

**SUBSTITUTE FOR
SENATE BILL NO. 539**

A bill to amend 1996 PA 381, entitled
"Brownfield redevelopment financing act,"
by amending section 16 (MCL 125.2666), as amended by 2000 PA 145.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 16. (1) The municipal and county treasurers shall
2 transmit tax increment revenues to the authority not more than 30
3 days after tax increment revenues are collected.
4 (2) The authority shall expend the tax increment revenues
5 received only in accordance with the brownfield plan. All surplus
6 funds not deposited in the local site remediation revolving fund of
7 the authority under section 13(5) shall revert proportionately to
8 the respective taxing bodies, except as provided in section 15(20).
9 The governing body may abolish the plan when it finds that the
10 purposes for which the plan was established are accomplished.

1 However, the plan shall not be abolished until the principal and
2 interest on bonds issued under section 17 and all other obligations
3 to which the tax increment revenues are pledged have been paid or
4 funds sufficient to make the payment have been segregated.

5 (3) The authority shall submit annually to the governing body
6 and the state tax commission a financial report on the status of
7 the activities of the authority. The report shall include all of
8 the following:

9 (a) The amount and source of tax increment revenues received.

10 (b) The amount and purpose of expenditures of tax increment
11 revenues.

12 (c) The amount of principal and interest on all outstanding
13 indebtedness.

14 (d) The initial taxable value of all eligible property subject
15 to the brownfield plan.

16 (e) The captured taxable value realized by the authority.

17 (f) Information concerning any transfer of ownership of or
18 interest in each eligible property.

19 **(G) THE AMOUNT OF TAX INCREMENT REVENUES ATTRIBUTABLE TO TAXES**
20 **LEVIED FOR SCHOOL OPERATING PURPOSES USED FOR ACTIVITIES DESCRIBED**
21 **IN SECTION 15(1)(A) AND SECTION 2(M)(vii) .**

22 **(H) ~~(g)~~** All additional information that the governing body or
23 the state tax commission considers necessary.

24 (4) The state tax commission shall collect the financial
25 reports submitted under subsection (3), compile and analyze the
26 information contained in those reports, and submit annually a
27 report based on that information to all of the following standing

1 committees of the legislature:

2 (a) In the house of representatives, the committees
3 responsible for natural resource management, conservation,
4 environmental protection, **COMMERCE, ECONOMIC DEVELOPMENT**, and
5 taxation.

6 (b) In the senate, the committees responsible for natural
7 resource management, conservation, environmental protection,
8 **ECONOMIC DEVELOPMENT**, and taxation.

9 (5) IN ADDITION TO ANY OTHER REQUIREMENTS UNDER THIS ACT, NOT
10 LESS THAN ONCE EVERY 3 YEARS BEGINNING NOT LATER THAN JUNE 30,
11 2008, THE AUDITOR GENERAL SHALL CONDUCT AND REPORT A PERFORMANCE
12 POSTAUDIT ON THE EFFECTIVENESS, EFFICIENCY, AND ECONOMY OF THE
13 PROGRAM ESTABLISHED UNDER THIS ACT. AS PART OF THE PERFORMANCE
14 POSTAUDIT, THE AUDITOR GENERAL SHALL ASSESS THE EXTENT TO WHICH THE
15 IMPLEMENTATION OF THE PROGRAM BY THE DEPARTMENT AND THE MICHIGAN
16 ECONOMIC GROWTH AUTHORITY FACILITATE AND AFFECT THE REDEVELOPMENT
17 OR REUSE OF ELIGIBLE PROPERTY AND IDENTIFY ANY FACTORS THAT INHIBIT
18 THE PROGRAM'S EFFECTIVENESS. THE PERFORMANCE POSTAUDIT SHALL ALSO
19 ASSESS THE EXTENT TO WHICH THE INTERPRETATION OF STATUTORY
20 LANGUAGE, THE DEVELOPMENT OF GUIDANCE OR ADMINISTRATIVE RULES, AND
21 THE IMPLEMENTATION OF THE PROGRAM BY THE DEPARTMENT AND THE
22 MICHIGAN ECONOMIC GROWTH AUTHORITY IS CONSISTENT WITH THE
23 FUNDAMENTAL OBJECTIVE OF FACILITATING AND SUPPORTING TIMELY AND
24 EFFICIENT BROWNFIELD REDEVELOPMENT OF ELIGIBLE PROPERTIES. COPIES
25 OF THE PERFORMANCE POSTAUDITS SHALL BE PROVIDED TO THE GOVERNOR,
26 THE CLERK OF THE HOUSE OF REPRESENTATIVES, THE SECRETARY OF THE
27 SENATE, AND THE CHAIRPERSONS OF THE SENATE AND HOUSE OF

1 **REPRESENTATIVES STANDING COMMITTEES ON COMMERCE AND ECONOMIC**
2 **DEVELOPMENT.**

3 Enacting section 1. This amendatory act does not take effect
4 unless all of the following bills of the 94th Legislature are
5 enacted into law:

6 (a) Senate Bill No. 534.

7 (b) House Bill No. 4711.

8 (c) House Bill No. 4712.