

BROWNFIELD AUTHORITY BD.

**Senate Bill 271 as passed by the Senate
First Analysis (12-6-00)**

Sponsor: Sen. Bill Schuette
House Committee: Economic Development
**Senate Committee: Economic Development,
International Trade, and Regulatory
Affairs**

THE APPARENT PROBLEM:

Legislation was passed earlier this year that extended and expanded the brownfield development program, and enacted new provisions related to state and local economic development efforts. Public Acts 143 through 146 of 2000 provided for larger single business tax (SBT) credits; granted new property tax abatements on brownfield sites for the redevelopment of obsolete property; and allowed new tax increment financing arrangements in core communities. The legislation was said to be part of the Engler administration's initiative to assure the revitalization and long-term sustainability of Michigan's core communities. According to those involved, it was intended at the time that legislation be included to allow a public officer or public employee to serve as a member of a brownfield redevelopment authority, but this was overlooked. Accordingly, legislation is proposed that would provide an exception to the general prohibition against service by public employees and public officers on local boards.

THE CONTENT OF THE BILL:

The bill would amend Public Act 566 of 1978, which prohibits the holding of incompatible public offices, to permit a public officer or public employee of a city, village, township, school district, community college district or county to serve as a member of the board of a brownfield redevelopment authority.

MCL 15.183

FISCAL IMPLICATIONS:

The Senate Fiscal Agency estimates that the bill would have no fiscal impact on the state. (11-29-00)

ARGUMENTS:

For:

Under Public Act 566 of 1978, which concerns the holding of incompatible public offices, certain exceptions are made to the general rule that public officers and public employees may not serve on city, village, township, school district or county boards. For example, the prohibition does not apply to a public employee or officer serving on a tax increment finance authority or a downtown development authority. Nor are public employees or officers prohibited from serving as firefighters. These exceptions are allowed provided that there is no conflict of interest. Since service on a brownfield redevelopment authority falls under the same general category as service on a downtown development authority or tax increment finance authority, it makes sense that public employees and officers be allowed to serve.

POSITIONS:

The Michigan Municipal League supports the bill. (12-6-00)

The Michigan Economic Growth Authority (MEGA) supports the bill. (12-6-00)

Analyst: R. Young

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