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Senate Bill 59 (as introduced 1-24-07)
Sponsor: Senator Jud Gilbert, II
Committee: Transportation

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CONTENT

The bill would amend the Michigan Transportation Fund law to require the creation of an alternative transportation funding task force and a citizens advisory committee to review and make recommendations for potential sources of transportation funding to replace the 19-cent gas tax.

Composition of Task Force

Under the bill, by March 1, 2008, the Governor would have to appoint up to seven individuals to serve as a task force to review alternative transportation funding options, alternative transportation investment priorities, and potential strategies for maximizing returns on transportation investments. The task force would have to evaluate the potential of alternative strategies to replace the 19-cent gasoline tax and would have to focus on implementation of technical strategies to put in place user-pay funding methods.

The appointments would be subject to the advice and consent of the Senate. The task force would have to include at least one representative each of manufacturing, commerce, agriculture, tourism, and labor.

The task force also would have to include the majority and minority leaders of the Senate, or a member of the Senate designated by each leader, and the Speaker and minority leader of the House of Representatives, or a member of the House designated by each leader.

Task Force Responsibilities

The primary focus of the alternative transportation funding task force would be to examine alternatives to the portion of road funding supported by motor fuel taxes, and to suggest or recommend alternative revenue collection systems funded through user-pay methods. The task force would have to include an analysis of the feasibility of alternative methods, including mileage fees, tolling, and congestion pricing.

The task force would have to make recommendations for implementation of pilot programs to test feasible alternatives to replace the portion of road funding that comes from motor fuel taxes, and would have to make a preliminary recommendation on pilot programs by March 1, 2009. The Michigan Department of Transportation (MDOT) would have to put the recommended pilot programs in place by July 1, 2009.

Citizens Advisory Committee

Under the bill, the Governor would have to appoint up to 12 people to serve as a citizens advisory committee. The committee would have to include at least one representative from a list of three recommendations supplied by each of the following organizations:

- Michigan Farm Bureau.
- Michigan Trucking Association.
- Michigan Association of Counties.
- Michigan Townships Association.
- Michigan State Chamber of Commerce.
- Michigan Tourist Association.
- County Road Association of Michigan.
- Michigan Municipal League.
- Associated Underground Contractors of Michigan.
- Asphalt Pavers Association of Michigan.
- Michigan Concrete Pavers Association.
- Michigan Infrastructure and Transportation Association.

The citizens advisory committee would have to receive and comment upon all reports, studies, and recommendations prepared by the various designated technical subcommittees of the advisory committee before they were submitted to the study committee. The members of the advisory committee would have to be given sufficient time and opportunity to provide members of the study committee their majority, minority, or individual views of the reports, studies, and recommendations.

MDOT Assistance

The Department of Transportation would have to provide qualified staff, needs, technical oversight, and fiscal analysis subcommittees. By February 29, 2008, MDOT would have to provide a recommended work program to the study committee to enable it to carry out its functions.

By May 1, 2008, the Legislative Auditor General would have to review and comment on the data developed by MDOT in order to assist the citizens advisory committee.

Recommendations

By a majority vote of the study committee, the committee would have to report to the Governor, the State Transportation Commission, and the Legislature on the following:

- Identified capital and maintenance needs.
- Transportation investment and maintenance priorities.
- Relative use of transportation systems.
- Responsibilities for the identified needs including alternative transportation funding options.
- Historical transportation financing patterns as they relate to total statewide fiscal resources.
- Strategies for maximizing the returns on transportation investments.

All studies and reports relating to highways would have to be reported according to functional and legal classification. The committee would have to publish a preliminary report of the data and findings by March 1, 2009.

After holding appropriate hearings, the committee would have to recommend, if it considered it necessary, alterations of formulas for and alternative sources of transportation

funding and alterations to the distributions of transportation responsibilities by July 1, 2009. The report and recommendations would have to include any positions that a minority of study committee members supported.

Proposed MCL 247.659c

Legislative Analyst: Curtis Walker

FISCAL IMPACT

The bill would require the Department of Transportation to staff the new task force and advisory committee and perform other administrative duties. The fiscal impact of these additional responsibilities cannot be determined at this time.

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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.