

State Transportation Commission

May 20, 2010

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Michigan Department of Transportation



Overview

- Transportation Budget
- Indian Trails





Transportation Budget

Ed Timpf

Administrator

Financial Operations Division



Comparison of FY 2011 Appropriation Bills

- Governor's recommendation
 - \$2,760,929,300
- House Appropriations Committee
 - \$2,759,459,400
 - Difference of \$1.47 million compared to Governor's recommendation
- Full Senate
 - \$3,244,145,700
 - Difference of \$483.2 million compared to Governor's recommendation



House Full Appropriation Committee

Boilerplate to Match Federal Aid

Section 662

- (1) In addition to the appropriations in part 1, there is appropriated all of the following:
 - (a) To the state trunkline fund, \$77,900,000.00
 - (b) To the county road commissions, \$77,900,000.00 for distribution in accordance with section 12 of 1951 PA 51, MCL 247.662.
 - (c) To cities and villages, \$43,000,000.00 for distribution in accordance with section 13 of 1951 PA 51, MCL 247.663.
 - (d) To the comprehensive transportation fund, \$22,000,000.00 for subsequent appropriation in accordance with section 10e of 1951 PA 51, MCL 247.660e.
 - (e) \$400,000,000.00 in federal revenue for the state trunkline federal aid and road and bridge construction program.
- (2) The appropriation in subsection (1) is contingent on the enactment of House Bill No. 5768 and House Bill No. 5769 of the 95th Legislature.
- (3) It is the intent of the legislation that not less \$77,900,000.00 in new state trunkline fund revenue be raised to match federal aid highway funds.

Proposed Senate STF Budget Reductions To Fund \$84 million Shortfall

Appropriation	Amount	Percent
Business Support	\$105,100	2.4%
Enhancement Services	\$37,400	6.9%
Property Management	\$390,000	5.0%
Contract Services Division	\$370,000	7.8%
Department Services Division	\$370,000	7.0%
Statewide Planning	\$525,800	11.5%
Data Collection	\$186,300	16.0%
Spec. Planning	\$314,800	10.7%
Engineering Services	\$3,384,500	7.0%
Program Services	\$2,500,000	7.0%
Intelligent Transportation Services	\$220,000	5.0%
Welcome Centers	\$2,532,400	51.0%
Maintenance	\$40,338,300	14.5%

Proposed Senate CTF Budget Reductions To Fund \$84 million Shortfall

Appropriation	Amount	Percent
Passenger Transportation Services	\$699,300	14.7%
Freight Property Management	\$50,000	5.0%
Freight Preservation and Development	\$672,800	53.2%
Marine Passenger Services	\$60,000	15.0%
Terminal Development	\$22,500	15.0%
Specialized Services	\$521,100	13.2%
Municipal Credit	\$300,000	15.0%
Transportation to Work/Work First	\$2,384,100	52.6%
Van Pooling	\$138,000	70.8%

EDF Revenue Redirection To Fund \$84 million Shortfall

- \$12,000,000
 - FY 2011 Drivers License Fees
- \$15,877,500
 - EDF Fund Balance
- These revenues are used by both the local agencies and MDOT



Full Senate Proposed Reduction of 3% Economics

Section

104 - Executive Direction	(\$94,500)
105 - Business Support	(\$157,900)
107 - Finance, Contracts and Support Services	(\$531,400)
108 - Transportation Planning	(\$885,900)
109 - Design & Engineering	(\$3,851,800)
110 - Maintenance	(\$1,778,000)
112 - Blue Water Bridge	(\$84,600)
114 - Aero & Freight Services	(\$199,000)
115 - Passenger Transportation	(\$118,000)

Total Reductions \$7.7 million

Senate DRIC Boilerplate

SECTION 384

On or before March 1, 2011, the department shall report to the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies on department activities related to the Detroit River International Crossing. The department shall not make any expenditure, commit to an expenditure, or bind the state to an expenditure, related to the Detroit River International Crossing (DRIC) unless the legislature has enacted specific enabling legislation to allow for the construction of DRIC.

Summary of Next Steps

- MDOT will work with the Senate regarding the impacts of the Senate changes
- MDOT will continue to work with the House to address any concerns/questions
- The House and Senate will most likely pass different versions of MDOT's bill, therefore a Conference Committee is expected to be formed
- MDOT will continue to assess revenue estimates and its impact on the transit and highway program





Serving Michigan for 100 Years



- **Indian Trails, the Owosso based motor coach company is celebrating 100 years of transportation services**
- **Founded in 1910 by Wayne and Cora Taylor (Mrs. Taylor's portrait hangs in the department's Hall of Honor)**
- **Indian Trails transports more than 1 million passengers and travels 4 million miles annually in 62 motorcoaches**
- **Provides service throughout the Upper and Lower Peninsula, as well as other parts of the country**
- **20 year business relationship with the department's Bureau of Passenger Transportation as a contract carrier for the state-supported intercity passenger routes**
- **In 2006, Indian Trails launched the Michigan Flyer, providing eight round trips daily between East Lansing, Jackson, Ann Arbor and Detroit metro Airport – serving 270,000 passengers**

Thank you!