



Senate Fiscal Agency
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BILL ANALYSIS



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Senate Bill 1046 (as reported without amendment)
Senate Bill 1047 (Substitute S-1 as reported)
Sponsor: Senator Dave Hildenbrand
Committee: Finance

CONTENT

Senate Bill 1046 would amend the Michigan Amber Alert Act to do the following:

- Create the "Michigan Amber Alert Fund" within the Department of State Police to provide funds for the maintenance, operation, and administration of the Michigan Amber Alert Plan.
- Require money from a proposed State income tax check-off to be credited to the Fund.
- Provide that Fund money available for distribution would be subject to annual appropriation.

Senate Bill 1047 (S-1) would amend the Income Tax Act to include a contribution to the proposed Amber Alert Fund among the check-offs on the State income tax return, beginning in the 2012 tax year.

The bill also would reflect amendments contained in Enrolled House Bill 5232 that would limit the number of separate income tax check-offs to 10 in a single year; require the Department of Treasury to discontinue a check-off that failed to raise \$50,000 in a tax year; require money appropriated to a fund from a check-off to be distributed within one year, and prohibit the money from being used to administer the fund; require the department responsible for administering a fund to designate one local representative or agency to distribute contributions, if the fund were used for donations to multiple organizations in the State; and identify factors the Legislature would have to consider in determining whether to add new check-offs.

Proposed MCL 28.755 (S.B. 1046)
MCL 206.435 (S.B. 1047)

Legislative Analyst: Suzanne Lowe

FISCAL IMPACT

Senate Bill 1046: The bill proposes a potential funding source for the Michigan Amber Alert program. The Department of State Police, due to budgetary reductions over time, no longer has, as it once had, a dedicated Sergeant for the Missing Children Clearinghouse & Amber Alert programs. The duties of this position have been absorbed by another Sergeant with other duties. The Department states that a full-time Sergeant is needed to provide training to law enforcement personnel (State Police and local) on the "how, when, and why" of an Amber Alert. The approximate cost associated with returning to a dedicated full-time Sergeant for this program is as follows:

Sergeant:	\$156,500 (FY 2011-12 s&w/benefits)
CSS&M/travel:	10,000
Total	\$166,500

It cannot be determined at this time how much, if any, revenue would be generated under this bill for this purpose.

Senate Bill 1047 (S-1): The revenue from the proposed income tax check-off for the Michigan Amber Alert Fund would depend on the size and number of taxpayer donations. The income tax check-off revenue history in recent years is summarized in the Table 1 below. Consistent with Enrolled House Bill 5232, the bill would reduce the threshold for deletion of a fund from the income tax check-off schedule from \$100,000 to \$50,000.

Table 1
Estimated Income Tax Check-Off Donations by Fund

	Tax Year 2009		Tax Year 2010		Tax Year 2011 ^{a)}	
	Number of Donations	Total Donated	Number of Donations	Total Donated	Number of Donations	Total Donated
Amanda's Fund for Breast Cancer	3,754	\$37,818				
Animal Welfare Fund ¹⁾	7,854	100,862	10,852	\$148,164	10,800	125,636
Children's Hospital of MI Fund	5,661	61,186	7,418	90,853		
Children's Miracle Network Fund	3,432	35,357	4,707	56,901		
Children's Trust Fund ¹⁾	17,244	185,407	7,387	92,631	8,499	88,839
Children of Veterans Tuition Grant Program ¹⁾	15,225	126,531	5,928	76,417	5,878	70,374
Foster Care Trust Fund	2,407	24,123	3,467	40,057		
Girl Scouts of Michigan Fund ¹⁾					3,500	44,163
Michigan Military Relief Fund ¹⁾	22,432	273,428	7,443	128,603	9,463	134,757
Michigan Council for the Arts Fund	2,598	27,978	3,356	34,677		
Michigan Housing and Community Development Fund	1,618	17,415				
Michigan Law Enforcement Memorial Fund	2,492	27,457				
Prostate Cancer Research	2,920	29,319				
Renewable Fuels Fund	2,157	18,247	2,589	23,648		
United Way Fund ¹⁾	5,736	241,797	7,747	389,080	5,574	163,937
Total		\$1,206,925		\$1,081,031		\$627,706

^{a)} Collections through April 22, 2012.

¹⁾ Check-offs on the 2011 contribution schedule.

Source: Department of Treasury

Date Completed: 5-29-12

Fiscal Analyst: Bruce Baker
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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.