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HAL RESPONSIBILITIES

House Bill 5210 (Substitute H-1) Sponsor: Rep. Scott Shackleton First Committee: Tax Policy Second Committee: Commerce

House Bill 5214 (Substitute H-2) Sponsor: Rep. John C. Stewart

House Bill 5215 as introduced Sponsor: Rep. Mary D. Waters

Committee: Commerce

First Analysis (10-31-01)

THE APPARENT PROBLEM:

Public Act 63 of 2001 created a new department, the Department of History, Arts, and Libraries, and related legislation transferred various programs and functions to the new department from other executive agencies. (See the analysis of House Bill 4939 et al. by the House Legislative Analysis Section dated 8-2-01.) There remain a number of functions that need to be transferred in various acts. For example, a taxpayer can claim a credit against the state income tax for contributions made to the Department of State for the purpose of the preservation of the state archives. The state archives is one of the historyrelated operations that has been transferred to the new department, and the Income Tax Act needs to be amended to reflect this. There are several other similar cases.

THE CONTENT OF THE BILLS:

House Bills 5210, 5214, and 5215 would each amend a different act to acknowledge the transfer of various administrative functions to the new Department of History, Arts, and Libraries.

House Bill 5210 would amend the Michigan Vehicle Code (MCL 257.811k) to transfer the administration of the Michigan Lighthouse Preservation Grant Fund from the secretary of state to the new department, including the awarding of grants. Also, the code currently gives the secretary of state the responsibility for designing lighthouse fund-raising registration plates and collector plates. The bill would require the secretary of state to consult with

the director of the new department in determining the design.

House Bill 5214 would amend the Income Tax Act (MCL 206.260) to acknowledge the transfer of the state archives from the Department of State to the new department. A taxpayer can claim a credit against the income tax for a contribution to the state archives. A taxpayer can also claim a credit for a contribution to the "state museum". The bill would substitute the term "Michigan Historical Center" for "state museum".

House Bill 5215 would amend the Tax Increment Finance Authority Act (MCL 125.1826) so that proposed changes to the exterior of a site on either the state or national register of historic places that would previously have been referred to the secretary of state would instead be referred by the local authority to the new department.

FISCAL IMPLICATIONS:

The bills would have no fiscal impact on the state or on local units of government, according to the House Fiscal Agency. (HFA fiscal notes dated 10-22-01)

ARGUMENTS:

For:

A number of statutes need to be amended to reflect the creation of the new Department of History, Arts, and Libraries and the transfer of a wide variety of functions to the new department from other departments. To cite one major example, the history-related activities that were once housed in the Department of State are now part of this new department. These bills would change some references in three different acts to acknowledge the role of this new department.

POSITIONS:

The Department of Treasury supports the bills. (10-30-01)

Analyst: C. Couch

This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.