

House Appropriations Subcommittee on Transportation

Representative Ranjeev Puri, Chair

February 15, 2023

Acting Director Brad Wieferich, P.E.

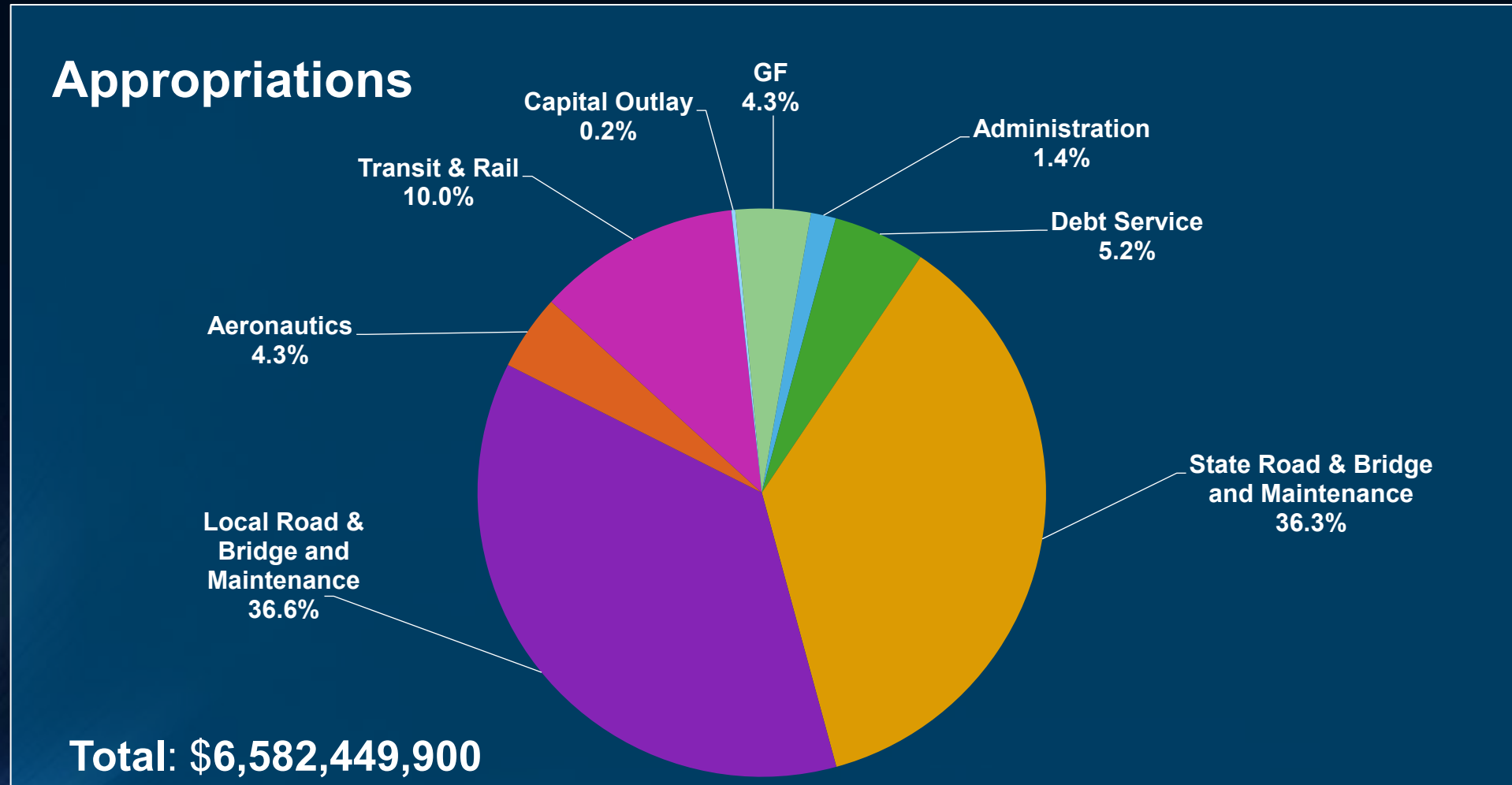


FY 2024

Governor's Recommended Budget



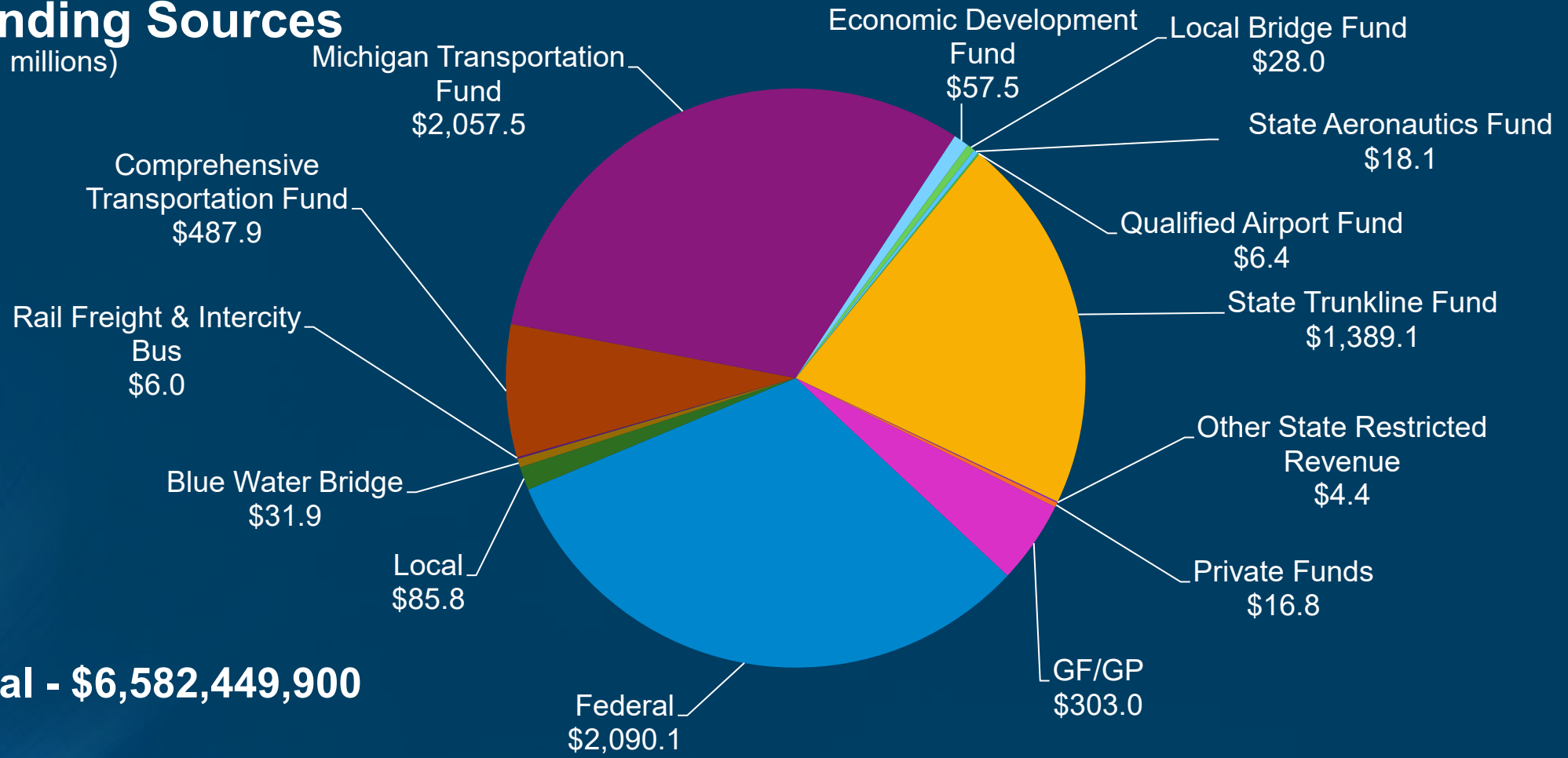
FY 2024 Governor's Recommended Budget



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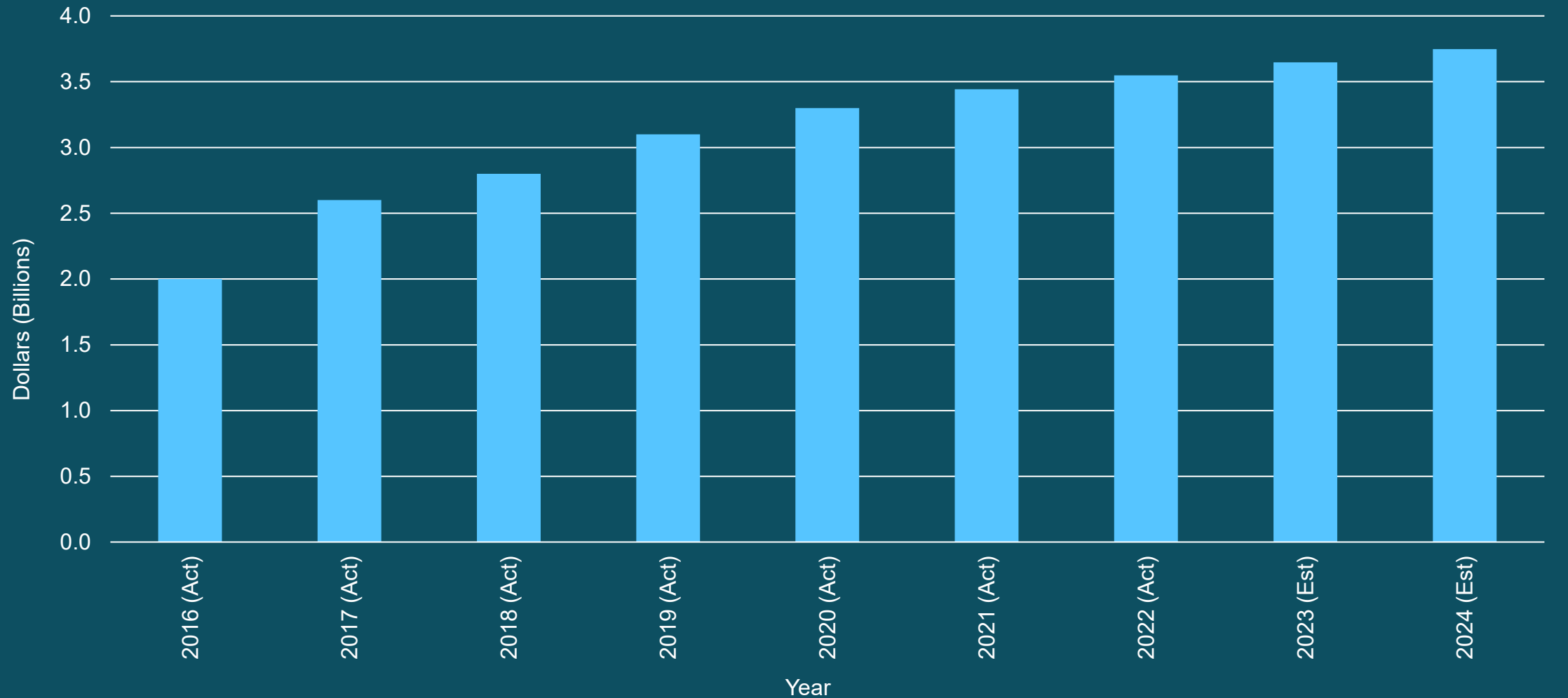
Funding Sources

(In millions)



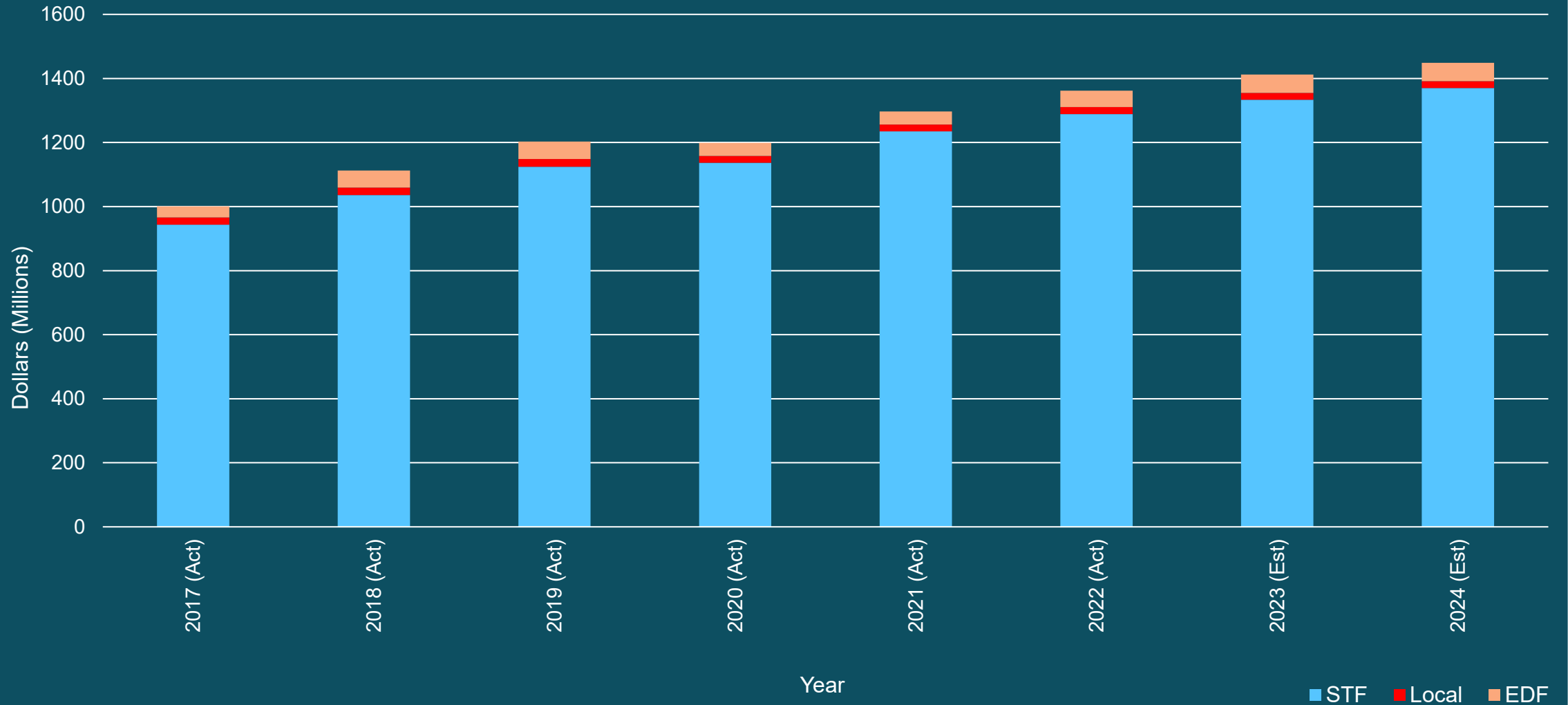
Total - \$6,582,449,900

MTF Revenue, 2017-2024



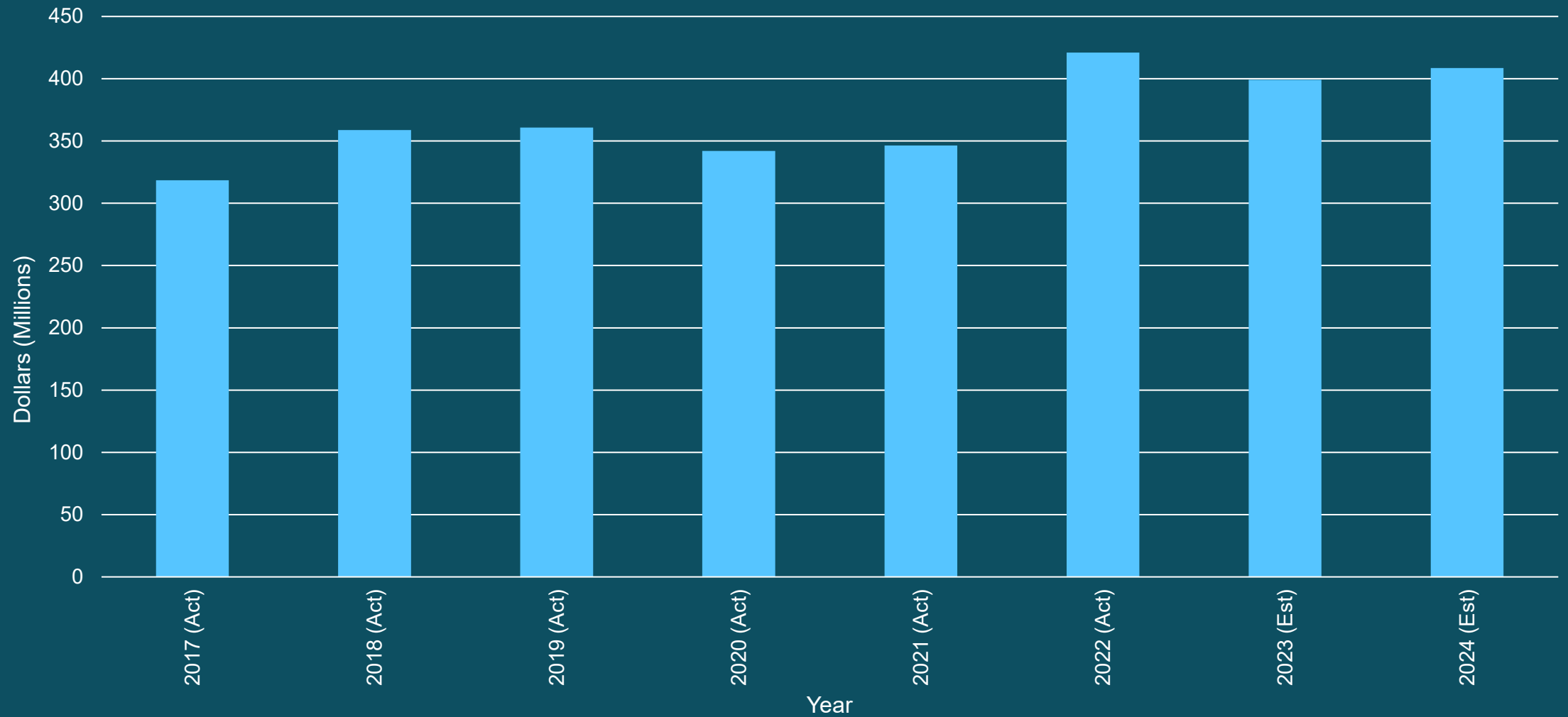
MTF revenue growth is from the 2015 revenue package which included an increase in fuel tax, vehicle registration and redirected income tax.

State Trunkline, Local, EDF Revenue, 2017-2024



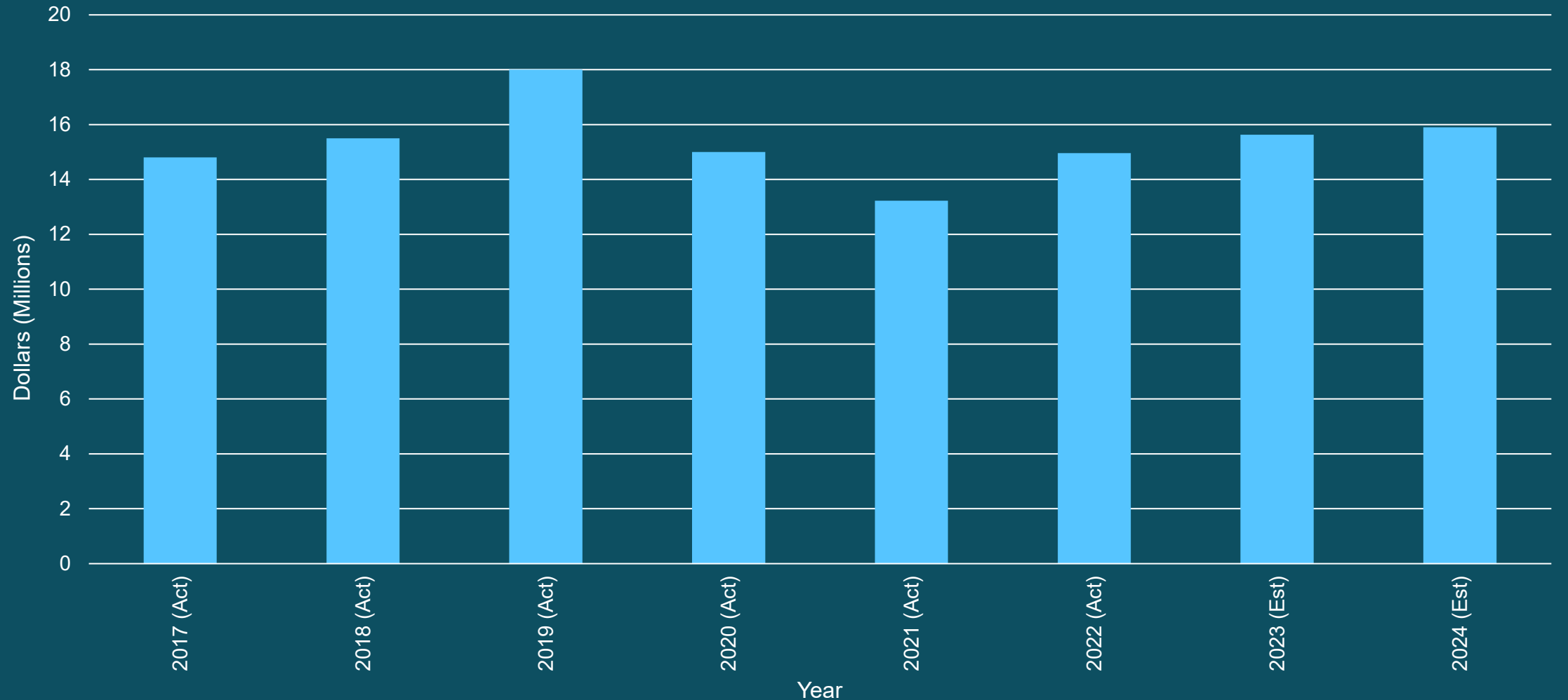
STF revenue growth is from the 2015 revenue package which included an increase in fuel tax, vehicle registration and redirected income tax.

CTF Revenue, 2017-2024



The CTF revenue growth in FY22 is driven by increased sales tax collections on higher gas prices and record auto-related sales.

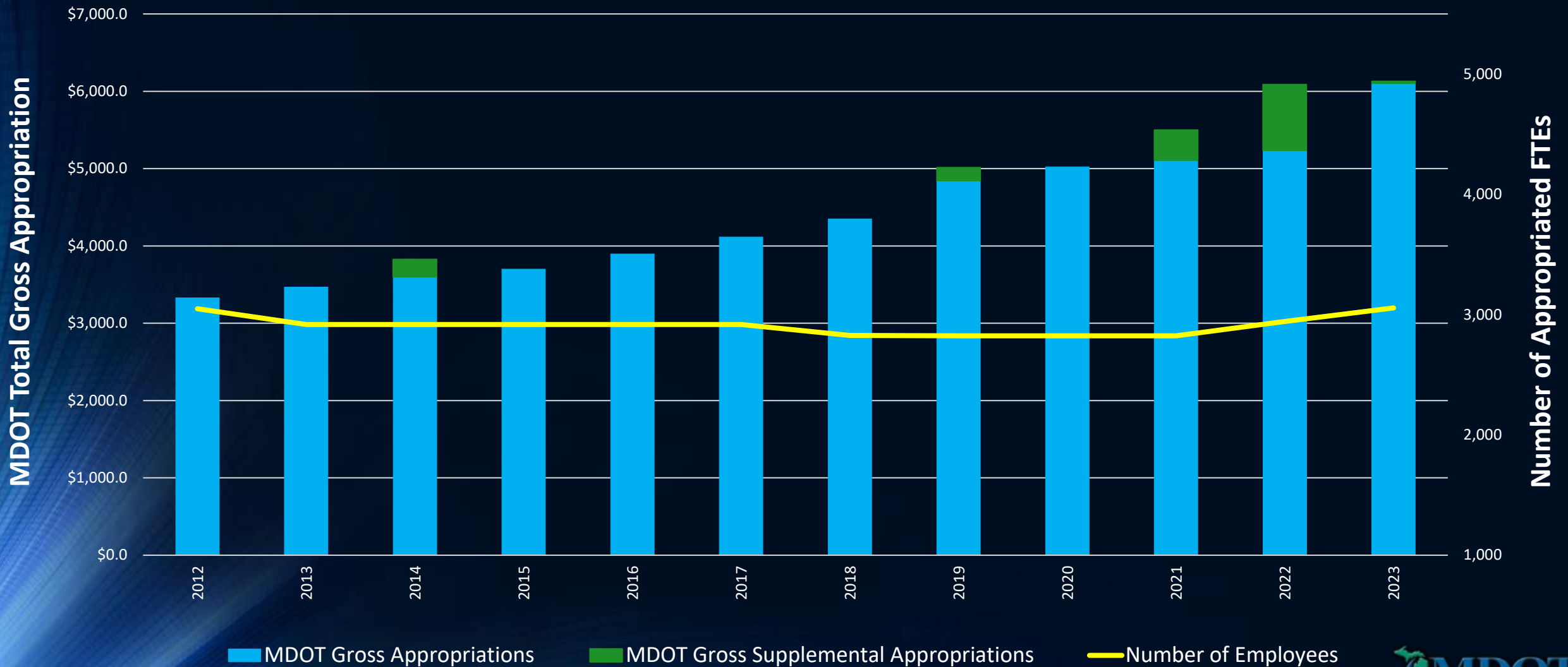
SAF Revenue, 2017-2024



SAF revenues are relatively flat. The FY2019 increase is associated with higher than projected fuel tax and sales tax collections.

FY 2024 Governor's Recommended Budget

History of MDOT Total Gross Appropriations Compared to Appropriated Full Time Employees (FTEs)



FY 2024 Governor's Recommended Budget

Aeronautics Highlights



- **Aviation Services program decreased by \$13,600** (Other Post Employment Benefits (OPEB)) impact)
- The Air Service Program, an Air Carrier recruitment and retention program, remains unchanged from FY 2023
- **The Airport Safety, Protection, and Improvement Program increased by \$19.6 million** (federal funds only, slight decrease in state funds)
- **The Detroit Metro Wayne County Airport increased by \$520,000** (Qualified Airport Fund)

FY 2024 Governor's Recommended Budget

Transit Highlights



- **Local Bus Operating increased by \$15.0 million** (CTF)
- **Intercity Services decreased by \$0.5 million** (CTF funding increased slightly but offset by decrease in restricted CTF funds)
- **Marine Passenger Service increased by \$0.2 million** (CTF)
- **Van Pooling increased by \$0.2 million** (CTF)
- **Transit Capital increased by \$43.6 million** (federal)
- **Passenger Transportation Services decreased by \$14,500** (OPEB impact)
- **Specialized Services increased by \$3.8 million** (CTF)
- Nonurban Operating/Capital, Detroit/Wayne County Port Authority, Freight Property Management, Municipal Credit Program, Service Initiatives are unchanged from FY 2023

FY 2024 Governor's Recommended Budget

Rail Highlights



- **Office of Rail increased by \$0.3 million**
(MTF decrease offset by CTF increase)
- Continue to support rail-related economic development across the state
- Preserve passenger rail operations (Amtrak) on three Michigan services
- Continue to invest in the build-out of Michigan's accelerated rail program
- Continue targeted investments to assure service to shippers on state-owned freight lines
- Continue to invest in crossing safety through upgrades to motorist warning devices & reconstruction of crossing surfaces
- Manage federal grant funding awarded to MDOT that supports rail investments in Michigan

FY 2024 Governor's Recommended Budget

Road and Bridge Program Highlights



Road and Bridge Programs decreased by \$122.6 million

- State R&B decreased by \$162.3 million (federal increase/STF decrease)
- Counties increased by \$25.1 million
- Cities and Villages increased by \$14.0 million
- Local Bridge Fund increased by \$416,900
- Moveable Bridge Program increased by inflation or \$158,200
- Blue Water Bridge decreased by \$21,400

FY 2024 Governor's Recommended Budget

State Trunkline Highlights Significant Construction Projects for FY 2024

Region	County	Major Route	Type of Work	Work Description	Total in Millions
Bay	Bay	M-13	Bridge Replacement	Bridge Replacement	\$89.8
Bay	Lapeer	I-69	Reconstruction	Reconstruction (mainline and ramps) and drainage replacement	\$23.5
Grand	Kent	M-37	Reconstruction and Widen	Reconstruction and Widening for a Boulevard	\$34.5
Grand	Muskegon	M-46	Milling and Two Course Asphalt Resurfacing	Cold milling with two course asphalt resurfacing, ADA upgrades, and storm sewer repairs	\$10.2
Metro	Oakland	I-75BL (Woodward Ave Loop)	Concrete Reconstruction	One-way to two-way conversion including pavement reconstruction	\$25.4
Metro	Wayne	I-94	Reconstruction	Reconstruct, including reconfiguration of the Ecorse interchange	\$90.0
North	Benzie	US-31	Reconstruction	Reconstruct and add center-left turn lane	\$13.6
Southwest	Berrien	M-139	Milling and Two Course Asphalt Resurfacing	Mill and One Course Hot Mix Asphalt (HMA) Overlay and sidewalk ramp upgrades	\$11.0
Southwest	Van Buren	I-94	Three Course Asphalt Resurfacing	I-94 and M-40 Road and Bridge Work	\$53.2
Superior	Gogebic	US-45	Crush & Shape & Asphalt Resurfacing	HMA base crushing and shaping, HMA overlay, agg. shoulders, and guardrail	\$5.5
Superior	Ontonago	M-26	Crush & Shape & Asphalt Resurfacing	HMA Crushing and Shaping with HMA Resurfacing	\$5.2
University	Monroe	I-75	Concrete Reconstruction	Reconstruct, culvert replacement	\$74.0
University	Washtenaw	I-94	Milling and Two Course Asphalt Resurfacing	Milling and two-course overlay	\$31.7

FY 2024 Governor's Recommended Budget

Maintenance Highlights



Maintenance increased by \$22.3 million

- Maintenance Material Increase - \$15.7 million
- Increase in Highway Maint. Services - \$6.0 million
- Additional 8 FTEs with funding

FY 2024 Governor's Recommended Budget

Other Budget Highlights



Design and Engineering Services increased by \$62.6 million

- Appropriation and Fund Shift Realignment - \$60.0 million
- Additional 139 FTEs with funding

Other Design and Engineering Technical Changes:

- 5 FTE position transfers from Design and Engineering Services

FY 2024 Governor's Recommended Budget

Other Budget Highlights



- Debt Service Payments increased by \$118.4 million
- Interdepartmental Grants increased by \$0.6 million
- Economics were relatively flat due to these offsets:
 - OPEB decreased by \$7.0 million
 - Salary & Wages increased by \$4.3 million
 - Retirement increased by \$1.5 million
 - Building Occupancy, Rent, Utilities and other increased by \$1.1 million

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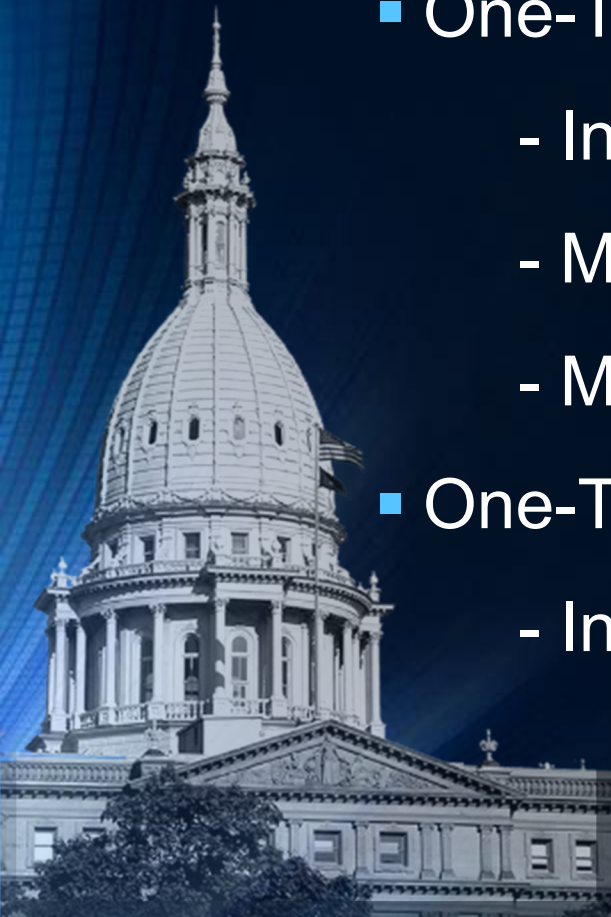
- Recreational Marijuana excise tax - \$83.6 million
- Additional IIJA discretionary funding to be determined at a later date pending grant applications
- One-Time General Funds - \$303.0 million



FY 2024 Governor's Recommended Budget

One-Time Appropriations - \$363.0 million

- One-Time General Fund Appropriations
 - Intermodal Capital Investment Grants - \$100.0 million
 - Michigan Bridge Bundling Initiative - \$200.0 million
 - MI Contracting Opportunity - \$3.0 million
- One-Time State Restricted Appropriation
 - Intermodal Capital Investment Grants - \$60.0 million (CTF)



The image shows the Michigan State Capitol building, a large, ornate structure with a prominent dome and a tall spire. The building is rendered in a light, almost white color, contrasting with the dark blue background. The dome is the central focus, with the spire rising from its top. The building's facade features classical architectural elements like columns and arches.

QUESTIONS?

