



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

**BILL ANALYSIS**

Telephone: (517) 373-5383
Fax: (517) 373-1986
TDD: (517) 373-0543

Senate Bill 1001 (as reported without amendment)
Sponsor: Senator Jud Gilbert, II
Committee: Transportation

CONTENT

The bill would amend the Michigan Transportation Fund law to require the Michigan Department of Transportation (MDOT) to bear the entire cost of projects related to an international border crossing in a city or village having a population of 25,000 or more and less than 40,000.

The law requires incorporated cities and villages to participate with MDOT in the cost of opening, widening, and improving State trunk line highways within cities and villages (and, subject to the approval of the Transportation Commission, streets that are or that are made connecting links of trunk line highways), according to a formula based on the city's or village's population.

In a city and village with a population of 25,000 or more and less than 40,000, 8.75% of the cost must be borne by the city or village, and the remainder must be borne by MDOT.

The bill would exclude projects related to international border crossing from that provision, instead requiring MDOT to bear the entire project cost.

(The Michigan Department of Transportation is planning to expand the Blue Water Bridge Plaza in Port Huron, a city with a population of about 31,000. The planned expansion requires rerouting a portion of M-25 (Pine Grove Avenue) around the plaza. Under the Michigan Transportation Fund law, Port Huron must pay 8.75% of the cost of rerouting that highway.)

MCL 247.651c

Legislative Analyst: Curtis Walker

FISCAL IMPACT

The bill would reduce local unit expenditures by an indeterminate amount and have an indeterminate effect on State expenditures. No appropriations have been made regarding the project and the costs of the project are largely estimated, with one estimate of the cost for all aspects of local road work totaling \$88.5 million. Absent the bill, and depending on the aspects of the project affected by the bill, the local unit's share of those costs will be between approximately \$0.5 million and \$7.7 million. The bill's impact on the State would depend on whether the needed additional funds were added to any appropriation the Department would receive for the project or whether the Department would pursue this project by diverting funds from other projects.

Date Completed: 2-2-10

Fiscal Analyst: David Zin