



Senate Fiscal Agency
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**BILL ANALYSIS**

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Senate Bill 1284 (as reported without amendment)

Sponsor: Senator Laura M. Toy

Committee: Economic Development, Small Business and Regulatory Reform

CONTENT

The bill would amend the plant rehabilitation and industrial development districts Act (commonly known as PA 198) to allow an industrial facilities exemption certificate to be approved for a facility owned by a person who filed an application for a certificate in December 2005 for construction that began in September 2005 in a district established by the local governmental unit in December 2005.

MCL 207.559

Legislative Analyst: J.P. Finet

FISCAL IMPACT

The bill would reduce State and local unit revenue and increase School Aid Fund expenditures by an unknown amount. The impact on State revenue would depend on whether 0, 3, or 6 mills of the State education tax would be abated under the certificate. Any reduction in local school district operating revenue would be offset by increased expenditures from the School Aid Fund in order to maintain per-pupil funding guarantees.

The magnitude of the impact also would depend upon the characteristics of the property affected. Because the certificate would be issued for a new facility, the revenue impact would represent an increase in revenue that would not be realized when the construction is completed.

Date Completed: 6-15-06

Fiscal Analyst: David Zin