
Senate Fiscal Agency
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SFA**BILL ANALYSIS**

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House Bill 4400 (Substitute S-3 as reported by the Committee of the Whole)
Sponsor: Representative Randy Richardville
House Committee: Economic Development
Senate Committee: Economic Development, International Trade and Regulatory Affairs

CONTENT

The bill would amend the Brownfield Redevelopment Financing Act to redefine "eligible property" to include property used for commercial, industrial, or residential purposes that either was located in a qualified local governmental unit and was a facility, functionally obsolete, or blighted, or was not located in such a local unit and was a facility; allow a municipality with established brownfield redevelopment zones to alter or amend the zones' boundaries; allow a new brownfield redevelopment authority to exercise its powers over any eligible property located in the municipality; require a governing body to hold a public hearing on the brownfield plan before approval; specify requirements that would apply if a plan included a capture of school taxes; provide an approval process for a plan; and require the Michigan Economic Growth Authority to submit an annual report.

("Qualified local governmental unit", as defined in House Bill 5444, would refer to a city, township, or village that met certain criteria such as population requirements and a median income of 150% or less of statewide median family income. A city or township (with one exception) would have to have an eligible distressed area within its borders. A village would have to have been designated a rural enterprise community.)

The bill is tie-barred to Senate Bill 269, which would amend the Single Business Tax Act to allow an eligible taxpayer to claim a single business tax credit for investments on eligible property; House Bill 5443, which would amend the Michigan Economic Growth Authority Act to expand the businesses eligible for tax credit agreements; and House Bill 5444, which would create the "Obsolete Property Rehabilitation Act".

MCL 125.2652 et al.

Legislative Analyst: N. Nagata

FISCAL IMPACT

The bill would have an indeterminate fiscal impact on State and local government, depending on the amount and value of the land that would be included in the program. The fiscal impact also would depend on the initial value and the captured assessed value, or the increase in value, of the land. In addition, the brownfield plans could include the capture of taxes levied for school operating purposes.

Date Completed: 4-6-00

Fiscal Analyst: R. Ross

[floor/hb4400 \(S-3\)](#)

[Analysis available @ http://www.michiganlegislature.org](http://www.michiganlegislature.org)

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