

Legislative Analysis



30-YEAR COUNTY ROAD COMMISSION INSTALLMENT CONTRACTS

Phone: (517) 373-8080
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House Bill 4120 as introduced
Sponsor: Rep. Gregory Markkanen
Committee: Transportation
Complete to 3-14-19

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

SUMMARY:

House Bill 4120 would amend 1909 PA 283, the county road law, to allow a county road commission to enter into a contract or agreement for the purchase of real or personal property for public purposes, to be paid for in installments over a period of up to 30 years or the useful life of the property acquired, whichever is less.

Current law prescribes a maximum period of 15 years for such an installment contract.

MCL 224.10

FISCAL IMPACT:

Under current provisions of the county road law, county road commissions are authorized to enter into a contract or agreement for the purchase of real or personal property for public purposes, to be paid for in installments over a period of up to 15 years or the useful life of the property acquired, whichever is less. These provisions were added by 2003 PA 137.¹

House Bill 4120 would extend the allowable installment payment period to up to 30 years. The bill would retain the restricting phrase “or the useful life of the property acquired, whichever is less.”

The bill has no fiscal impact on state government. In expanding authorized methods of financing, the bill could have a marginal fiscal impact on county road commissions.

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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 See <http://www.legislature.mi.gov/documents/2003-2004/billanalysis/House/pdf/2003-HLA-4708-b.pdf>