

Legislative Analysis



SBA Finance Higher Ed Equipment

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Senate Bill 48 (S-4)

Sponsor: Sen. Johnson

House Floor

Second Analysis (9-6-06)

BRIEF SUMMARY:

This bill allows State Building Authority (SBA) bond proceeds to be used as a financing source for certain broadcasting equipment at higher educational institutions. This is limited to "...furnishings, hardware, or other types of equipment (that) shall only be used for the interconnection of noncommercial television and radio broadcasting stations with other noncommercial television and radio broadcasting stations and 1-way digital broadcasting."

FISCAL IMPACT:

Indeterminate. Specific projects will still have to be authorized in a Capital Outlay budget act and a subsequent concurrent resolution approving a tri-part lease agreement among the SBA, State, and respective higher educational institution. However, if, for example, \$100 million is the amount authorized and bonded, then annual SBA 'rent' costs are likely to be in the range of \$10 to \$12 million. Barring an alternative revenue stream, this would require an annual appropriation from the General Fund.

Fiscal Analyst: Al Valenzio

■ 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.