



Senate Fiscal Agency
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BILL ANALYSIS

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Senate Bill 1357 (as reported without amendment)
Sponsor: Senator Michelle A. McManus
Committee: Health Policy

CONTENT

The bill would amend Public Act 47 of 1945 (dealing with local hospital authorities) to include in the definition of "hospital" and "community hospitals and related facilities" a long-term care facility, an assisted living facility, a home for the aged, a senior citizen housing facility, and a health and wellness facility.

Currently, the definition includes, among other things, buildings or structures and related facilities suitable for, incidental, or ancillary to the care of the sick or wounded, or for the care of people requiring medical treatment. The bill also would include care of the elderly in the definition.

Under the Act, two or more cities, villages, or townships, or a combination of those local units, with voter approval, may join to form a hospital authority and issue bonds for the purpose of planning, promoting, acquiring, constructing, improving, owning, maintaining, and operating one or more community hospitals and related buildings or structures and related facilities.

MCL 331.1

Legislative Analyst: Julie Cassidy

FISCAL IMPACT

The bill would potentially increase both local unit revenue and expenditures by an unknown amount. The bill would expand the types of facilities a hospital authority may operate. Hospital authorities are able to issue bonds and authorized to levy approved taxes. To the extent that a new authority under the bill represented a combination of two existing community hospitals, the bill would have an indeterminate fiscal impact on local government. For existing authorities, the bill would expand the types of facilities that may be included under the authorities, although it would not provide any additional taxing authority.

The bill likely would have a negligible fiscal impact on State government. Any additional property taxes levied as a result of the bill would potentially increase property tax refunds offered by the State and thus reduce General Fund revenue.

Date Completed: 9-7-06

Fiscal Analyst: David Zin