



Senate Fiscal Agency  
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**BILL ANALYSIS**

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Senate Bill 1383 (as introduced 9-14-04)  
Sponsor: Senator Jud Gilbert, II  
Committee: Transportation

Date Completed: 9-28-04

**CONTENT**

The bill would amend Public Act 283 of 1909 (which governs public highways and private roads) to delete a limit on the outstanding balance of purchases by a county road commission.

Under the Act, a county road commission may enter into a contract or agreement for the purchase of real or personal property for public purposes, to be paid for in installments over either a maximum period of 15 years or the useful life of the property, whichever is less. Real or personal property purchased under the Act may serve as collateral in support of the purchase, contract, or agreement. The outstanding balance of all purchases under the Act may not exceed 1.25% 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.

MCL 224.10

Legislative Analyst: Julie Koval

**FISCAL IMPACT**

The bill would have no fiscal impact on the State. By removing a limit on the outstanding balance of purchases by a county road commission, the bill would increase the amount of purchases that a county road commission may make using an installment method (i.e., debt). The removal of this limit could result in additional debt issuance by county road commissions.

Fiscal Analyst: Craig Thiel

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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.