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Senate Bills 581 and 582 (as introduced 6-11-03)  
Sponsor: Senator Patricia L. Birkholz  
Committee: Finance

Date Completed: 2-17-04

### **CONTENT**

**Senate Bill 581 would amend the Income Tax Act to allow an individual to designate on his or her annual return that a contribution of \$2 or more of his or her refund be credited to "Amanda's Fund for Breast Cancer Research". Senate Bill 582 would create the "Amanda's Fund for Cancer Research Act" to establish the Fund in the Department of Community Health (DCH), in order to provide funds for the promotion of research in Michigan related to breast cancer. The bills are tie-barred to each other.**

#### **Senate Bill 581**

Under the bill, if a taxpayer's refund were not sufficient to make a contribution of \$2 or more to the proposed Fund, the person could designate a contribution amount that would be added to his or her tax liability. Each year that the contribution designation was in effect, an amount equal to the cumulative designation, less the amount appropriated to the Department of Treasury to implement the bill, would have to be appropriated from the General Fund and deposited in the proposed Fund, to be used solely for the purposes of the Fund. The bill would apply to the 2003 tax year and subsequent tax years.

The bill would require that the tax designation be printed clearly and unambiguously on the first page of the State individual income tax return forms as Amanda's Fund for Breast Cancer Research.

#### **Senate Bill 582**

The State Treasurer would have to credit to the proposed Fund all amounts appropriated from income tax contributions (as provided in Senate Bill 581). The DCH would have to use the money in the Fund to support the development of a Statewide breast cancer research plan; provide information to the public about the value of breast cancer research and early detection; develop and publicize criteria for proposals to be funded under the bill; and review and approve proposals for funding.

The DCH would have to solicit proposals and determine which proposals to fund with money from the Fund. Only individuals, groups, and institutions with an interest in breast cancer research activities could submit proposals. The DCH would have to give priority to proposals submitted by applicants that were located in Michigan and conducted the research or other activity that was the basis for a proposal in this State.

The money in the Fund would have to be used to fund, but would not be limited to funding, proposals for applied breast cancer research and community education programs to raise awareness through county, city, or township programs. Money from the Fund also could be used as matching funds for a Federal grant or a grant from the National Cancer Institute.

The State Treasurer would have to direct the investment of the Fund. In addition to money credited to it from income tax designations, the Fund would consist of any interest and earnings accrued from saving and investment of money in the Fund, and other appropriations, money, or other things of value received by the Fund. Money granted or received as a gift or donation to the Fund would be available for distribution upon appropriation. The money, interest, and earnings of the Fund would have to be spent solely for the purposes described in the bill.

The bill provides that money in the Fund that was available for distribution would have to be appropriated each year. Money in the Fund at the close of a year would remain in the Fund and not lapse to the General Fund.

Proposed MCL 206.438 (S.B. 581)

Legislative Analyst: Julie Koval

### **FISCAL IMPACT**

#### **Senate Bill 581**

Based on information from Illinois, New Jersey, and Pennsylvania, as well as Michigan's past experience with the Children's Trust Fund and Non-Game Wildlife Trust Fund check-offs, it is estimated that this bill would generate about \$1 million in contributions for breast cancer research each year. Given that any costs incurred to administer this check-off program would be financed using a portion of the contributions, this bill would not have any budget impact on State or local government.

#### **Senate Bill 582**

This bill would have an indeterminate fiscal impact on the State depending on the level of Fund activity and the number of individuals, groups, or institutions that might apply for a grant. There could be a fiscal impact on local units of government because county, city, or township programs would be eligible to receive grants from the Fund. Under the bill, money from the Fund could cover costs of the DCH to review and approve proposals to be funded under the proposed Act.

Fiscal Analyst: Dana Patterson  
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