



Senate Fiscal Agency  
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BILL ANALYSIS

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Senate Bill 79 (Substitute S-3 as reported by the Committee of the Whole)

Sponsor: Senator Michelle A. McManus

Committee: Natural Resources and Environmental Affairs

### **CONTENT**

The bill would amend the Urban Cooperation Act to do the following:

- Allow a county to charge a per-household waste reduction surcharge of up to \$4 per month or \$50 per year with voter approval.
- Permit a county to impose the voter-approved surcharge on commercial businesses.
- Permit the collection of the approved surcharge through any reasonable billing method approved by the county.

Currently, Section 8a of the Act allows a county board of commissioners, by resolution, to impose a per-household surcharge on households within the county of up to \$2 per month, or \$25 per year, for waste reduction programs and for the collection of consumer source separated materials for recycling or composting. The bill would retain the current surcharge and allow the increased surcharge with the approval of the voters of a participating unit of government. An election on the surcharge could not be held unless the county board of commissioners passed a resolution authorizing the election.

With the approval of the county, a municipality or township not part of an interlocal agreement establishing a surcharge could become subject to the agreement by otherwise complying with the requirements of Section 8a.

The initial authorization for the election would have to be for five years. Any subsequent authorization would have to be for a period of at least 10 years.

MCL 124.508a

Legislative Analyst: Claire Layman

### **FISCAL IMPACT**

The bill would have no effect on State revenue or expenditures. The bill would have an unknown impact on local unit expenditures and revenue. It is unknown how many counties or agencies would choose to hold elections to increase the surcharge, which of those local units would receive voter approval for any surcharges, or the future of programs should voters fail to approve the higher surcharge. To the extent that local units would have imposed the surcharge but failed to receive approval from the county's voters, the bill would reduce future local unit revenue. If, as a result, the county or agency chose not to pursue waste reduction programs or recycling programs, the bill also would reduce future expenditures from some local units. To the extent that such programs were funded but the surcharge or fee was not assessed (as a result of the election), local units would need to obtain the revenue from other sources.

Date Completed: 3-22-05

Fiscal Analyst: David Zin