

Legislative Analysis



MICHIGAN INFRASTRUCTURE FUND

Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

Senate Bill 883 as passed the Senate
Sponsor: Sen. Dave Hildenbrand
Committee: Appropriations

Analysis available at
<http://www.legislature.mi.gov>

Complete to 6-6-16

SUMMARY:

Senate Bill 883 would create the Michigan Infrastructure Fund (“the fund”) in the Department of Treasury. The provisions of the bill would authorize money or other assets from any source to be deposited into the fund. The State Treasurer would be required to direct the investment of the fund with the interest and earnings from the investments credited to the fund. The Department of Treasury would be the administrator of the fund for auditing purposes.

Money could only be expended from the fund upon appropriation and would be expended only as provided in an appropriation act. Expenditures would be limited to offset future infrastructure expenses as provided by law. Money in the fund at the close of the fiscal year would remain in the fund and not lapse to the General Fund.

FISCAL IMPACT:

Senate Bill 883 would have no net fiscal impact on the state, as it does not include an independent funding source or appropriation of funds to the Michigan Infrastructure Fund. However, an appropriation of \$5.0 million GF/GP is anticipated as part of FY 2015-16 supplemental appropriations included with the FY 2016-17 budget. This is reduced from the amount of \$165.0 million GF/GP recommended under the original FY 2016-17 Executive Budget.

The specific use of the funds, including any distribution to local units of government, has not yet been determined, pending recommendations from the 21st Century Infrastructure Commission created under Executive Order 2016-5.¹

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.

¹ https://www.michigan.gov/documents/snyder/EO_2016-5_516714_7.pdf