



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

House Bill 5072 (Substitute S-1 as reported)
House Bill 5073 (Substitute S-2 as reported)
Sponsor: Representative Lee Gonzales
House Committee: Appropriations
Senate Committee: Appropriations

CONTENT

House Bill 5072 (S-1) would amend Public Act 231 of 1987, which governs the Transportation Economic Development Fund (TEDF), to reduce allocations made to targeted industries by \$24.0 million for fiscal year (FY) 2008-09 and FY 2009-10. The bill essentially would codify the portion of Executive Order (E.O.) 2009-22 that reduced TEDF money to the Targeted Industries program by \$12.0 million during FY 2008-09, and would reduce TEDF money during FY 2009-10 by \$12.0 million. (The TEDF is a restricted fund intended to help fund transportation needs, particularly those relating to economic development or reducing road congestion.)

House Bill 5073 (S-2) would amend the Michigan Vehicle Code to increase the amount deposited in the General Fund from driver license fee revenue that otherwise goes to the TEDF. Public Act 346 of 2008 had previously redirected \$6.0 million of the fee revenue to the General Fund during FY 2008-09, and E.O. 2009-22 increased the redirection by another \$12.0 million. The bill would update the total redirection for FY 2008-09 to \$18.0 million, consistent with the E.O., and redirect another \$12.0 million during FY 2009-10.

MCL 247.911 (H.B. 5072)
257.819 (H.B. 5073)

FISCAL IMPACT

The bills would redirect \$12.0 million of revenue in both FY 2008-09 and FY 2009-10 from the TEDF to the General Fund. The bills would have no impact on local revenue or expenditures.

Date Completed: 10-5-09

Fiscal Analyst: David Zin