



Senate Fiscal Agency
P.O. Box 30036
Lansing, Michigan 48909-7536



Telephone: (517) 373-5383
Fax: (517) 373-1986

Senate Bill 517 (as introduced 9-12-19)
Sponsor: Senator John Bizon, M.D.
Committee: Transportation and Infrastructure

Date Completed: 10-29-19

CONTENT

The bill would amend the Michigan Transportation Fund law to do the following:

- **Require the Michigan Department of Transportation (MDOT) to engage an outside consulting firm to conduct a feasibility study on tolling the interstate highways including revenue projections based on an analysis of optimal tolling rates, vehicle counts and types by state of registration, and traffic diversion.**
- **By January 1, 2021, require a written report of the feasibility study to be delivered to the Governor, the Senate Majority and Minority Leaders, the Speaker of the House of Representatives, the Minority Leader of the House of Representatives, the chairpersons of the Senate and House of Representatives standing committees on transportation, and the Senate and House of Representatives Appropriations subcommittees on transportation.**
- **By March 1, 2021, if the Governor determined tolling was the best means of achieving major interstate system improvements, require the Governor to create a strategic plan for tolling and submit it to the individuals described above.**

Under the bill, by October 1, 2019, MDOT would have to engage an outside consulting firm to conduct a feasibility study on tolling the interstate highways, including revenue projections based on an analysis of optimal tolling rates, vehicle counts and types by state of registration, and traffic diversion.

The feasibility study would have to consider the following:

- The economic impact and feasibility of tolling particular interstate highways.
- The ability to provide discounts or credits, or otherwise lessen the impact of tolling on local, commuter, and in-State operators.
- Information related to the number and impact of out-of-State operators expected to use interstate highways in the State.
- The rationale for the Federal authorization of any tolling plan that could be submitted by the State to the United States Department of Transportation.
- The optimal levels at which tolls reasonably could be set for passenger vehicles and other vehicles.
- Appropriate tolling rules regarding population center local traffic.
- The State's ability to enter into monetization agreements or long-term contracts for initial construction, long-term maintenance, installation, and operation of tolling facilities.
- Any estimate of which highway facilities would be conducive to tolling operations.
- Goals for participation by woman-owned and minority-owned business enterprises.
- Ways to maximize the use of Michigan workers and products made in the State.

Before January 1, 2021, a written report on the feasibility study would have to be delivered to the Governor, the Senate Majority Leader, the Senate Minority Leader, the Speaker of the House of Representatives, the Minority Leader of the House of Representatives, the chairpersons of the Senate and House of Representatives standing committees on transportation, and the Senate and House of Representatives Appropriations subcommittees on transportation.

If after reviewing the feasibility study, the Governor determined that tolling was the best means of achieving major interstate system improvements in the State, the Governor would have to create a strategic plan for tolling interstate highways and submit it to the same individuals to whom the report would have to be delivered by March 1, 2021.

Proposed MCL 247.660r

Legislative Analyst: Tyler VanHuyse

FISCAL IMPACT

The bill would have a negative fiscal impact on the Department at a cost equivalent to the third-party contract required to develop the written report. The bill would not affect local units of government.

Fiscal Analyst: Michael Siracuse

SAS\S1920\s517sa

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.