

# SENATE BILL NO. 723

January 15, 2020, Introduced by Senator OUTMAN and referred to the Committee on Economic and Small Business Development.

A bill to amend 2018 PA 57, entitled  
"Recodified tax increment financing act,"  
by amending section 219 (MCL 125.4219).

## **THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 219. (1) The governing body after a public hearing on the  
2       development plan or the tax increment financing plan, or both, with  
3       notice of the hearing given in accordance with section 218, shall  
4       determine whether the development plan or tax increment financing  
5       plan constitutes a public purpose. If it determines that the  
6       development plan or tax increment financing plan constitutes a

1 public purpose, it shall then approve or reject the plan, or  
2 approve it with modification, by ordinance based on the following  
3 considerations:

4 (a) The findings and recommendations of a development area  
5 citizens council, if a development area citizens council was  
6 formed.

7 (b) The plan meets the requirements set forth in section  
8 217(2).

9 (c) The proposed method of financing the development is  
10 feasible and the authority has the ability to arrange the  
11 financing.

12 (d) The development is reasonable and necessary to carry out  
13 the purposes of this part.

14 (e) The land included within the development area to be  
15 acquired is reasonably necessary to carry out the purposes of the  
16 plan and of this part in an efficient and economically satisfactory  
17 manner.

18 (f) The development plan is in reasonable accord with the  
19 master plan of the municipality.

20 (g) Public services, such as fire and police protection and  
21 utilities, are or will be adequate to service the project area.

22 (h) Changes in zoning, streets, street levels, intersections,  
23 and utilities are reasonably necessary for the project and for the  
24 municipality.

25 (2) Amendments to an approved development plan or tax  
26 increment plan must be submitted by the authority to the governing  
27 body for approval or rejection.

28 (3) Proposed amendments made to an approved development plan  
29 to incorporate a catalyst development project plan shall be

1 submitted by the authority to the Michigan strategic fund for  
2 approval or rejection of that part of the plan relating to the  
3 catalyst development project. Amendments not approved or rejected  
4 under this subsection by the Michigan strategic fund within 45 days  
5 of submission for approval shall be considered approved.

6       **(4) Beginning on the effective date of the amendatory act that**  
7 **added this subsection, any amendment to an approved development**  
8 **plan or tax increment financing plan, or both, which extends the**  
9 **plan beyond the years specified in the original plan must be**  
10 **approved by the governing body of any unit of government which has**  
11 **taxes captured or to be captured under the amended plan if the**  
12 **amended plan involves a project that generates revenue and less**  
13 **than 1/2 of that revenue is to be pledged to retire any debt issued**  
14 **to construct or equip that project.**