



Senate Fiscal Agency
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BILL ANALYSIS



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House Bills 5678 and 5679 (as reported without amendment)

Sponsor: Representative Lee Gonzales

House Committee: Appropriations

Senate Committee: Appropriations

CONTENT

House Bill 5678 would amend the General Sales Tax Act to reduce the amount of sales tax related to motor vehicle fuels, parts, and accessories that are otherwise directed to the Comprehensive Transportation Fund by \$5.7 million in FY 2009-10 and deposit the money in the General Fund.

House Bill 5679 would amend the State Transportation Preservation Act to require \$5.7 million of the Rail Infrastructure Loan Fund's FY 2009-10 ending balance to be deposited in the Comprehensive Transportation Fund.

MCL 205.75 and 474.65a

FISCAL IMPACT

The bills would have no net fiscal impact on State revenue or expenditures, but would change the allocation of revenue between affected funds.

The bills would implement an agreement regarding General Fund/General Purpose revenue in the FY 2009-10 budget targets. The bills effectively shift, through a two-step process, \$5.7 million in State-restricted transportation revenue from the Rail Infrastructure Loan Fund to the General Fund.

Date Completed: 7-26-10

Fiscal Analyst: David Zin