



Senate Fiscal Agency
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Senate Bill 816 (as reported without amendment)
Sponsor: Senator Michelle A. McManus
Committee: Economic Development and Regulatory Reform

CONTENT

The bill would amend the Local Development Financing Act to delete a requirement for an annual audit of an authority whose district includes a small power production facility.

Under the Act, the Auditor General or a certified public accountant appointed by the Auditor General annually must audit the local district finance authority whose authority district includes eligible property to which Section 2(l)(iv) applies. Upon completion of the audit, the Auditor General must submit a report to the committees of the Senate and the House of Representatives primarily responsible for taxation and environmental protection issues. The Department of Natural Resource must biannually report to these committees and to the Auditor General the status of the remediation of the soil and groundwater contamination described in Section 2(l)(iv). Under the bill, these requirements would be deleted.

(Under the Act, the definition of "eligible property" includes land improvements, buildings, structures, and other real property, and machinery, equipment, furniture, and fixtures, located within an authority district, whose primary purpose and use are the production of energy by the processing of goods or materials by physical or chemical change by a small power production facility as defined by the Federal Energy Regulatory Commission that is fueled primarily by biomass or wood waste. This provision applies only if requirements pertaining to tax increment financing and a special assessment district are met. This part of the definition presently is in Section 2(p)(iv), but previously was in Section 2(l)(iv).)

MCL 125.2169

Legislative Analyst: Craig Laurie

FISCAL IMPACT

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

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