
Senate Fiscal Agency
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SFA**BILL ANALYSIS**

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Senate Bill 463 (Substitute S-2 as reported)
Sponsor: Senator Harry Gast
Committee: Appropriations

CONTENT

The bill would amend the Management and Budget Act (Public Act 431 of 1984) to provide for withdrawals from the Counter-Cyclical Budget and Economic Stabilization Fund (BSF) for fiscal year (FY) 2000-01 and FY 2001-02. Specifically, the bill would add Sec. 353c(10) and Sec. 353c(11) to provide for two separate withdrawals and appropriations from the BSF during FY 2000-01. The withdrawal authorized under Sec. 353c(10) would allow a withdrawal and appropriation to the General Fund in the amount of \$77.0 million. The withdrawal authorized under Sec. 353c(11) would allow the State Budget Director to make an additional withdrawal and appropriation to the General Fund as part of the FY 2000-01 bookclosing process. This withdrawal and appropriation would be limited to an amount necessary to balance the FY 2000-01 General Fund budget before net General Fund appropriation lapses are considered. The bill also would require the State Budget Director immediately to provide a report to the Senate and House Appropriations Committees and the fiscal agencies as to the calculation used to make the withdrawal authorized under Sec. 353c(11).

The FY 2001-02 withdrawal and appropriation from the BSF to the General Fund is authorized under Sec. 353e(12). This withdrawal would be \$155.0 million.

MCL 18.1353c

FISCAL IMPACT

Senate Bill 463 would provide for a minimum withdrawal of \$77.0 million from the BSF to the General Fund in FY 2000-01. An additional withdrawal also would be authorized, but the size of that transfer depends on the final accounting of State revenues and expenditures. The withdrawal in FY 2001-02 would equal \$155.0 million. Based on the enactment of Senate Bill 463, the Senate Fiscal Agency estimates that the BSF will have a balance of \$1.048 billion at the close of FY 2001-02.

Date Completed: 6-20-01

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