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## HOUSE FISCAL AGENCY

124 N. Capitol Avenue  
4 – North, HOB Lansing, MI

HB4917 AS INTRODUCED

Sponsor  
Committee

Rep. Patricia Godchaux  
EDUCATION

Analyst(s) Cleary, Mary Ann  
Cummings, Laurie

Completed 7/9/01

### State Fiscal Impact

|          |      |
|----------|------|
| Cost     | None |
| Revenues | None |

### Local Fiscal Impact

|          |                        |
|----------|------------------------|
| Cost     | Indeterminate/Increase |
| Revenues | Indeterminate/Increase |

This bill would allow local school districts to levy additional local mills on homestead property enhance revenue for operating purposes. District must get voter approval to levy the mills, and must do so at a regular school election. The number of enhancement mills a district may levy is limited in that the extra mills cannot cause the school district's combined state and local revenue per pupil to more than double the basic foundation allowance.

This bill would not have any state fiscal impact, since all mills would be levied, collected, and expended at the local school district level. This bill would have a local fiscal impact by increasing the revenue available to school districts that levy additional mills and by increasing the school taxes paid by homeowners living in districts that levy the additional mills.

The amount of the additional revenue to the district would depend on the homestead taxable value of the district and the number of mills levied. For example, a district with a homestead property value of \$350 million (approximately the state average) that levies one extra mill would receive an additional \$350,000. A homeowner in that district with a \$50,000 taxable value (implying a home value of approximately \$100,000) would pay an additional \$50 per year.