



Senate Fiscal Agency
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BILL ANALYSIS



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Senate Bill 306 (Substitute S-2 as reported by the Committee of the Whole)

Sponsor: Senator Peter MacGregor

Committee: Economic and Small Business Development

CONTENT

The bill would amend Chapter 1 (Principal Shopping District) and Chapter 2 (Business Improvement Zone) of Public Act 120 of 1961, which authorizes the development of principal shopping districts and business improvement zones, to do the following:

- Modify the definition of "assessable property".
- Revise the membership requirements of a board of a business improvement district.
- Specify that any notice required as part of a special assessment process would have to include a statement that a property owner within a business improvement district or business improvement zone could seek a homestead deferment for a special assessment in a specified manner.
- Require a business improvement zone plan to allocate assessments on the basis of the benefit to assessable property.
- Revise what must be included in a petition used to establish a business improvement zone.
- Delete a provision regarding weighting certain votes in an election to determine the adoption of a zone plan and the establishment of a business improvement zone.
- Modify the membership of a board of directors who oversee the day-to-day activities of a business improvement zone and implementation of a zone plan.
- Specify that all assessment payments derived from a business improvement zone that were paid to the city or village treasurer would have to be applied first to the balance of any property taxes owed to the city or village, and then any remaining payment amount would be considered assessment revenue belonging to the business improvement zone.

MCL 125.981 et al.

Legislative Analyst: Drew Krogulecki

FISCAL IMPACT

The bill would have no fiscal impact on the State and no net fiscal impact on local governments. The distribution of assessments would change in any district that chose to include residential real property as assessable property, but such a change would not affect the total amount of revenue assessed for the district.

Date Completed: 11-12-19

Fiscal Analyst: Ryan Bergan