

## Telephone 373-8080 Fax 373-5874

## **HOUSE FISCAL AGENCY**

124 N. Capitol Avenue 4 – North, HOB Lansing, MI

SB446 AS REPORTED WITHOUT AMENDMENT

Sponsor Committee Sen. Mat Dunaskiss REGULATORY REFORM

Analyst(s) Schneider, Bob

**Completed** 7/11/01

State Fiscal Impact

Local Fiscal Impact

Cost None

Cost

None

Revenues None

Revenues

Indeterminate/Decrease

The bill would amend the Customer Choice and Electricity Reliability Act to specify that the definition of a "public utility" does not include an alternative electric supplier. Article 7, Section 29 of the State Constitution requires that public utilities obtain the consent of a local unit of government before using public space for the utility's facilities (e.g. transmission lines). If an alternative electric supplier is considered a public utility, that supplier could be required to obtain consent from a local unit before utilizing existing transmission lines that run through that local unit. Since the bill clarifies that an alternative electric supplier is not a public utility under the law, the bill could reduce local revenues that might be generated through such consent agreements.