



Senate Fiscal Agency  
P.O. Box 30036  
Lansing, Michigan 48909-7536

## BILL ANALYSIS



Telephone: (517) 373-5383  
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House Bill 4926 (Substitute S-1 as reported)  
House Bill 4927 (as reported without amendment)  
House Bill 4928 (Substitute S-1 as reported)  
House Bill 4929 (Substitute S-1 as reported)  
House Bill 4930 (Substitute S-1 as reported)  
Sponsor: Representative Lynn Afendoulis (H.B. 4926)  
Representative Hank Vaupel (H.B. 4927)  
Representative Michael Webber (H.B. 4928)  
Representative Tenisha Yancey (H.B. 4929)  
Representative Karen Whitsett (H.B. 4930)

House Committee: Tax Policy  
Ways and Means

Senate Committee: Finance

**CONTENT**

House Bill 4926 (S-1) would amend the Local Community Stabilization Authority Act (LCSA Act) to do the following:

- Modify the definition of "qualified school debt millage rate".
- Require the Department of Treasury to make specified calculations before May 1 of each year, beginning in calendar year 2021, for an enhancement millage levied by an intermediate school district.

House Bill 4927 would amend the LCSA Act to exclude basic school operating mills from the calculation of a municipality's school operating loss that had not been reimbursed when determining the local community stabilization shared revenue for a given municipality.

House Bill 4928 (S-1) would amend the LCSA Act to do the following:

- Exclude basic school operating mills from the calculation of a municipality's school operating loss that had not been reimbursed when determining the local community stabilization shared revenue for a given municipality.
- Require local community stabilization share revenue authorized for the operation of the LCSA to be distributed to an operating fund created within the Authority.

House Bill 4929 (S-1) would amend the LCSA Act to modify the calculation, for calendar year 2020 and subsequent years' calculations, made for the Act's millage on industrial and commercial personal property.

House Bill 4930 (S-1) would amend the LCSA Act to modify the procedures for reporting an error made by the Department when calculating annual commercial personal property and industrial personal property taxable values

MCL 123.1345 et al. (H.B. 4926)  
123.1357 (H.B. 4927)

Legislative Analyst: Jeff Mann

123.1357 (H.B. 4928)  
123.1356a (H.B. 4929)  
123.1358 (H.B. 4930)

### **FISCAL IMPACT**

The bills would have no effect on State revenue or expenditures because revenue directed to the Local Community Stabilization Authority is established in sections of statute not affected by the bills. However, the bills could affect the distribution of revenue across local units of government. Because the total amount distributed by the LCSA is fixed in statute, any distributional changes that result in one or more units receiving more revenue than otherwise would be received absent the bills would be offset by one or more local units receiving less. It is not possible to forecast which units would receive more or less revenue in a given fiscal year, and in some circumstances some local units could gain in one year but lose in another.

Date Completed: 9-14-20

Fiscal Analyst: David Zin