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Senate Fiscal Agency  
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**SFA****BILL ANALYSIS**

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Senate Bill 225 (Substitute S-2 as reported)  
Sponsor: Senator Glenn D. Steil  
Committee: Appropriations

### **CONTENT**

The bill would amend the Management and Budget Act (Public Act 431 of 1984) to provide for a one-time appropriation of \$69,000,000 from the Countercyclical Budget and Economic Stabilization Fund (BSF) to resurface and repair existing roads. The bill would prohibit the use of this appropriation for new roads, administrative costs, and replacement of existing funds. Funds not spent by September 30, 1997, would have to be returned to the State for deposit in the BSF.

Proposed MCL 18.1353d

### **FISCAL IMPACT**

The bill provides for the following distribution:

State Trunkline	(39.1%)	\$26,979,000
County Road Commissions	(39.1%)	26,979,000
Cities & Villages	(21.8%)	15,042,000

The \$42,021,000 that would be allocated to local road authorities would be distributed pursuant to the criteria contained in Public Act 51 of 1951. In FY 1995-96 local road authorities received \$693,899,770.30 from the Michigan Transportation Fund (MTF) distribution formula (including the local program fund). County road commissions received \$442,932,630.66 and cities and villages received \$250,967,139.64. The one-time appropriation from the BSF represents a 6.0% increase in funding to local authorities in addition to FY 1996-97 revenue growth in the MTF, which is estimated at approximately 4%.

Date Completed: 3-19-97

Fiscal Analyst: B. Bowerman

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.