



Senate Fiscal Agency
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BILL ANALYSIS



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House Bill 4627 (Substitute H-1 as passed by the House)
House Bill 4630 (Substitute H-1 as passed by the House)
House Bill 4631 (Substitute H-1 as passed by the House)

Sponsor: Representative Tom Casperson (H.B. 4627)
Representative Rich Brown (H.B. 4630)
Representative Scott Shackleton (H.B. 4631)

House Committee: Transportation
Senate Committee: Transportation

Date Completed: 7-10-03

CONTENT

The bills would amend several statutes to do all of the following:

- Relieve the Mackinac Bridge Authority of repaying the State money advanced for Authority bonds.**
- Delete a requirement that the Bridge be operated and maintained by the State as a free bridge once it has been fully paid for and the State Transportation Department reimbursed for any sums paid.**
- Prohibit the Authority from charging tolls to emergency vehicles.**
- Appropriate to the Authority at least \$5.25 million annually from the State Trunkline Fund for capital improvement projects.**

The bills are described in more detail below.

House Bill 4627 (H-1)

The bill would amend the Mackinac Bridge Authority law to delete a requirement that, once the cost of the bridge is fully paid and the State Transportation Department reimbursed for any sums paid, the bridge be maintained and operated by the State as a free bridge. Under the bill, the Authority would continue to maintain and operate the bridge, and could continue to charge tolls, fees, rates, and charges for use of the bridge. The bill further specifies that, as of March 1, 2003, all advances made by the State to the Authority pursuant to the Motor Fuel Tax Act would be repaid or forgiven.

House Bill 4630 (H-1)

The bill would amend the Mackinac Bridge Authority law to prohibit the Authority from charging tolls or charges to authorized emergency vehicles in the process of responding to an emergency, beginning October 1, 2003. The law currently requires all individuals or vehicles, except the Authority's vehicles or personnel, to pay a toll for using the bridge.

(The bill would define "authorized emergency vehicle" as it is defined in Section 2 of the Motor Vehicle Code, i.e., vehicles of the fire department, police vehicles, ambulances, or privately owned vehicles of volunteer or paid fire-fighters if authorized by the chief of an organized fire department, or privately owned motor vehicles of volunteer or paid members of a life support

agency licensed by the Department of Consumer and Industry Services if authorized by the life support agency; or a vehicle owned and operated by a Federally recognized nonprofit charitable organization that is used exclusively for assistance during an emergency.)

House Bill 4631 (H-1)

Public Act 51 of 1951 appropriates money in the State Trunkline Fund for specific purposes in a particular order of priority. Under the bill, beginning in fiscal year 2003-04, the fifth purpose would be the annual appropriation of at least \$5,250,000 to the Mackinac Bridge Authority for capital improvement projects.

MCL 254.317 (H.B. 4627)
254.322 (H.B. 4630)
247.661 (H.B. 4631)

Legislative Analyst: Julie Koval

FISCAL IMPACT

House Bill 4627 (H-1)

The bill would relieve the Authority from further repayments to the Michigan Transportation Fund (MTF) associated with the advances made by the State to the Authority from 1958 to 1986. Therefore, the MTF would "lose" revenue of \$53,250,000, or approximately \$250,000 annually based on the current repayment schedule. Overall, the loss of MTF revenue would reduce funding available to the Comprehensive Transportation Fund by \$5,325,000, the State Trunkline Fund (STF) by \$18,738,700, county road commissions by \$1,8738,700, and cities and villages by \$10,447,600.

House Bill 4630 (H-1)

The bill would reduce State revenue collected by the Authority by prohibiting it from charging tolls to authorized emergency vehicles. It is estimated that the revenue lost from this prohibition would be \$7,800 annually.

House Bill 4631

The bill would redirect State-restricted transportation revenues. Under the bill, \$5,250,000 annually (beginning FY 2002-03) would be earmarked in the STF for the Mackinac Bridge Authority, to be used for capital improvements. Currently, the Authority does not receive any revenue from the STF. This redirection would reduce the STF resources available to the Michigan Department of Transportation for administering its annual road and bridge program. The STF annually receives revenue from the Michigan Transportation Fund as well as various fees and taxes. In FY 2001-02, STF revenue totaled \$874,445,000.

Fiscal Analyst: Craig Thiel

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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.