



Senate Fiscal Agency
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BILL ANALYSIS

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House Bill 4871 (as reported without amendment)
Sponsor: Representative Stephanie Chang
House Committee: Commerce and Trade
Senate Committee: Economic Development and International Investment

CONTENT

The bill would amend Chapter 2 (Business Improvement Zone) of Public Act 120 of 1961, which authorizes the development of principal shopping districts and business improvement zones, to modify the period in which a business improvement zone may be authorized to operate.

Chapter 2 authorizes a city or village to establish one or more business improvement zones. A business improvement zone (BIZ) may engage in specific activities for the benefit of property owners located in the zone. A business improvement zone may be funded in whole or in part by one or more assessments on assessable property, as provided in a zone plan. A person may initiate the establishment of a BIZ by delivering a petition to the clerk of the city or village in which the proposed zone area is located. If the city or village approves establishment of the BIZ, an election must be held among the owners of assessable property in the zone.

The term "10-year period" is used throughout the chapter, and means the period in which a BIZ is authorized to operate, beginning on the date that the BIZ is created or renewed, and ending 10 calendar years after that date. The bill would replace the term "10-year period" with the term "qualifying period". "Qualifying period" would mean the period in which a BIZ is authorized to operate and collect assessments, beginning on the date the business improvement zone is approved by the property owners voting on the question and ending seven to 10 calendar years after that date as determined in the BIZ petition. The 10-year period or qualifying period of a BIZ that was created before the bill's effective date would begin on the date that the BIZ assessment was approved by the property owners voting on its establishment.

MCL 125.990 et al.

Legislative Analyst: Nathan Leaman

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Date Completed: 4-30-18

Fiscal Analyst: Ryan Bergan