

Legislative Analysis



REMONUMENTATION FUND TRANSFER

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Senate Bill 959

Sponsor: Sen. Michael Switalski

House Committee: Appropriations

Senate Committee: Appropriations

Complete to 2-21-06

A SUMMARY OF SENATE BILL 959 AS PASSED BY THE SENATE 2-15-06

The bill would amend the State Survey and Remonumentation Act to transfer \$15 million of the unreserved balance in the Remonumentation Fund to the state General Fund for the fiscal year ending September 30, 2006 only.

The bill also specifies that: "In addition to any other appropriation, for the 2005-2006 fiscal year only, it is the intent of the Legislature that this state appropriate an amount from the General Fund to the [Remonumentation] Fund equal to the difference between the amount deposited in the fund in that year and \$10,134,000.00. This [provision] only applies if the amount deposited into the fund is less than \$10,134,000.00 for the fiscal year."

MCL 54.271

FISCAL IMPACT:

The transfer of \$15 million from the Remonumentation Fund unreserved fund balance will leave an estimated balance of \$500,000 immediately after the transfer. The lack of fund balance will create a shortage of funding for the current year Remonumentation Grants. The current year appropriation is \$14 million, which assumed the use of some of the fund balance. Current year grants to Michigan's 83 counties are expected to be \$10.1 million, which could be paid from current year fee revenue and the remaining fund balance. However, the 20-year Remonumentation program is already estimated to be under-funded by approximately \$52 million and behind schedule. This will transfer require an 18-month extension of the program itself and the associated fee revenue.

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