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Senate Fiscal Agency  
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**SFA****BILL ANALYSIS**

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Senate Bill 750 (as introduced 10-18-01)  
Sponsor: Senator Harry Gast  
Committee: Appropriations

Date Completed: 10-23-01

### **CONTENT**

The bill would amend the Management and Budget Act (Public Act 431 of 1984) to provide for withdrawals from the Counter-Cyclical Budget and Economic Stabilization Fund (BSF) for fiscal year (FY) 2000-01 and FY 2001-02. Specifically, the bill would amend subsection (11) of Section 353c of the Management and Budget Act to provide for an additional FY 2000-01 withdrawal and appropriation from the BSF to the State's General Fund. This additional withdrawal would be used to eliminate any FY 2000-01 General Fund/General Purpose (GF/GP) year-end budget deficit that might exist at bookclosing. This calculation would be made excluding any net FY 2000-01 GF/GP appropriation lapses. The State Budget Director must provide a report to the Legislature as to the amount withdrawn under this FY 2000-01 bookclosing adjustment.

The FY 2001-02 withdrawal from the BSF to the General Fund is provided for in subsection (13) of Section 353c. This subsection proposes for a \$1,000 BSF transfer to the General Fund.

MCL 18.1353c

### **FISCAL IMPACT**

Based on the October 22, 2001, Consensus Revenue Estimate, the amount of revenues moved from the BSF to the General Fund under subsection (11) would total \$155.7 million. This would result in a total FY 2000-01 withdrawal and appropriation from the BSF to the General Fund of \$232.7 million. This consists of the additional \$155.7 million withdrawal and transfer provided under subsection (11) and the \$77.0 million withdrawal and appropriation provided pursuant to Public Act 112 of 2000. Based on the enactment of Senate Bill 750, the Senate Fiscal Agency estimates that the BSF will have a balance of \$1,040.6 million at the close of FY 2000-01.

Fiscal Analyst: G. Olson

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