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EXTEND REVENUE SHARING TASK FORCE DEADLINE

Senate Bill 720 with House committee amendment First Analysis (3-12-98)

Sponsor: Sen. Glenn D. Steil
Senate Committee: Appropriations
House Committee: Appropriations

THE APPARENT PROBLEM:

Public Act 342 of 1996 revised the state revenue sharing program, shifting the formula used to distribute revenue sharing dollars to local governments away from the longstanding emphasis on relative tax effort toward a system weighted more heavily toward population. The act also created a bipartisan, bicameral revenue sharing task force charged with considering further reform of the revenue sharing system. The task force was to report back to the legislature by September 30, 1997. Legislation has been proposed to extend the deadline for action by the task force.

THE CONTENT OF THE BILL:

The bill would amend the State Revenue Sharing Act to extend, from September 30, 1997, to June 30, 1998, the deadline for the revenue sharing task force to submit its recommendations to the legislature with regard to a new revenue sharing formula.

MCL 141.911a

FISCAL IMPLICATIONS:

According to the House Fiscal Agency, the bill has no fiscal implications. (3-11-98)

ARGUMENTS:

For:

The revenue sharing task force has been meeting, and members anticipate that an agreement can be reached so that its recommendations can be considered by the legislature as part of the 1998-99 budget cycle. Consequently, the task force's deadline for issuing its report should be pushed back until June to give the group time to complete its duties.

POSITIONS:

There are no positions on the bill.

Analyst: D. Martens

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.

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