

Legislative Analysis



COMMERCIAL REDEVELOPMENT ACT: LIMIT COUNTY'S POWER TO VETO

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House Bill 5123

Sponsor: Rep. Steve Bieda

Committee: New Economy and Quality of Life

Complete to 9-5-07

A SUMMARY OF HOUSE BILL 5123 AS INTRODUCED 8-22-07

House Bill 5123 would amend the Commercial Rehabilitation Act to eliminate the power of a county to veto the creation of commercial rehabilitation districts created on or after October 1, 2007.

Currently, the legislative body of a qualified local governmental unit (defined to mean a city, village, or township) may establish a commercial rehabilitation district by adopting a written resolution. The local unit must notify the county of its action by providing county officials, via certified mail, with a copy of the resolution. Within 28 days after receiving a copy of the resolution, a county may reject the creation of the district in one of two ways: a) if the county has an elected county executive, then by written notification to the governmental unit; or b) if the county does not have an elected county executive, then by a resolution of the county board of commissioners provided to the governmental unit.

House Bill 5123 would retain the process established for a county to reject a commercial rehabilitation district, but the bill specifies that a county could do so *only* if the district were established before October 1, 2007.

MCL 207.842 and 207.843

FISCAL IMPACT:

The bill could lead to a reduction in local property tax revenue if local governments, other than counties, expand their use of commercial rehabilitation districts. However, the amount of such reduction is indeterminate.

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