

Legislative Analysis



REVENUE ESTIMATING CONFERENCE

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Senate Bill 139 (H-2)

Sponsor: Sen. Roger Kahn

House Committee: Appropriations

Senate Committee: Appropriations

Complete to 5-9-11

A SUMMARY OF SENATE BILL 139(H-2) SUBSTITUTE (AS REPORTED BY COMMITTEE)

The bill would amend the Management and Budget Act (MCL 18.1367b and 1386) to make the following changes to the state's Revenue Estimating Conference.

** Currently, a Revenue Estimating Conference must be held each year on the second week in January and the last week in May. The bill would require the May conference to be held in *the third week in May*. (The principals of the conference are the State Budget Director or the State Treasurer, the director of the Senate Fiscal Agency, and the director of the House Fiscal Agency, or their respective designees.)

** The act requires that the forecasts be for the fiscal year in which the conference is being held and the ensuing fiscal year. The bill would require the forecasts be for the fiscal year in which the conference is being held and *the next two ensuing fiscal years*.

** The conference also would be required, under the bill, to forecast *General Fund/General Purpose revenue trend line projections for the next two fiscal years*.

** The Revenue Estimating Conference is required to determine the amount of certain specified future tax collections and other revenues. The bill would require the May Revenue Estimating Conference to establish expenditure forecasts for *Medicaid expenditures and for Human Services caseloads and expenditures* for the fiscal year in which the conference is being held and the next two ensuing fiscal years.

Monthly Financial Reports

The bill also would require that the State Budget Director transmit copies of the state's monthly financial report to the members of the House and Senate Appropriations committees and to the directors of the House and Senate Fiscal Agencies *within 30 days* after the end of each month, rather than within 45 days as is now the case.

FISCAL IMPACT:

The bill would have no state or local fiscal impact.

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