
Senate Fiscal Agency
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SFA**BILL ANALYSIS**

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Senate Bill 1275 (as reported with amendment)
Sponsor: Senator Joe Young, Jr.
Senate Committee: Appropriations

CONTENT

The bill would amend the Management and Budget Act to provide an annual appropriation of \$35,000,000 from the Countercyclical Budget and Economic Stabilization Fund (BSF) to the State Trunk Line Fund, beginning with the fiscal year ending September 30, 2001, and ending with the fiscal year ending September 30, 2016.

MCL 18.1358

FISCAL IMPACT

Senate Bill 1275 is one component of the Build Michigan III program, a 5-year, \$930 million transportation package. Based on information provided to date, the package includes a proposed \$100 million General Fund/General Purpose FY 1999-2000 appropriation and \$830 million in bond proceeds. A portion of the debt service payments on the bonds would be provided from an annual \$35,000,000 appropriation from the BSF, \$8,000,000 from changes to diesel fuel taxation in the State (as proposed by House Bills 5806 and 5807), and \$5,000,000 from the Transportation Economic Development Fund Category A earmark (as proposed by Senate Bill 1274). The actual debt service payments for the bonding portion of the Build Michigan III package will not be known until the bonds have been sold and will be contingent on the term, interest rate, and sale costs of the bonds. Debt service payments are not expected until FY 2001-02.

Date Completed: 5-30-00

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