



Senate Fiscal Agency
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Senate Bill 725 (as reported by the Committee of the Whole)
Sponsor: Senator John Moolenaar
Committee: Agriculture

CONTENT

The bill would amend the General Property Tax Act to specify that property would not lose its status as qualified agricultural property or its classification as agricultural real property because the property owner or lessee implemented a wildlife risk mitigation action plan.

Within 30 days of the bill's effective date, the Department of Treasury would have to update its publication entitled "Qualified Agricultural Property Exemption Guidelines" and post that updated publication on the Department's website.

"Wildlife risk mitigation action plan" would be defined as a written plan consisting of one or more projects to help reduce the risks of a communicable disease spreading between wildlife and livestock that is approved by the Department of Agriculture and Rural Development under the Animal Industry Act.

"Project" would mean certain risk mitigating measures, which could include making it difficult for wildlife to access feed, and minimizing wildlife access to livestock feed and water, by taking actions described in the definition.

MCL 211.7dd & 211.34c

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

The bill would prevent an increase in local unit revenue and a decrease in School Aid Fund expenditures by an unknown, but likely minimal or negligible, amount. The magnitude of the impact would depend on how many local assessors currently deny, or will choose to deny absent the bill, affected property status as qualified agricultural property, as well as the specific characteristics of the property. Under current law, to the extent that affected property no longer is assessed as qualified agricultural property, the property will be subject to an additional 18 mills in property tax for the local school district. Such an increase in local school district revenue reduces the School Aid Fund expenditures needed to maintain per-pupil funding guarantees.

Date Completed: 11-30-11

Fiscal Analyst: David Zin