

**SFA**

BILL ANALYSIS

Senate Fiscal Agency

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**House Bill 4709 (Substitute H-2 as reported without amendment)****Sponsor:** Representative Thomas L. Hickner**House Committee:** Appropriations**Senate Committee:** State Affairs, Tourism, and Transportation**Date Completed:** 2-29-88***RATIONALE***

Proposals have been made that some feel would help in the development of one of the State's most popular recreational activities, boating, by providing a mechanism for the acquisition and development of water front property and the construction and expansion of marine facilities. Senate Bill 335 would create the Harbor Development Act to authorize the Michigan State Waterways Commission to acquire, develop, and lease real property for use as a marina. Senate Bill 336 would amend Public Act 320 of 1947, which established the Michigan State Waterways Fund, specifically to require representation of marina owners and operators and the marine trades industry on the Michigan State Waterways Commission, which some claim would help ensure that there was adequate oversight of the development and acquisition of the marina property and that marine industry interests were represented. What is needed in addition to these two bills, some state, is legislation that would establish funds to help finance the construction, operation and maintenance of recreational boating facilities and the acquisition and development of property for use as a marina.

***CONTENT***

The bill would amend Public Act 320 of 1947 to eliminate language which established the existing Michigan State Waterways Fund and to create a new Waterways Fund and a Harbor Development Fund in the State Treasury. Both Funds would be administered by the Michigan State Waterways Commission. The proposed State Waterways Fund would receive revenue as the Legislature provided, and would have to be used solely for the construction, operation and maintenance of recreational boating facilities, the acquisition of property and administration of the bill. (Public Act 320 of 1947 created a revolving State Waterways Fund with an initial appropriation of \$1,000 and specified that the Fund would be disbursed "in carrying out the provisions of" Public Act 320.)

The Harbor Development Fund would receive revenue as provided by the Legislature and in the Harbor Development Act (which would be created by Senate Bill 335), and could be used solely for the purposes provided in the Harbor Development Act and for administration of the bill. (The Harbor Development Act would authorize the Michigan State Waterways Commission to acquire, develop, and lease real property for use as a marina, and provides for the financing of the Harbor Development Fund with revenue generated from the State use tax on the sale of watercraft and the leasing of property to be used as a marina.)

The bill is tie-barred to Senate Bill 335.

MCL 281.508

***FISCAL IMPACT***

The bill would have no fiscal impact on State or local government.

***ARGUMENTS******Supporting Argument***

The bill is part of a three-bill package that would help in the development of the State's popular boating industry. The bill would help promote the State's marine industry specifically and tourism generally by establishing the necessary funds to finance the acquisition and development of marinas and the construction and maintenance of recreational boating facilities. It would be up to the Legislature to appropriate moneys to those funds.

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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.

H.B. 4709 (2-29-88)