

Senate Fiscal Agency  
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**SFA****BILL ANALYSIS**

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House Bill 5813 (Substitute S-1 as reported)  
Sponsor: Representative Scott Shackleton  
House Committee: Great Lakes and Tourism  
Senate Committee: Transportation and Tourism

### **CONTENT**

The bill would amend Public Act 99 of 1954, which provides for the International Bridge Authority, to do the following:

- Delete a requirement that the International Bridge become a free bridge when the bonds issued under the Act have been paid.
- Permit the Authority to enter into an interlocal agreement with the owner of the Canadian portion of the bridge project to provide for joint oversight and operation.
- Provide for the payment of revenue to a local unit of government pursuant to the interlocal agreement.
- Transfer the bridge project to the Michigan Department of Transportation.
- Specify that nothing in the Act or interlocal agreement would preclude the joint U.S.-Canadian body created under the agreement from appraising the fair market value of assets associated with the project, selling the project's assets, or contracting for the management or operation of the project's assets.

MCL 254.221 et al.

Legislative Analyst: L. Arasim

### **FISCAL IMPACT**

According to the International Bridge Authority's audited financial statement, the Authority collected \$5,046,762 in tolls for the year ending August 31, 1999. The bill would continue the authority to charge tolls (currently \$1.50 per car). Without the authorization to continue to collect bridge tolls, State revenue will decrease by approximately \$5.0 million. Bridge toll revenue is dedicated to maintaining, repairing, and operating the International Bridge. Total expenditures for bridge toll collection, maintenance, and administration amounted to \$2,737,651 in 1999. Another \$2,630,677 was transferred out to pay debt service and long-term capital projects.

The bill also could result in increased State payments to locals as a result of the provision allowing bridge revenue to be paid directly to a Michigan local unit of government under an interlocal agreement.

Date Completed: 6-2-00

Fiscal Analyst: C. Thiel