



Senate Fiscal Agency  
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BILL ANALYSIS



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Senate Bill 882 (Substitute S-1 as passed by the Senate)  
Sponsor: Senator Tom Casperson  
Committee: Transportation

Date Completed: 6-5-14

**CONTENT**

**The bill would amend the Michigan Transportation Fund law to require county road commissions to comply with Section 18j by September 30, 2015.**

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, or 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 complies with the Publicly Funded Health Insurance Contribution Act, or 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 bill would refer to a county road commission rather than a local road agency, and would require compliance with Section 18j beginning September 30, 2015.

MCL 247.668j

Legislative Analyst: Jeff Mann

**FISCAL IMPACT**

The bill would have no fiscal impact at the State level, no fiscal impact at the county level, and an indeterminate but positive impact at the city and village level. The bill would limit the scope of the law's application to county road commissions rather than local road agencies. Cities and villages therefore would be exempt from the requirements in Section

18j, and could realize decreased costs of an indeterminate amount in the form of administrative and other expenses that are associated with maintaining data on a website.

Fiscal Analyst: Glenn Steffens