



MEMORANDUM

To: Gary Kellan
From: Matt Solak
Date: March 1, 2021
Re: MAAE Monthly Legislative Report

Overall State Issues

Governor Whitmer Releases FY 2022 Budget

On February 11, Governor Whitmer released her FY 2022 budget. The proposed budget is a \$67 billion dollar spending plan that continues to use lots of federal one-time money on a variety of budget priorities. In August 2020, it was forecasted that there could be up to a \$3.1 billion dollar shortfall. The extra money is allowing Governor Whitmer to give K-12 schools \$82 to \$164 more per pupil. She is proposing \$300 million of General Fund money for some of the state's poorest rated conditioned bridges. Interestingly, these same bridge projects were listed out in the Republicans' 2019 unnegotiated budget plan that she ended up line-item vetoing. The Governor is proposing a 2% increase for universities, community colleges and local governments.

Much like the supplemental budget bill—that has not been agreed to—the full budget has received lots of push back from Senate Appropriations Chair Jim Stamas (R-Midland) and House Appropriations Chair Tom Albert (R-Lowell). Both have expressed concerns about the overuse of one-time federal dollars as the state is still expecting to see a large budget shortfall once there is no longer federal money.

You can see the full budget [here](#).

Airport Issues

MAAE Testified at House Transportation Committee

Kevin Klein, Director at Cherry Capital Airport and Rick Fiddler, Chairman of the Michigan Aeronautics Commission testified at the House Transportation Committee at the request of Chairman Jack O'Malley (R-Lake Ann). Chairman O'Malley requested an update on aviation issues from the Commission and airport perspective. The hearing was a good opportunity to educate lawmakers on airports and the current challenges they are facing.

EGLE offers clean fuel grants to upgrade Airport Equipment

The Michigan Department of Environment, Great Lakes, and Energy (EGLE) announced a three-part funding opportunity that totals \$30 million for the replacement of commercial, mass transit and transportation support vehicles that move products with new models, including electric, alternative fuel and diesel vehicles.

The [request for proposals](#) covers medium and heavy-duty local freight trucks, transit and shuttle buses, freight switchers, tug and ferry boats, port cargo handling equipment, forklifts and airport ground support equipment. Funds will also be available in the future to install shore power for vessels that operate within the Great Lakes.

The [application period for the first round of funding](#) is open for medium and heavy-duty trucks, and shuttle and transit buses (Classes 4-8). The request for proposals information is posted on the [Fuel Transformation Program](#) website.

The other two categories of vehicles that will qualify for future grants are:

- Freight switchers, Great Lakes tugs and ferry boats, and shore power. \$9 million available. Vehicles can be replaced or repowered with new electric, alternative fuel or diesel vehicles. Additionally, power for shore-side systems can be installed for vessels that operate within the Great Lakes. Grants range from \$100,000 to \$5 million.
- **Airport ground support equipment**, port cargo handling equipment, and forklifts. \$5 million available. Replacements must be electric vehicles or equipment. Grants range from \$50,000 to \$3 million.

A [webinar has been scheduled](#) for 1 p.m. March 9 to explain all three funding opportunities and answer questions potential applicants may have.