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**BILL ANALYSIS**

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Senate Bill 676 (as introduced 8-1-07)
Sponsor: Senator Ron Jelinek
Committee: Appropriations

Date Completed: 8-1-07

CONTENT

The bill would amend the State Transportation Preservation Act to lapse funds set aside for the construction of a new lock at Sault Ste. Marie. Legislation passed in 2001 created the Soo Locks Fund into which \$4.7 million from the Comprehensive Transportation Fund (CTF) was held in reserve for Michigan's portion of construction costs. Annual payments to the Federal government for the next 50 years were appropriated in the original legislation. As of August 2007, funds for the project have not been included in the Federal budget and only design work has been started. The bill would lapse the balance of the Soo Locks Fund to the Comprehensive Transportation Fund.

MCL 474.67a

FISCAL IMPACT

The bill would transfer approximately \$5.27 million from the Soo Locks Fund to the Comprehensive Transportation Fund. This reflects part of the FY 2006-07 budget agreement.

While not tie-barred to Senate Bill 656, this bill is related in that the other bill would reduce revenue to the CTF by the same \$5.27 million and increase revenue to the General Fund by that amount. The two proposals are necessary to implement this part of the budget agreement.

Fiscal Analyst: Debra Hollon

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