY BY PROGRAM**

Program	FY 2001 Apportionments	Obligation Authority ⁽¹⁾
TMA Program (STP)	\$71,303,756	\$62,661,427
Small MPO Program (STP)	\$19,572,550	\$17,200,271
Small Urban Program (STP)	\$9,808,186	\$8,619,391
Rural (STP)	\$27,112,007	\$23,825,912
State Park Access (STP)	\$500,000	\$439,398
TEDF Category C (MG)	\$14,991,172	\$14,991,172
TEDF Category D (MG)	\$16,490,289	\$16,490,289
Bridge Program (BR)	\$20,032,763	\$17,604,704
Metro. Planning (PL)	\$6,752,123	\$5,933,736
Safety (STP)	\$11,158,337	\$9,805,897
CMAQ ⁽²⁾	\$20,347,692	\$17,881,462
Enhancement (STP) ⁽²⁾	\$13,286,055	\$11,675,727
High Priority Projects (HPP)	\$19,035,511	\$16,927,969
TOTAL ⁽³⁾	\$250,390,441	\$224,057,355

⁽¹⁾ These amounts are based on a proportional share of the applicable obligation ceilings. Except for High Priority Projects and the TEDF programs, the obligation limit applies to the local programs as a group, not individually. Local agencies are encouraged to base their programs on apportionments and submit projects early in the fiscal year to ensure that obligation authority is still available. The assignment of obligation authority by associated apportionment is made primarily to determine the total to be made available to all local programs. Local obligation authority is not exactly 25 percent of the total because some programs are independent of the mandatory 75/25 calculation. The actual percentage will vary from year to year.

⁽²⁾ This amount is initially estimated at 50 percent of apportionments. The final amount for fiscal 2000 grants are subject to minor changes. Adjustments will be made once they are determined.

⁽³⁾ The total does not include mid-year allocations and apportionments, which are outside the 75/25 calculation. In addition, the total does not reflect local agency federal-aid-buyout agreements, adjustments for which will occur later in the fiscal year.