

Senate Fiscal Agency  
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**SFA****BILL ANALYSIS**

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House Bill 4177 (Substitute S-4 as reported)  
Sponsor: Representative Robert Gosselin  
House Committee: Constitutional Law and Ethics  
Senate Committee: Finance

### **CONTENT**

The bill would amend the General Property Tax Act to revise and expand the information that must be on millage ballot proposals. Under the bill, when a proposal on the question of authorizing a millage rate was submitted to the voters, the ballot would have to state the following:

- The millage rate to be authorized.
- The estimated revenue that would be collected in the first year the millage was authorized and levied.
- The duration of the millage in years.
- A clear statement of the purpose for the millage.
- A clear statement indicating whether the proposal was a renewal of a previously authorized millage or authorization of a new millage.

When submitting a proposal to authorize the issuance of bonds, the ballot would have to state the following:

- The principal amount to be borrowed; the maximum number of years the bonds could be outstanding, exclusive of any refunding; and a clear statement of the purpose for which the proceeds of the bonds would be used.
- For bonds other than bonds that were intended to be paid from a separate revenue source or from taxes levied in less than the entire taxing unit, the estimated millage that would be levied for the proposed bonds in the first year that the levy was authorized and the estimated simple average annual millage that would be required to retire the debt. (Inaccuracies in the estimates would not affect the validity of the bonds, the general obligation unlimited tax status requiring the levy of taxes sufficient to pay the bonds, or the results of an election.)
- For bonds that were intended to be paid from a separate revenue source or from taxes levied in less than the entire taxing unit, the primary source of the revenue intended to be used to retire the bonds.

Currently, when submitting a millage proposal, the ballot must state the amount of the millage increase proposed, and an estimate of the revenue increase the taxing unit will collect, if the increase is approved and levied, in the first calendar year of the increase. The bill would delete this provision.

MCL 211.24f

Legislative Analyst: G. Towne

### **FISCAL IMPACT**

The bill would have no fiscal impact on State or local government.

Date Completed: 12-1-99

Fiscal Analyst: R. Ross