



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

BILL ANALYSIS



Telephone: (517) 373-5383
Fax: (517) 373-1986

Senate Bill 999 (Substitute S-1 as reported)
Sponsor: Senator Jim Ananich
Committee: Government Operations

CONTENT

The bill would amend the Michigan Promise Zone Authority Act to permit the Department of Treasury to certify up to 11, rather than 10, governing bodies of eligible entities to establish a promise zone; and require the Department to review, on a first-come, first-served basis, only those applications submitted by the governing bodies of eligible entities that are cities meeting both of the following:

- The city would have to have a population of more than 80,000 and less than 120,000 according to the most recent decennial census.
- The city would have to be one in which a declaration of emergency was issued for drinking water contamination within the immediately preceding three years.

MCL 390.1664

Legislative Analyst: Suzanne Lowe

FISCAL IMPACT

The bill would have a minimal fiscal impact on the Department of Treasury and could increase costs to the School Aid budget. The administrative cost to the Department of adding a certified promise zone would be minimal and within current appropriations. However, because certified promise zones are eligible to receive captured revenue from the State Education Tax, certifying an additional promise zone would result in higher promise zone reimbursement in the School Aid budget. For FY 2016-17, the School Aid budget appropriated \$1.0 million for promise zone reimbursement. At this time, it is unknown whether or how much the reimbursement would increase as a result of certifying an additional promise zone.

Date Completed: 9-28-16

Fiscal Analyst: Cory Savino