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BILL ANALYSIS

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House Bill 4361 (Substitute H-1 as passed by the House)
House Bill 4362 (Substitute H-1 as passed by the House)
House bill 4479 (as passed by the House)
Sponsor: Representative Jud Gilbert, II
House Committee: Tax Policy
Senate Committee: Reforms, Restructuring, and Reinventing

Date Completed: 5-9-11

CONTENT

House Bill 4361 (H-1) would amend the Income Tax Act, eliminating numerous credits, deductions and exemptions, as well as changing future tax rates. House Bill 4361 (H-1) also would create a new Corporate Income Tax, levied on businesses organized as traditional corporations under Federal law. House Bill 4362 (H-1) would amend the Michigan Business Tax (MBT) Act to allow certain taxpayers that wished to claim select credits allowed under current law to continue claiming those credits if they continued to file returns under the MBT. House Bill 4479 would amend the Multistate Tax Compact to remove the option for certain out-of-state taxpayers to apportion their tax base (under either the MBT or the proposed Corporate Income Tax) using an equally weighted three-factor formula instead of the 100%-sales factor formula specified in the MBT and the proposed Corporate Income Tax.

Individual Income Tax Provisions

House Bill 4361 (H-1) would make substantial revisions to the income tax levied on individuals. The definition of taxable income would be altered in the following ways:

- The deduction allowed for pension and retirement income, including social security, would be modified, as described below.
- Retirement or pension benefits under the Federal Railroad Retirement Act of 1974 would not be taxable.
- Political contributions would no longer be deductible.
- Wages included in Federal adjusted gross income (AGI) not deductible under Section 280C of the Internal Revenue Code would no longer be deductible.
- Effective January 1, 2012, senior citizens born after 1945 would no longer be able to deduct a portion of interest, dividends, and capital gains received.
- Taxpayers would no longer receive an additional $600 exemption per dependent child under the age of 19.
- Distributions from certain individual retirement accounts used to pay qualified higher education expenses would no longer be deductible.
- Charitable contributions made from a qualified retirement plan or account would no longer be deductible.
- Reinvestments of gains made from certain investments certified by the Michigan Strategic Fund would no longer be deductible.
- Effective January 1, 2012, if deducted in determining Federal AGI, expenses incurred to produce nontaxable income would no longer be deducted from AGI a second time.
- Regarding the deduction for pension and retirement income, rather than applying the modifications to each individual with income on the return, the bill would base the modifications on the age of the older spouse when the return was filed:

a. For taxpayers born before 1946, there would be no change in the treatment of retirement or pension income. Public pensions, as well as social security benefits and several other categories of income, would be completely exempt from taxation. A portion of pension and retirement income from private plans would continue to be exempt from tax ($45,120 for single filers and $90,240 for joint filers in tax year 2010, and adjusted for inflation), although the private pension exemption would continue to be reduced by the amount of any compensation and retirement benefits received for services in the armed forces as well as any public pension. However, the bill also would reduce the private exemption by the amount of any retirement or pension benefits received under the Federal Railroad Retirement Act of 1974.

b. For taxpayers born during the 1946 to 1952 period, the bill would eliminate the current exemptions for retirement and pension income, although the exemptions for social security income and several other types of income exempt under current law would be retained while the taxpayer was less than 67 years of age. Until the taxpayer reached age 67, the bill would allow a new exemption that would exempt a portion of pension and retirement income ($20,000 for a single return or $40,000 for a joint return), regardless of whether the income was from a public or private pension. After the taxpayer reached age 67, the bill would keep the exemption amount the same, but would apply the exemption to all income, including retirement and nonretirement income. However, the bill retains the full exemption for social security income and select other types of income excluded under current law. Regardless of age, if total household resources exceed $75,000 for a single return, or $150,000 for a joint return, the bill would eliminate the $20,000/$40,000 exemption. The bill implies that the taxpayer would still be eligible to receive the standard personal exemption, regardless of age.

c. For taxpayers born after 1952, the bill would eliminate any exemption of public or private pension or retirement income other than social security income and certain other types of income until the taxpayer reached 67 years of age. Once the taxpayer reached age 67, the bill would allow an exemption ($20,000 for a single return or $40,000 for a joint return) against all types of income, including social security income and other types of income (including retirement and nonretirement income). The bill would allow a taxpayer to forgo the $20,000/$40,000 exemption and instead deduct 100% of social security income. Under the bill, if a taxpayer elects to claim the $20,000/$40,000 exemption, they would not be allowed to claim either the deduction for Social Security Income or the standard personal exemption. The language in the bill appears to imply that the taxpayer would not be eligible to receive the standard personal exemption once he or she turned age 67, unless the taxpayer elected to claim the 100% deduction for social security income. Regardless of age, if total household resources exceeded $75,000 for a single return, or $150,000 for a joint return, the bill would eliminate the $20,000/$40,000 exemption.

House Bill 4361 (H-1) also would eliminate or change several exemptions that presently may to be claimed against income:

- The standard personal exemption for taxpayers and each dependent would be fixed at $3,700 (the level under current law) through tax year 2012. Beginning in 2013, the exemption would again be adjusted annually for inflation occurring after 2012.
- The standard personal exemption would be phased-out for single taxpayers with household resources between $75,000 and $100,000, and for married couples filing joint returns with household resources between $150,000 and $200,000.

- The additional $1,800 exemption allowed for each taxpayer age 65 and older, and each dependent of the taxpayer, would be eliminated.
- The additional $1,800 exemption received by taxpayers whose unemployment compensation exceeds 50% of their AGI would be eliminated.

House Bill 4361 (H-1) would make additional miscellaneous changes, including:

- Business income reported under the individual income tax would be apportioned based on 100% of a sales factor, rather than the equally weighted, three-factor formula based on property, payroll, and sales under current law.
- Production companies would be required to collect income tax withholding on amounts paid to performing artists or crew members, to the extent any necessary withholding was not made by a professional employer organization or professional services corporation.
- Household income, as primarily used in determining eligibility under the Homestead Property Tax Credit and Home Heating Credit, would be changed to "total household resources". The primary difference between the two concepts is that "total household resources" would be intended to exclude any subtractions due to net business, rental, or royalty losses.

House Bill 4361 (H-1) also would eliminate most credits available under the individual income tax and make substantive changes to the remaining credits. Credits eliminated or changed under the bill include:

- Nonresident estates and trusts would no longer receive a credit related to reciprocity agreements with other states.
- For rehabilitation plans certified after January 1, 2012, the historical preservation credit would be eliminated.
- For agreements entered into after January 1, 2012, tax vouchers issued under provisions related to the Michigan Early Stage Venture Investment Act could no longer be applied toward tax liability.
- All non-refundable credits, including:

    a. The City Income Tax Credit.
    b. The Public Contribution Credit, for contributions to public entities such as State universities, public libraries, and the State museum.
    c. The Community Foundation Credit, for contributions to qualified community foundations.
    d. The Homeless/Food Bank Credit, for contributions made to homeless shelters, food banks and food kitchens.
    e. The College Tuition Credit, which provides a credit equal to 8% of tuition costs for residents attending a university or college that increased its tuition from the prior year by less than the rate of inflation.
    f. The Vehicle Donation Credit, which provides a credit for automobiles donated to qualified organizations.
    g. The credit for contributions to individual and/or family development accounts.

- For tax years after 2011, the Michigan Earned Income Tax Credit would be eliminated. Taxpayers eligible to receive the Federal Earned Income Tax Credit would be eligible for a credit of $25 for each minor child residing with them.
- Qualified investments made after December 31, 2011, in qualified businesses would no longer be eligible for a credit certificate from the Michigan Strategic Fund.
- A variety of changes would be made to the Homestead Property Tax Credit:

    a. Taxpayers would no longer be eligible for the credit if the taxable value of their homestead exceeds $135,000. (For a new home, this limit would equate to a sale value of $270,000.)

    b. The credit would be phased out starting at total household resources of $41,000 and be eliminated once total household resources reached $50,000. Under current law, the phase-out does not begin until household income exceeds $73,650.

    c. Under current law, the credit equals some percentage of the property taxes that exceed 3.5% of household income, regardless of income. The applicable percentage varies, with most taxpayers receiving 60%, while seniors and disabled individuals are able to receive 100%. The bill would eliminate the difference in rates

between seniors and most taxpayers, based the computation on total household resources, and vary the applicable percentage based on total household resources. For taxpayers with income of $21,000 or less, the bill would make the applicable percentage 100%, phasing it down in four percentage point increments every $1,000 of household resources until the applicable percentage declined to 60% at household resources of $30,000.

In addition, House Bill 4361 (H-1) would alter the individual income tax rate levied in future years. Under current law, the tax rate is scheduled to decline from 4.35% to 4.25% on October 1, 2011. The rate then is scheduled to drop another 0.1 percentage point each subsequent October 1, until October 1, 2015, when the rate is to decline 0.05 percentage point, to 3.9%. The bill would postpone the first rate reduction until January 1, 2013, and eliminate any subsequent rate reductions. As a result, the bill would keep the tax rate at 4.35% through January 1, 2013, and then lower it to 4.25%, where it would remain.

Corporate Income Tax Provisions

House Bill 4361 (H-1) would segment the existing individual income tax provisions as Part 1, and add a Part 2 to the Income Tax Act, representing a new income tax levied on corporations. The proposed corporate income tax provisions largely mirror the provisions of the income tax portion of the current Michigan Business Tax Act and would be effective beginning January 1, 2012. However, unlike the MBT, which is levied on all businesses regardless of how they are organized, the Corporate Income Tax (CIT) would be levied only on businesses organized as a traditional corporation (a C-corporation) under Federal tax rules. Sole proprietorships and pass-through entities, such as partnerships, S-corporations, and limited liability companies taxed as a partnership or S-corporation, would not be required to pay taxes or file returns under the corporate income tax.

The Corporate Income Tax would apportion business activity across states using only the ratio of Michigan sales to total sales, as is currently done under the MBT. The Corporate Income Tax also would retain the MBT's unitary filing requirements for corporations under common control. The tax rate on corporate income would be 6.0% (approximately equal to the rate under the MBT, inclusive of the surcharge) and firms would not be required to file a return if their liability were less than $100. As under the MBT, firms with apportioned gross receipts of less than $350,000 would not be required to file a return. However, the CIT would not contain the filing threshold credit that the MBT offers.

A few adjustments to taxable income under the MBT would not be retained in the CIT, including:

- Certain income or losses attributable to another entity would not be included.
- Charitable contributions made to the Michigan Education Trust would no longer be deductible.
- Certain gains and/or income related to qualified affordable housing could no longer be deducted from business income.
- A deduction for certain deferred tax liabilities would no longer be allowed.

The Michigan Business Tax exempts certain types of income or taxpayers from the tax and the bill would not retain some of these exemptions. House Bill 4361 (H-1) would not exempt:

- Nonprofit housing corporations.
- Income from the production of agricultural goods, and a variety of other activities related to farmers' cooperative corporations.
- Income from services of an attorney-in-fact to a reciprocal insurer.
- The portion of a tax base attributable to a multiple employer welfare arrangement that only provides dental benefits.

The Corporate Income Tax would not retain any of the tax credits offered under the MBT, with the exception of the alternate tax credit. Firms eligible for this credit must have gross receipts of $20.0 million or less and adjusted business income of $1.3 million or less. The credit also places limits on the total of compensation and directors' fees to individual shareholders and officers. If a taxpayer qualified for the credit, the taxpayer would receive a credit for the

difference between the CIT liability and 1.8% of adjusted business income.

The Corporate Income Tax would include a tax on insurance companies that is identical to the tax such businesses face under the MBT. Financial institutions also would face the same net capital tax imposed under the MBT, and the 0.29% tax rate approximately equals the rate paid under the MBT, inclusive of the surcharge. However, the CIT would no longer allow financial institutions a deduction for goodwill.

House Bill 4361 (H-1) would appropriate $100 to the Department of Treasury to implement the provisions of the CIT. Revenue from the CIT would be directed to the General Fund.

House Bill 4362 (H-1) would amend the MBT Act to provide for its eventual repeal and for certain taxpayers to continue to claim select credits. House Bill 4361 (H-1) contains complementary and duplicative provisions related to House Bill 4362 (H-1) and the option for certain taxpayers to continue to file a return under the MBT if they sought to claim certain credits. House Bill 4362 (H-1) would add a definition of "certificated credit". A "certificated credit" would primarily include credits related to a variety of MBT provisions that award a credit as a result of a taxpayer's obtaining a voucher or credit certificate as a result of some of agreement with the State. For example, under the MBT taxpayers may enter into an agreement related to brownfield improvements and, once the improvements are made, the taxpayers are eligible to receive a credit over a period of years. MBT credits that would be preserved under the definition of "certificated credit" include:

- The Early Stage Venture Capital Credit
- Brownfield Redevelopment Credits
- Michigan Economic Growth Authority credits, including:
  a. Credits for Photovoltaic Technology
  b. The Employment Credit
  c. The Anchor Company Payroll Credit
  d. The Federal Government Employment Credit
  e. The Anchor Company Taxable Value Credit
  f. The Polycrystalline Silicon Manufacturing Credit
  g. Credits for High-Power Energy Batteries
  h. The Hybrid Technology Research and Development Credit
- The Media Production Credit
- The Media Infrastructure Credit
- The Historic Preservation Credit
- The Renaissance Zone Credit
- The NASCAR Safety Credit
- The NASCAR Speedway Credit
- The Farmland Preservation Credit

House Bill 4362 (H-1) also would eliminate the MBT for most taxpayers, effective January 1, 2012, by amending the definition of "taxpayer". After January 1, 2012, taxpayer would include only a person or unitary business group with a certificated credit that wished to claim the credit and either was not subject to the new CIT or elected to file under the MBT rather than the new CIT.

House Bill 4362 (H-1) would require that taxpayers electing to claim certificated credits pay a tax based on the greater of their MBT liability or a modified version of the liability they would have if they filed under the CIT. The bill also would refund any credit amounts that exceeded the taxpayer's liability. House Bill 4362 (H-1) would repeal the MBT Act once the Secretary of State received a written notice from the Department of Treasury that all certificated credits had been exhausted.

Multistate Tax Compact Provisions

The Multistate Tax Compact (MTC) codifies certain provisions regarding the taxation of taxpayers with activity in multiple state jurisdictions. House Bill 4479 would amend the MTC to change the way taxpayers are allowed to apportion their activity between states. Under current law, a multistate taxpayer can elect to file under the provisions of the MTC rather than the requirements of the laws of states in which it has business activity. One of these provisions involves how to allocate business activity across states. The MTC allows a taxpayer to compute an apportionment factor by computing three separate factors, adding them together and dividing by three. The three factors are based on payroll, property, and sales, with each factor calculated by taking the amount of that factor attributable to the taxpayer within a state and dividing it by the total of that factor attributable to the taxpayer in all states. By dividing by three, the formula

equally weights each of the factors. The MBT and the proposed CIT use only a sales factor, taking Michigan sales and dividing that amount by the taxpayer's total sales. For an out-of-state taxpayer, particularly one with little or no property in Michigan, the three-factor formula produces a much smaller apportionment factor.

Under House Bill 4479, any taxpayer subject to either the MBT or the proposed CIT would not have the option of using the apportionment factor in the MTC. As a result, all taxpayers would be required to use the 100%-sales factor apportionment.

MCL 206.2 et al (H.B. 4361)
208.1107 et al. (H.B. 4362)
205.581 (H.B. 4479)

FISCAL IMPACT

The bills would reduce revenue by approximately $453.8 million in FY 2011-12 and $192.0 million in FY 2012-13. General Fund revenue would increase by approximately $225.7 million in FY 2011-12 and $465.0 million in FY 2012-13 while School Aid Fund revenue would decline by approximately $679.5 million in FY 2011-12 and $657.0 million in FY 2012-13. As discussed below, these estimates omit the impact of several of the bills' provisions.

The H-1 version of House Bill 4361 does not contain a significant provision present in the introduced version of the bill. The introduced version of the bill created a Tax and Fee Reform Fund, which would have received annual deposits of individual income tax revenue equal to the difference between the tax rate as schedule under current law and 4.25% multiplied times taxable income. These deposits would have reached between $900 million and $1.0 billion per year by fiscal year 2015-16, and unappropriated balances would not have lapsed to the General Fund.

Table 1 estimates the impact of the bills' various provisions, based on information from the Michigan Department of Treasury. Certain provisions, such as the inclusion of corporations engaged in agricultural production or the change in the apportionment formula for business income reported under the individual income tax, do not appear to be incorporated into the estimates. Some of these omissions could have a substantial fiscal impact. When Michigan shifted the apportionment formula for business taxes from a 50% sales factor apportionment formula to a 90% sales factor, the impact was estimated to lower total business tax revenue by more than 3.0%. The change proposed in the bill would represent a larger shift, moving from a one-third sales factor to a 100% sales factor.

Several provisions in the bills would create unintuitive results. For example, the new exemption amount for taxpayers born during the 1946-1952 period would remain the same amount when the taxpayers turned age 67 but would be applied to a broader income base. As a result, the value of the exemption actually would potentially increase once a taxpayer turned 67, because any unused value of the exemption could now be used to offset nonpension and nonretirement income. The additional personal exemption seniors receive under current law effectively accomplishes the same result, although the bill would repeal that exemption. A second example is the definition of "total household resources" where losses are excluded only to the extent that such amounts are reported as positive amounts on the tax forms. To the extent that the losses were represented as negative figures, the language could be interpreted to allow such losses to be double-counted.

While the CIT also would retain the MBT's unitary filing requirements for businesses under common control, House Bill 4361 (H-1) is unclear about how members of a unitary group that are not C corporations would be treated. Absent a unitary filing requirement, such entities would be exempt from the tax. If the provisions of the bill were interpreted to exempt non-C corporation entities from unitary groups, the bill likely would create a substantial incentive to reorganize business activity in order to evade taxation. It is unknown what treatment these unitary groups are assumed to receive under the estimates for the CIT or how their behavior might change under the bills.

Much of the liability calculation in House Bill 4362 (H-1), for firms wishing to claim certificated credits, appears inconsistent with public descriptions of the provisions and/or inconsistent with the process by which a liability would be calculated. For example, when a taxpayer computed its liability as if taxed under the CIT, the bill would allow the taxpayer to apply any business loss (which would be carried forward up to 10 years and subtracted from

the tax base, under House Bill 4361 (H-1)) in determining liability but then would subtract the amount of the business loss from the liability that resulted from that calculation. As a result, the loss would be double-subtracted: once from the tax base and then again from liability computed on that reduced tax base. The second subtraction would reduce liability by 100% of the loss amount, while the first subtraction would reduce liability by 6% of the loss.

Similarly, House Bill 4361 (H-1) would not eliminate any MBT provisions other than a reference under the Media Production Credit to a provision eliminated by the bill under the individual income tax sections. As a result, entities such as the Michigan Economic Growth Authority, the Michigan Film Office, and the Michigan Strategic Fund could continue to issue credits under those provisions. While any new credits would not be counted as certificated credits, they could be issued nonetheless. Similarly, the certificated credits would duplicate credits amounts allowed under other sections. The language in House Bill 4362 (H-1) would allow a taxpayer, when computing its liability under the MBT, to claim amounts related to certificated credits under both the original authorizing section and then again in the new Section 500 as a certificated credit. Similarly, taxpayers would still be eligible to claim other credits not included in the certificated credit definition, such as the investment tax credit, the personal property tax credit, and the compensation credit. It is not clear to what extent the estimates presented in Table 1 reflect that taxpayers would be able to claim these credits in this fashion.

The bill would have no fiscal impact on local government.

Department of Treasury

The bills would increase the costs of the Michigan Department of Treasury which administers and collects State taxes. House Bill 4361 (H-1) includes a $100.00 appropriation from General Fund/General Purpose (GF/GP) revenue as a placeholder for the costs of implementing the tax changes and the proposed corporate income tax. The actual implementation costs of the bills would likely be significant, due to the need for alterations to computer systems, development of forms, instructions, and policy advice, and promulgation of administrative rules.

The bill would require the administration of two business tax systems for an unknown period of time. The Michigan Business Tax administration would continue for several years as companies file and amend returns and the department conducts audits. In addition, the companies with certificated credits against the MBT would be permitted to elect to continue to pay taxes and receive those credits under the existing MBT. Depending on the number of companies that choose to continue taxation under the MBT and the length of the credits that they have been awarded, the administration of the MBT could continue for many years.

The bill also includes extensive reporting requirements. The Department would be required to publish statistics on the distribution of tax receipts by several categories, consisting of type of business, legal organization, sources of tax base, timing of tax receipts, and types of deductions.

No specific estimates of the cost of implementing these tax changes currently are available, however, by comparison, $11.0 million GF/GP and 28.0 full-time equivalent (FTE) positions were appropriated for the first year of development of the MBT.

Michigan Strategic Fund

Under the bills, the Michigan Strategic Fund (MSF) is estimated to have a decrease in fee revenue. Currently companies pay fees for Michigan Economic Growth Authority (MEGA) and Brownfield credits. This fee revenue (which is not appropriated) is used in conjunction with appropriations in the Job Creation Services line item to administer the programs. The fee revenue is typically approximately $1.0 million per year, however, staff from the MSF have indicated that fee revenue in FY 2009-10 was nearly $2.0 million. Assuming no agreements or credits are issued under the MBT as a result of the bills, the fee revenue would cease. Administrative costs, however, would continue for companies that choose to remain under the MBT in order to claim certificated credits. The ongoing costs would depend on the number of companies that continue to claim previously awarded credits. The bills do not make an appropriation for these costs.

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Table 1

Impact of House Bills 4361, 4362 and 4479, as Passed by the House (Millions of Dollars)						
	FY 2011-12 Estimates			FY 2012-13 Estimates		
	GF/GP	**SAF**	**Total**	**GF/GP**	**SAF**	**Total**
Business Tax Provisions						
Repeal MBT	($1,419.8)	($750.2)	($2,170.0)	($1,260.7)	($763.7)	($2,024.5)
Partial-year MBT Revenue	900.2	0.0	900.2	0.0	0.0	0.0
Corporate Income Tax	460.1	0.0	460.1	748.8	0.0	748.8
Financial Institutions Tax	27.7	0.0	27.7	43.9	0.0	43.9
Certificated Credits (net impact with filing option)	(268.3)	0.0	(268.3)	(462.0)	0.0	(462.0)
Multistate Tax Compact Changes	25.0	0.0	25.0	25.0	0.0	25.0
Subtotal Business Tax Changes	**($275.1)**	**($750.2)**	**($1,025.4)**	**($905.1)**	**($763.7)**	**($1,668.8)**
Individual Income Tax Provisions						
Delay Tax Rate Reduction until Jan. 1, 2013	$170.0	$0.0	$170.0	$213.5	$0.0	$213.5
Modify Public/Private Pension Exemption	177.4	47.5	224.9	269.3	73.5	342.8
Retain Military Pension Exemption	(4.1)	(1.0)	(5.1)	(7.3)	(0.5)	(7.8)
Phase-out Pension Exemption for High Incomes	4.1	1.0	5.1	6.2	1.6	7.8
Repeal Senior Interest/Dividend Exemption	3.2	0.8	4.1	4.8	1.2	6.0
Eliminate Senior/UI Comp Special Exemptions	6.7	2.1	8.8	40.9	0.0	40.9
Phase-out Personal Exemption	41.5	12.9	54.4	63.2	19.7	82.9
Eliminate Additional Child Exemption	0.0	0.0	0.0	57.0	0.0	57.0
Eliminate Other Miscellaneous Subtractions	28.1	7.2	35.4	42.9	11.0	53.9
Eliminate Nonrefundable Credits			0.0			0.0
City Income Tax Credit	26.3	0.0	26.3	36.7	0.0	36.7
Public Contribution Credit	20.3	0.0	20.3	28.1	0.0	28.1
Community Foundations Credit	3.0	0.0	3.0	4.1	0.0	4.1
Homeless Shelter/Food Bank Credit	16.5	0.0	16.5	22.8	0.0	22.8
College Tuition Credit	7.1	0.0	7.1	9.8	0.0	9.8
Other Nonrefundable Credits	0.8	0.0	0.8	1.0	0.0	1.0
Eliminate Refundable Credits			0.0			0.0
Earned Income Tax Credit (EITC)	0.0	0.0	0.0	373.7	0.0	373.7
Adoption Credit	0.0	0.0	0.0	1.0	0.0	1.0
Stillbirth Credit	0.0	0.0	0.0	0.0	0.0	0.0
Modify Homestead Property Tax Credit	0.0	0.0	0.0	227.5	0.0	227.5
New Child Credit for EITC-Eligible Taxpayers	0.0	0.0	0.0	(25.0)	0.0	(25.0)
Subtotal Individual Income Tax Changes	**$500.8**	**$70.7**	**$571.5**	**$1,370.2**	**$106.6**	**$1,476.8**
Total Tax Changes	**$225.7**	**($679.5)**	**($453.9)**	**$465.1**	**($657.1)**	**($192.0)**

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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.