Legislative Analysis

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FARMLAND PRESERVATION: AG DISTRICTS

House Bill 4257 (Substitute H-1)
Sponsor: Rep. Howard Walker
Committee: Natural Resources, Great Lakes, Land Use, and Environment

First Analysis (4-12-05)

BRIEF SUMMARY: The bill would add Part 363 (Farmland Preservation – Agricultural Districts) to the Natural Resources and Environmental Protection Act (NREPA) to allow owners of farmland to enter into special agricultural districts to keep that farmland in agricultural use. <u>Property owners could claim a credit against either the single business tax or the income tax, equal to the amount that property taxes on farmland subject to an agricultural district contract exceed $5 per acre, based on the property tax millage in effect at the time the contract was entered.</u> The program would only be available in local units that chose to participate. A local unit could only participate if it met certain criteria, including being located in a county or township that has created or updated a comprehensive land use plan in the previous five years that is consistent with the bill. Participating property owners would have to enter into 20-year agricultural district contracts (renewable for 10 years) with the Department of Agriculture. The credits would apply for tax years after December 31, 2006. The bill contains provisions allowing for the early withdrawal of farmland, with assessments to be levied against property owners, and for the relinquishment of land from contracts, with credits to be repaid with interest. Additionally, for 2006, the maximum number of acres that could be included in the agricultural district contracts would be limited to 200,000. For each year from 2007 to 2010, an additional 200,000 acres could be enrolled. After 2011, the department would not execute any more contracts.

FISCAL IMPACT: This bill would reduce income tax and single business tax revenue by an estimated $2 million in 2006, $4 million in 2007, and $6 million in 2008. The fiscal impact would affect General Fund/General Purpose (GF/GP) revenue. Twenty counties have implemented or updated a comprehensive land use plan within the last 5 years. Local units within these counties would be able to participate in the program.

THE APPARENT PROBLEM:

Over the years, farmland preservation has been a persistent and, at times, vexing issue facing state policy makers, and can generally be distilled into two main issues: (1) reducing the tax burden on farmland and (2) slowing so-called urban sprawl.

The Department of Agriculture manages several programs aimed at preserving farmland and open space in the state. The two main programs derive from the Farmland and Open Space Preservation Act – formerly Public Act 116 of 1974, and now recodified as Part 361 of the Natural Resources and Environmental Protection Act. Under the act, commonly known as PA 116, a farm owner may enter into a contract (a development rights agreement) that provides the farm owner with a tax credit and exemptions from certain special assessments in exchange for a promise to keep the land in agricultural use or as undeveloped open space land. The purpose of the agreement is to ensure that land remains in agricultural use for at least 10 years and that the land is not developed for non-agricultural purposes. Generally speaking, eligibility for the PA 116 program is determined by the size of the farm and, in certain instances, income of the farm.

In addition to the development rights agreement, PA 116 also contains the purchase of development rights (PDR) program, whereby the state purchases the development rights of a parcel (through a cash payment) at fair market value, and in exchange the farm owner agrees to not develop the land. Money from the Michigan Agricultural Preservation Fund also provides money to local governments for PDR's.

Together, the two programs under PA 116 have been relatively effective in preserving farmland and protecting it from development. Although PA 116 programs protect about half of state agricultural land, much of the land seems to be in areas that are away from quickly developing areas. In addition, about half of the farmers in the state are not "full-time," which suggests that they maintain smaller parcels of property and may not meet the acreage or financial requirements of the programs. The purchase of development rights is an important tool in protecting high quality land and land that is under strong pressure for development. However, the permanency of a decision to enter into a PDR agreement often discourages farmers who might otherwise wish to protect their agricultural property from development.

Additionally, the taxation of agricultural land has long been a problematic issue for the state. Michigan is said to be alone among the states, in not taxing farmland based in its value as agricultural property. Rather, farmland is taxed at fair market value, which includes the value the land has for potential developers. Representatives of farming interests say farmland in Michigan is taxed at about twice the national average per acre. They estimate Michigan farmers pay about $17-$20 per acre in taxes while farmers in other states pay about $7-$10 per acre in taxes. To remedy this, the legislature has devised several new proposals over the years aimed at taxing farmland based on its use as agricultural property rather than is highest and best use (market value). While there might be no difference between the agricultural use value and the market value of farmland in areas of the state that are heavily agricultural, the difference can be substantial in areas near residential and commercial development. This leads to higher taxes on farmers on the fringe of development. These higher operating costs increase the pressure to sell the land for development rather than keep it in agricultural use. Farming interests say taxing farmland based on agricultural value has the potential to reduce operating costs and help make farming operations more profitable, thereby preserving farmland and preventing further development.

THE CONTENT OF THE BILL:

The bill would add Part 363 (Farmland Preservation – Agricultural Districts) to the Natural Resources and Environmental Protection Act to allow owners of farmland to enter into special agricultural districts to keep that land in agricultural use and, in exchange, receive certain tax benefits. It should be noted that the bill is modeled after the provisions of the PA 116 program now found in Part 361 of NREPA.) A detailed description of the bill follows. (A brief summary of the bill appears at the beginning of the analysis.)

Agricultural district applications

An owner of farmland who wanted to establish an agricultural district would have to apply to the qualified local governing body using a form prescribed by the Department of Agriculture. The application would have to contain all of the following: 1) the terms, restrictions, and conditions governing the agricultural district, as provided in Part 363; 2) information reasonably necessary to classify as farmland the land that would be covered by the agricultural district contract, including both a land survey or a legal description of the land and a map showing the significant natural features, and all structures and physical improvements located on the land.

Farmland covered by an agricultural district contract would have to meet the following conditions: (1) be 40 acres or more with at least 51 percent in active agricultural use; (2) be between five acres and 40 acres with more than 51 percent in active agricultural use, and produce a gross annual income in excess of $200 per tillable acre; or (3) be designated as a specialty farm by the Department of Agriculture and have a gross annual income in excess of $2,000 per year. The bill establishes the same requirements on farmland eligible to be included in a development rights agreement under PA 116 (Part 361 of NREPA), except that PA 116 also requires farmland designated as a specialty farm by the Department of Agriculture be at least 15 acres in size.

Application approval or rejection

A qualified local unit could charge an applicant a reasonable fee, not exceeding the cost of processing an application. If the local unit charged a fee, then the application would not be complete unless it had been accompanied by the fee. The clerk of the local governing body would be required to record the date of receipt of the application. The local governing body would be required to deny or approve the application within 42 days. Within 28 days after a rejection, an owner could appeal by filing the rejected application with the state Department of Agriculture, and the department would have to either approve or reject the application.

Agricultural district contracts

An agricultural district contract would include provisions specifying that (1) structures not be built except for use consistent with farm operations, for utility transmission or distribution, or with the approval of the department and the local governing body; (2) land improvements would not be made except for use consistent with farm operations or with the approval with the local governing body and the department; (3) a landowner may grant easements for utilities and access that do not substantially hinder farm operations; (4) public access is not permitted on the land unless agreed to by the landowner; (5) the owner of record at the time of early withdrawal or expiration is responsible for any assessments imposed; and (6) any other conditions and restrictions on the land considered necessary to preserve the land.

Execution of an agricultural district contract

The execution and acceptance of an agricultural district contract by the Department of Agriculture and the owner would contractually bind the owner to keep the farmland in an agricultural use for the terms of the contact, for which the initial term would be at least 20 years. The state or the local government body could not sell, transfer, convey, relinquish, vacate, or otherwise dispose of the contract except with the agreement of the owner. Under the bill, an agricultural district contract would not supercede any prior lien, lease, or interest that was properly recorded with the county register of deeds. A lien created in favor of the state or a local governing body would be subordinate to a lien of a mortgage that was properly recorded earlier.

In 2006, the maximum number of acres covered by all contracts would be 200,000 acres. For each year from 2007 to 2010, an additional 200,000 acres could be enrolled. Beginning in 2011, the Department of Agriculture would no longer execute any agricultural district contracts. (When fully phased in, in 2010, the maximum number of acres enrolled would be 1 million acres.)

Special assessments

Special assessments on farmland in an agricultural district would be subject to Section 36108 of the act, which does not allow local units or government agencies to impose special assessments for sanitary sewers, water, lights, or nonfarm drainage on land for which a development rights agreement or easement has been recorded. Exempt land is denied use of an improvement created by the special assessment until it has paid the portion of the assessment directly attributable to the use of the improvement.

Income Tax credit

For the tax years that begin after December 31, 2006, an owner of farmland under an agricultural district contract who was required or eligible to file a return as an individual or a claimant under the state Income Tax Act could claim a credit against the state income tax liability for the amount that represented the difference between the property taxes on the farmland used in the farming operation and subject to an agricultural district contract and $5 per acre. The property taxes used to calculate the credit would be based on the millage rate in effect at the time the contract was executed.

Single Business Tax credit

Owners of farmland subject to an agricultural district contract could, if applicable, claim a credit against the Single Business Tax Act for the difference between the property taxes on the land subject to an agricultural district contract and $5 per acre. The credit would not be available to participants unless the participant's agricultural gross receipts from the farming operation exceeded five times the property taxes on the land for each of three out of the past five years preceding the year in which the credit was claimed. A participant could compare, during the contract period, the average of the most recent three years of agricultural gross receipts to property taxes in the first year, in calculating the gross receipts qualification. Once an election was made to compute the benefit in this manner, all future calculations would be made in the same manner. The property taxes used to calculate the credit would be based on the millage rate in effect at the time the contract was executed

Payment in lieu of credit

If the allowable amount of the credit claimed exceeded the state income tax or the state single business tax otherwise due, or if no state income tax or the state single business tax were due, the amount of the claim not used as an offset against the state taxes, after examination and review, would be approved for payment under the Revenue Act. The total credit allowable could not exceed the total property tax due and payable by the claimant in that year. The amount by which the credit exceeded the property tax due and payable would be deducted from the credit claimed.

Reimburse School Aid Fund

The School Aid Fund would be reimbursed for all revenue lost resulting from the tax credits provided under the bill.

Change of property ownership

The bill specifies that land subject to an agricultural district contract could be sold without penalty if the use of the land by the successor in title complied with the provision contained in the contract. The seller would be required to notify the governmental authority over the agricultural district contract of the change in ownership. Further, the bill describes the protocols that would be followed in the event of changes in ownership due to death or total permanent disability, as well as to the division of the land into smaller parcels and the creation of separate agricultural district contracts.

Renewal of contracts

At the end of the term, an agricultural district contract would expire unless renewed with the consent of the land owner. The owner would be entitled to automatic renewal if he or she had complied with the law. The contract could be renewed for a term of not less than 10 years, and if renewed, the Department of Agriculture would be required to send a copy of the renewal contract to the appropriate local governing body.

Relinquishment

Farmland may be relinquished by the state before the termination date of a contract under either of the following circumstances.

a) If approved by the local governing body and the Department of Agriculture, land containing structures that were present before the recording of the district contract could be relinquished from the contract. Not more than two acres could be relinquished, unless additional land area was needed to encompass all of the buildings and structures located on the parcel, in which case not more than five acres could be relinquished. If the parcel proposed was less in area than the minimum parcel size required by local zoning, then the parcel could not be relinquished unless a variance was obtained from the local Zoning Board of Appeals.

b) If approved by the governing body and the department, land could be relinquished from the contract for the construction of a residence by an individual that was essential to the operation of the farm. Not more than two acres could be relinquished for this purpose. If the parcel proposed was less in area than the minimum parcel size required by local zoning, then a variance would be necessary from the Zoning Board of Appeals.

If the relinquishment were approved, then the Department of Agriculture would prepare an instrument, and record it with the register of deeds of the county in which the land was situated. If the district or a portion of it were to be relinquished, the Department of Agriculture would record a lien against the property formerly subject to the contract for the total amount of the allocated tax credit of the last 10 years, including the year of termination, received by an owner for that property, plus interest at the rate of 6 percent per annum, from the time the credit was received until the lien was placed on the property. If the property being relinquished was less than all of the property, the allocated tax credit for district contract would be multiplied by the property's share of the taxable value of the contact. [The bill includes a definition for the terms "allocated tax credit," and "the property's share of the taxable value of the agreement."]

Upon request from a landowner and a local government body, the Department of Agriculture would be <u>required</u> to relinquish farmland from the contract, if <u>one or both</u> of the following occurred:

a) the local governing body determined that 1) because of the quality of the land, agricultural production could not be made economically viable; 2) surrounding conditions imposed physical obstacles to agricultural operation or prohibited essential agricultural practices; 3) significant natural physical changes had occurred that were generally irreversible and permanently limited the productivity of the farmland; 4) a court order restricted the use of the farmland so that agricultural production could not be made economically viable;

b) the local governing body determined that the relinquishment was in the public interest and that the farmland met one or more of the following conditions: 1) the farmland was owned, operated, and maintained by a public body for a public use; 2) it had been zoned for the immediately preceding three years for a commercial or industrial use; 3) it had been zoned for commercial or industrial use, and the relinquishment of the farmland would be mitigated by the mitigation protocol that is outlined in the bill—an agricultural conservation easement that would allow two acres for each acre relinquished, or an amount equal to twice the value of the development rights to the farmland being relinquished; 4) the farmland was to be owned, operated, and maintained by an organization exempt from taxation under the Internal Revenue Code, and the relinquishment would be beneficial to the local community. Under the bill, three criteria are included to determine public interest.

Early withdrawal assessments

The owner of farmland subject to an agricultural district contract could, upon written request to the Department of Agriculture between January 1 and April 1, in the 10^{th} and 15^{th} years of the initial term of the contact, elect to terminate the contract upon payment of an early withdrawal assessment. The assessment would be as follows:

a) In the 10^{th} year, an amount equal to seven percent of the true cash value of the farmland subject to the contract;

b) In the 15^{th} year, an amount equal to 5 percent of the true cash value of the farmland subject to the contract.

Agricultural preservation fund

The un-appropriated proceeds from lien payments and early withdrawal assessments would be forwarded to the state treasurer for deposit in the Agricultural Preservation Fund. At least half of the funds would be used to purchase agricultural easements or development rights to farmland in the local unit where the property was located.

BACKGROUND INFORMATION:

Development Rights Agreement

Currently to enter into a development rights agreement, farmland must be 40 acres or more with at least 51 percent in active agricultural use; be between five acres and 40 acres with more than 51 percent in active agricultural use, and produce a gross annual income in excess of $200 per tillable acre; or be designated as a specialty farm by the Department of Agriculture, be at least 15 acres in size, and have a gross annual income in excess of $2,000 per year.

Farmland must be enrolled in the PA 116 program for a minimum of 10 years, although the development rights agreement may be extended in at least 7-year increments, with the maximum enrollment period of 90 years. When the agreement expires, the landowner is responsible for repaying the tax credits received during the previous seven years. If the money is not paid within 30 days, a lien is placed against the property. Agreements may be transferred to split into smaller agreements, provided certain criteria are met.

By enrolling in PA 116, farmers receive a credit against the state income tax or single business tax equal to the amount by which the property taxes on the land and structures used in a farming operation, including the farmer's principal residence, restricted by the development rights agreement exceeds 3.5 percent of the farmer's household income or adjusted business income.

Purchase of Development Rights

Under the purchase of development rights (PDR) program, farmers voluntarily enter into an agreement for the development rights on their farmland. Development on that land is restricted in perpetuity, though the landowner still retains other rights and responsibilities associated with the land. In exchange for the restriction, farmers are compensated for the development value of that land, which is generally the difference between the current market value and the present value for agricultural purposes. As a result of the reduced market value of the farmland (because the development rights have been removed), the landowner also realizes a reduction is his or her property taxes

To enter into a PDR agreement under PA 116, landowners must submit an application with the Department of Agriculture and include written documentation supporting the PDR. The Agriculture Commission is required to establish criteria for selecting lands for a PDR that considers the quality and physical characteristics of the land, including production capacity; surrounding land uses; and the pressure for development that would permanently affect the ability of the land to be used for productive agricultural purposes.

Recent Legislation

House Bill 4257 is similar to House Bill 5030 of the 2003-2004 legislative session. That bill, also introduced by Representative Walker, passed the House of Representatives in June 2004. The Senate Committee on Agriculture, Forestry, and Tourism reported the bill, in a version identical to the introduced version of HB 4257, in October 2004. The bill was not taken up by the full Senate and died on the Senate floor with the adjournment of the 2003-2004 legislative session.

In recent years the legislature has taken up a number of measures aimed at taxing farmland based on its agricultural use. House Bill 4456 of the 2001-2002 legislative session, introduced by then-Representative Gilbert, would have created a new act, known as the Alternative Agricultural Production Tax Act, to exempt farmland from the general property tax and subject it to an alternative tax based on its agricultural use value. The State Tax Commission, in consultation with the Department of Agriculture would determine the method for calculating a parcel's agricultural use value. Like other property, year to year increases in a parcel's value would have been capped at five percent or the rate of inflation, whichever is less. The actual administration of the tax would have been similar to the administration of the Plant Rehabilitation and Industrial Development Districts Act (Public Act 198 of 1974), which imposes a specific tax in lieu of the general property tax to provide tax abatements to certain manufacturers.

During the 1999-2000 legislative session, the House took action on a proposal to amend the state constitution to require the legislature to provide for an assessment system for qualified agricultural property based on agricultural use value. The constitutional amendment was, and still is, necessary because the constitution requires "uniform general ad valorem taxation of real and personal property."

ARGUMENTS:

For:

The loss of farmland in the state can be attributed to a variety of factors directly and indirectly related to farming operations, including such direct factors as commodity prices, increased production capacity, and the taxation of farmland, and indirect factors such as population growth, demographic changes, low-density housing construction, and geographic separation of schools, work, and housing.

During the 1970's through the 1990's the amount of state farmland decreased by 18 percent, and research has indicated that the state could lose another 10 percent of its farmland through 2040. While it appears that this rate of loss is decreasing, state farmland is also expected to become more fragmented, which further increases pressure for development and the loss of more farmland.

The preservation of state farmland is an important endeavor for a variety of reasons. The state agricultural industry is diverse, producing a variety of commodities that constitute an important part of the state's and nation's food source. Agriculture claims to be the second largest industry in the state, generating directly and indirectly more than $37 billion in economic activity in the state. Preserving farmland, then, preserves an important sector of the state's economy. Additionally, the preservation of farmland is important in preserving the state's natural resources and protecting the rural nature of large parts of the state that rely heavily on outdoor recreational activities. Finally, farmland preservation maintains the continuity of state farmland by preventing further fragmentation of farmland in the state. As state farmland becomes more fragmented there is even greater pressure on farmers to develop their land. Continued fragmentation also increases the likelihood of conflicts between farmer and non-farm neighbors.

The bill establishes another mechanism aimed at preserving farmland in the state that, in some respects, is a necessary complement to the development rights agreement and purchase of development rights programs provided for under PA 116. To enter into a development rights agreement, certain financial and parcel size requirements must be met. This program seems to have worked well in areas of the state that are more removed from areas under development, where the pressure for development is not that great. In these areas, a development rights agreement can be viewed as a means of improving the economics of the farming operation, rather than preserving the farm to prevent development. However, with more and more "part time" farmers, and more farms operating on smaller plots of land, another preservation strategy aimed at small farming operations in areas under pressure for development must be devised if the state is intent on preserving more farmland.

As a means of preserving farmland in the state, the bill essentially reduces the tax burden on farms to $5 an acre by providing farmers with an income tax or SBT credit equal to the amount of property taxes paid for the farm that exceed $5 per acre. The bill, then, reduces the tax burden on farmers to a level that is more in line with the tax burden of farmers in other states. Again, farming interests say that Michigan farmers pay higher taxes than farmers in other states.

The bill defines "farmland" to mean, among other criteria, specialty farms with a gross annual income from agricultural use of at least $2,000 per acre. Unlike PA 116, the bill does not include a requirement that such farms be at least 15 acres, making more farms eligible to be included in the state's preservation efforts. These farms are more likely to be located in areas of the state that are under great pressure for development. In addition, the bill differs from the PA 116 program, in that the income or SBT credits made available under PA 116 are based on the amount by which property taxes for the farm exceed 3.5 percent of household income or adjusted business income. For many part-time farmers, the PA 116 program may not provide enough tax relief to create an incentive to keep farmland in agricultural use.

Like existing farmland preservation efforts, the bill requires farmers to agree to keep the farmland in agricultural use for at least 20 years as a condition of receiving the tax breaks. The bill also includes penalties for early withdrawal and relinquishment from the contract. These penalty provisions aim to ensure the preservation of farmland, because they create a disincentive for farmers to sell land for development, as much of the financial benefit gained through selling the land would be erased through the imposition of the penalties.

Response:

With one exception, the bill's definition of "farmland" is identical the requirements placed on farmland eligible for the PA 116 program. This includes a requirement that the land, in certain instances, produce an income of at least $200 per acre or, if it is a specialty farm, $2,000 per acre. With many smaller farms and part time farmers, which are more likely to be located in areas under great pressure for development, perhaps the income requirements should be lowered.

For:

Much of the criticism of an earlier version of the bill stemmed from its potential fiscal impact on the state budget, with an estimated reduction in state revenue of $30 million for the introduced version of the bill. To address that, the substitute incorporates three amendments aimed at limiting the adverse fiscal impact on the state. First, the bill limits the acreage that can be newly enrolled in the program to 200,000 per year through 2010, thereby allowing 1 million acres to be enrolled when the program is fully phased-in in 2011. Second, the bill specifies that in calculating the tax credits, the property taxes paid be based on the millage rate in effect when the farmland enters the agricultural district contract. Finally, the bill the tax credits would apply to taxes paid for tax years beginning after December 31, 2006. These additional measures are intended to limit the revenue losses resulting from the program and push the program's starting date to a fiscal year when the state budget can better absorb the revenue losses.

Against:

The Department of Treasury expressed concern over a number of provisions in the bill. First, the department testified that the bill, like similar preservation programs, may provide certain landowners, namely developers, with a "tax shelter" whereby they are able to reduce their costs (albeit temporarily) by claiming the tax credits, and only to later develop the land when it is financially advantageous to do so. One way to guard against this would be assess significant penalties for leaving the program. The department testified that penalties assessed by the bill are not strong enough to ward against this.

In addition, the department is concerned that the $5 per acre tax is artificially too low, and that if the state were to adopt a mechanism to tax farmland based on its agricultural use, property taxes would be about $9 per acre.

Finally, the department is concerned that the bill would require additional staff and funding for the Department of Agriculture to implement the program. At present, the bill does not address these concerns.

Against:

While the purported intent of the bill is laudable, there is some concern that the bill is not entirely consistent with the recommendations of the Michigan Land Use Leadership Council, which could very well undermine existing programs. Noting that funding for the PDR program has been "inadequate" and that interest in the program is much greater than existing funding allows, the MLULC recommended the establishment of a "dedicated and consistent funding source beyond that currently provided under PA 116." The PDR program has the greatest potential to permanently preserve important farmland in the state by targeting areas of particularly high quality or great importance to the local economy, or under great pressure for development. In theory, the state revenue that would be foregone because of the tax credits provided by the bill is revenue that could instead be used for the purchase of development rights.

Moreover, some contend that before this proposal is enacted, a comprehensive review of existing farmland preservation programs should be undertaken. The legislature should ensure that existing programs are preserving critical farmland in the state before devising another scheme that potentially undermines or duplicates existing programs.

Response:

The bill is entirely consistent with the recommendations of the Michigan Land Use Leadership Council. The final report of the MLULC recommends, among other things, that local governmental units be permitted to establish Agricultural Production Areas – geographic areas that primarily consist of agricultural production. Typically, APA programs place an easement on the farmland, thereby ensuring agricultural production for the foreseeable future, in exchange for tax breaks and other benefits. These APA's are similar to the agricultural districts proposed by the bill. Moreover, the MLULC recommended that, even without APAs, the legislature should move toward a tax structure based on use value assessment for lands used in agriculture. This bill strives to achieve that goal by essentially taxing farmland at $5 per acre and, also consistent with the MLULC's recommendations, imposing certain penalties based on the tax benefits received once land withdrawn from an agricultural district contract and, presumably, developed for a non-agricultural use.

POSITIONS:

The Michigan Farm Bureau supports the bill. (3-24-05)

The Michigan Association of Home Builders supports the bill. (3-24-05)

The Michigan Townships Association supports the bill. (3-24-05)

The Michigan Society of Planning supports the bill. (3-24-05)

The Michigan Chamber of Commerce supports the bill. (3-24-05)

The Michigan Association of Realtors supports the bill. (3-24-05)

The Michigan Association of Counties supports the bill. (3-24-05)

The Michigan Catholic Conference supports the bill. (3-24-05)

The Michigan Association for Pure Bred Dogs supports the bill. (3-24-05)

The Michigan Hunting Dog Federation supports the bill. (3-24-05)

The United Kennel Club supports the bill. (3-24-05)

The Department of Treasury testified in opposition to the bill. (3-24-05)

The Michigan Environmental Council testified in opposition to the bill. (3-24-05)

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■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.