

Fiscal Analysis
State Building Authority Act
Capital Maintenance Projects



Bill/Sponsor SB 412, Senator M. Prusi

House Committee Appropriations

Analysis **Summary**

This amends the State Building Authority (SBA) Act to add 'capital maintenance improvements' as allowable projects to be financed with SBA bond proceeds. The bill defines this as "...an expenditure to provide capital maintenance that is an asset depreciable under the internal revenue code that is used by this state or an institution of higher education." This authority expires September 30, 2007.

As is currently required, the Legislature must still provide cost and construction authorizations for the project in a budget act and to also approve the project's lease agreement among the SBA, State, and institution by resolution.

State Fiscal Impact

No cost implications are a direct result of this bill. However, enactment of this bill will ensure that the SBA can actually finance several capital outlay projects authorized under PA 10 of 2005.

Local Fiscal Impact

None.

Analyst(s)
Al Valenzio

Mitchell Bean, Director - House Fiscal Agency
124 N. Capitol Avenue, Lansing, MI 48909
Phone: (517)373-8080, Fax: (517)373-5874
<http://www.house.mi.gov/hfa>