



Senate Fiscal Agency
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Senate Bill 882 (as introduced 3-20-14)
Sponsor: Senator Tom Casperson
Committee: Transportation

Date Completed: 5-13-14

CONTENT

The bill would repeal Section 18j of Michigan Transportation Fund law.

Beginning September 30, 2014, Section 18j requires a local road agency to certify to the Department of Transportation that it satisfies one of the following conditions with respect to transportation employees:

- The local road agency has developed and publicized a transportation employee compensation plan that includes at least the following: a) new transportation employee retirement plan caps, depending on the employee's eligibility for Social Security, b) for defined benefit pension plans, a maximum multiplier depending on certain circumstances, c) for defined benefit pension plans, final average compensation calculations, and d) competitive cost sharing for employee health care premium costs.
- The local road agency complies with one of the following: a) if the local road agency offers medical benefits to its employees, it is in compliance with the Publicly Funded Health Insurance Contribution Act, b) the local road agency does not offer medical benefits to its employees.

The Department may withhold all or part of the local road agency's Michigan Transportation Fund distributions for the duration of noncompliance.

Section 18j also requires a local road agency to maintain a searchable website accessible by the public at no cost that includes the following: a) current fiscal year budget, b) the number of active transportation employees of the local road agency by job classification and wage rate, c) information on financial performance, d) the names and contact information for the governing body of the local road agency, and e) a copy of the certification mentioned above. The Department also is required to maintain a website containing nearly identical information.

MCL 247.668j

Legislative Analyst: Jeff Mann

FISCAL IMPACT

The bill would have no fiscal impact at the State level, and could result in decreased costs for local road agencies. Local road agencies would no longer be required to maintain a website as required under Section 18j. As a result, local road agencies could realize decreased costs of an indeterminate amount in the form of administrative and other costs that are associated with maintaining data on a website. The remaining provisions of Section 18j are not applicable until September 30, 2014, so repealing those provisions would have no fiscal impact on local road agencies before that date.

Fiscal Analyst: Glenn Steffens

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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.