



Senate Fiscal Agency  
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BILL ANALYSIS

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Senate Bill 1324 (as introduced 5-15-08)  
Sponsor: Senator Gerald Van Woerkom  
Committee: Transportation

Date Completed: 5-20-08

### **CONTENT**

**The bill would amend the Michigan Transportation Fund law to require a public transit authority or agency that received operating grants under the law to require competitive bidding for service, construction, and operating contracts.**

Specifically, no eligible authority or eligible governmental agency could receive payment for operating grants under the law unless it could demonstrate that it required competitive bidding with private sector entities for service contracts and contracts for construction and operation of public transportation facilities. A demonstration of competitive bidding would have to include timely provision by the agency to interested bidders of administrative and overhead cost information for the most recent available fiscal year before the competitive bidding deadline.

(Under the law, an eligible authority is an authority that is organized under the Metropolitan Transportation Authorities Act. An eligible governmental agency is a county, city, or village or an authority created under the Urban Cooperation Act or certain other statutes.)

MCL 247.660e

Legislative Analyst: Curtis Walker

### **FISCAL IMPACT**

The bill would not have a State fiscal impact. Local transit agencies would incur any costs associated with establishing a competitive bidding process if one were not already being used. The exact cost of this procedure cannot be determined at this time.

Fiscal Analyst: Debra Hollon

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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.