

Legislative Analysis



BROWNFIELDS: SCHOOL RELOCATION, ETC., AS ELIGIBLE ACTIVITY FOR TIFA REVENUES

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House Bill 5457

Sponsor: Rep. Robert Dean

Committee: Commerce

Complete to 12-8-09

A SUMMARY OF HOUSE BILL 5457 AS INTRODUCED 9-23-09

The bill would amend the Brownfield Redevelopment Financing Act to amend the definition of "eligible activities" to include the relocation of public school buildings, operations, or services for economic development purposes.

The state's Brownfield Redevelopment Program provides funding and tax incentives for the cleanup and redevelopment of contaminated, blighted, and functionally obsolete properties with the aim of making them economically viable. As part of the program, the Brownfield Redevelopment Financing Act allows brownfield authorities created by local units of government to use tax increment financing to pay for certain "eligible activities" on eligible property. Those activities already include "the relocation of public buildings and operations for economic development purposes." House Bill 5457 would add "the relocation of public school buildings, operations, or services for economic development purposes."

Another section of the act is amended by the bill to include the school relocation language in a provision that requires state approval of work plans and development agreements to be in place in order for school operating taxes to be captured for use in carrying out certain activities.

MCL 125.2652 and 2663

FISCAL IMPACT:

The bill does not appear to have significant state or local fiscal impact.

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