What’s New

• State budget update

• New considerations in budget process

• Introduced legislation
State Budget

• The budget recommendation contained money for water infrastructure
  – Governor’s Executive Recommendation
  – House/Senate Subcommittee Budgets
  – Next Steps
...but how is this year’s process different?

- New Governor and Legislature
- Split party control
- Concerns on state finances
- Negotiating on roads AND budget
Legislation of Interest

• Stormwater Utility Bill (HB 4691)

• Basement Back-up Liability Bill (HB 4692)

• Bio-Solids Draft

• Water Affordability Bills

• AFFF/PFAS Bills (HBs 4389-4391)
Same old thing...

It's time for everyone's favorite spring time game.

Guess how deep that pothole really is.
Why are the roads so bad?

*Many reasons that all make it a tough problem to fix!*

- Historic underfunding
- Taxes on gas that don’t go to roads
- Federal requirements
- Increasing cost of service and materials
- Legislative inaction
- Weather/soil conditions

*this is only a partial list!*
What do we spend now?

The Transportation budget represents approximately 9% of the $57.2 billion state budget (adjusted gross) for FY 2018-19.
What will it cost to really fix?

Estimates vary, but around $2-2.5 billion annually

https://www.house.mi.gov/hfa/PDF/Briefings/MDOT_BudgetBriefing_fy18_19.pdf
Three Proposals!

• The Governor’s proposal is a gas tax increase
• The Senate hasn’t released a plan (yet)
• The House wants to move tax dollars around to generate more money
Timelines

• A shorter summer break

• Budgets have to be done by Sept. 30th

• Stage is set for negotiations
Outlook for Fall/Winter 2019

- Stormwater legislation
- Expect more on emerging contaminants and PFAS
- LCR implementation
- Part 115 Update
And let’s not forget...
QUESTIONS!?!?

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