

Legislative Analysis



ROAD COMMISSION INSTALLATION CONTRACTS

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Senate Bill 1383 (Substitute S-1)
Sponsor: Rep. Jud Gilbert, II
Committee: Transportation

Complete to 11-9-04

A SUMMARY OF HOUSE BILL 1383 AS PASSED BY THE SENATE 10-6-04

Senate Bill 1383 would amend the county road law to delete the limit on the outstanding balance of purchases by a county road commission; and increase the amount of money a county road commission may spend without advertising for sealed proposals.

Presently, the outstanding balance of all purchases under the county road law may not exceed 1.25 percent of the value of the road commission's capital assets and infrastructure as determined by a capitalized asset inventory. The bill would delete that limit.

The bill also would increase from \$10,000 to \$20,000 the amount at which a board of county road commissioners must advertise for sealed proposals, and increase the limit under emergency conditions from \$20,000 to \$50,000.

MCL 224.10

FISCAL IMPACT:

Current law limits the outstanding balance of all purchases authorized under the act to 1 1/4% of the value of the road commission's capital assets and infrastructure as determined by a capitalized asset inventory. In striking this language, the bill could permit county road commissions to incur additional installment purchase debt. The bill would have not fiscal impact on state government.

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