

# Legislative Analysis

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## **BROWNFIELD REDEVELOPMENT REVISIONS**

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**Senate Bill 539 (Substitute S-1)**

**Sponsor: Sen. Alan Sanborn**

**House Committee: New Economy and Quality of Life**

**Senate Committee: Economic Development and Regulatory Reform**

**Complete to 12-6-07**

## **A SUMMARY OF SENATE BILL 539 (S-1) AS PASSED BY THE SENATE 12-1-07**

The bill would amend the Brownfield Redevelopment Financing Act to require the Auditor General to conduct and report a performance post-audit on the effectiveness, efficiency, and economy of the brownfield redevelopment program, at least every three years beginning not later than June 30, 2008. Copies of the performance post-audits would have to be provided to the governor, the secretary of the Senate, the clerk of the House, and the chairpersons of the Senate and House standing committees on commerce and economic development.

In addition, the act requires the State Tax Commission to collect the financial reports submitted annually by each brownfield development authority, compile and analyze the information in them, and submit annually a report based on that information to various standing committees of the legislature. The bill would require the reports from the authorities to include the amount of tax increment revenue attributable to taxes levied for school operating purposes used for certain activities. The bill also would require the State Tax Commission to submit its annual report to the Senate committee responsible for economic development and the House committees responsible for commerce and economic development, in addition to the committees that currently must be given the report.

The bill is tie-barred to Senate Bill 534 and House Bills 4711 and 4712, which also would amend the Brownfield Redevelopment Financing Act. Senate Bill 534 (S-1) would amend the definitions of "eligible activities", "eligible property", and "blighted". House Bills 4711 (S-1) and 4712 (S-1) would extend for five years, until January 1, 2013, the deadline for state approval of a work plan if a brownfield authority will use taxes levied for school operating purposes; make additional exceptions to the act's limitation on the use of captured tax revenue; and revise provisions concerning work plans, the duration of a brownfield plan, and state reporting requirements.

MCL 125.2666

## **FISCAL IMPACT:**

A fiscal analysis is in progress.

Legislative Analyst: J. Hunault

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