

# Legislative Analysis

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## SOO LOCKS FUND LAPSE

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### Senate Bill 676

**Sponsor: Senator Jelinek**

**Senate Committee: Appropriations**

**House Committee: Appropriations**

**Complete to September 23, 2007**

## A SUMMARY OF SENATE BILL 676 AS PASSED BY THE SENATE 8-22-07

Senate Bill 676 (as passed the Senate) would amend Section 17a of the State Transportation Preservation Act of 1976, (1976 PA 210, MCL 474.67a) to require that for the fiscal year ending September 30, 2007, \$5.27 million from the Soo Locks Fund lapse to the Comprehensive Transportation Fund (CTF). A companion bill, Senate Bill 656, would then transfer \$10.27 million from the CTF to the state General Fund. In effect, Senate Bill 656 transfers to the General Fund \$5.0 million in CTF revenue generated from the auto-related sales tax, plus an additional \$5.27 million made available through the lapse of the Soo Locks Fund balance effected by Senate Bill 676. (These bills reflect the May 2007 agreement to resolve the FY 2006-07 General Fund shortfall through shifts of restricted fund revenue to the State General Fund.)

The Soo Locks Fund was established in 2001 through 2001 PA 126 (HB 4791) to provide state funds needed to match federal funds available for the construction of a new lock on St. Mary's River between Sault Ste. Marie Michigan and Sault State Marie Ontario. The fund was established with a \$4.7 million transfer from the CTF. Interest earnings have increased the fund to \$5.27 million. It is not clear how depletion of the fund balance will affect efforts to proceed with the construction of a new lock.

For additional information on the Soo Lock Fund, see the bill analysis related to HB 4791 (2001).

[http://www.legislature.mi.gov/\(S\(m3zqri454jsdiw45seeber45\)\)/mileg.aspx?page=getObject&objectName=2001-HB-4791](http://www.legislature.mi.gov/(S(m3zqri454jsdiw45seeber45))/mileg.aspx?page=getObject&objectName=2001-HB-4791)

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