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BILL



ANALYSIS

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Senate Bill 445 (as introduced 6-14-11)  
Sponsor: Senator Rebekah Warren  
Committee: Transportation

Date Completed: 4-30-12

### **CONTENT**

**The bill would amend Public Act 51 of 1951, the Michigan Transportation Fund law, to include a proposed southeast Michigan regional transit authority among the authorities eligible to receive distributions from the Comprehensive Transportation Fund (CTF).**

The bill is tie-barred to Senate Bill 443, which would create the "Regional Transit Authority Act" to establish an authority for the coordination of public transit within a region consisting of Wayne, Oakland, and Macomb Counties.

Under the law, money from the CTF must be spent for specific purposes related to public transit in a particular order of priority. The third priority is payment of annual distributions, upon appropriation, to eligible authorities and eligible governmental agencies for public transportation purposes.

"Eligible authority" means an authority organized under the Metropolitan Transportation Authorities Act, which allows contiguous counties in major metropolitan areas to establish regional transportation authorities. Under the bill, the term also would include an authority organized or continued under the proposed Regional Transit Authority Act.

Eligible authorities and governmental agencies that provide public transportation services in urbanized areas with a Michigan population of more than 100,000 may receive a grant of up to 50% of their eligible operating expenses. Those that provide services in urbanized areas with a Michigan population of 100,000 or less and nonurbanized areas may receive a grant of up to 60% of their eligible operating expenses.

For each 12-month period beginning on October 1, \$2.0 million must be returned from this distribution by each multicounty authority created under the Metropolitan Transportation Authorities Act in terms of a population-based credit to the cities, villages, and townships within each transportation district of the authority that apply for the credit. Under the bill, this provision would apply to an eligible authority organized or continued under the proposed Regional Transit Authority Act, and to cities, villages, and townships within the authority receiving credits under this provision or eligible to receive credits as of October 1, 2001.

The bill also would include references to eligible authorities organized under the Regional Transit Authority Act in provisions regarding the auditing of financial transactions and

accounts related to CTF distributions, as well as the issuance of notes in anticipation of payment of CTF proceeds.

MCL 247.660c et al.

Legislative Analyst: Julie Cassidy

**FISCAL IMPACT**

The bill would have no fiscal impact on State or local government. The Department of Transportation anticipates that the distribution of funds would continue to the same local units as under current law.

Fiscal Analyst: Joe Carrasco

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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.