

Timothy Thwing

From: Michigan Downtown Association [tiffany@michigandowntowns.com]
Sent: Thursday, December 17, 2015 3:21 PM
To: Tim Thwing
Subject: Legislative Update from the MDA



On December 10, 2015, the State Senate Finance Committee introduced a series of bills (SB 579, 619, 621, 622, 623 & 624) that would only exempt “special library millages,” from capture by a number of different TIF entities, including Brownfield Authorities, Downtown Development Authorities, Corridor Improvement Authorities, etc. beginning January 1, 2016.

Introduced by Committee Chair Branderburg; these bills are intended to provide libraries with additional resources to help stabilize their budget and to provide library boards with the opportunity to decide whether, or not they would like to participate in economic development projects. The language in each in the package states that if the TIF Authority does not have any outstanding debt or obligations, a library millage voted on prior to December 31, 2015 is exempt unless the library board decides to opt-in to capture. If the millage is voted on after December 31, 2015, the millage is exempt from tax capture unless the board approves it.

Much to the surprise of a majority of the stakeholders involved in TIF reform (i.e. MML, MEDC, TED, MTA, MDA); the Senate Finance Committee began holding hearings on these bills after the Thanksgiving Day holiday weekend; and on December 1, 2015 voted these bills out of Committee, by a vote of 6-0-1.

However, the MDA, MML, MTA, MEDC & TED did enter testimony opposing this type of piecemeal approach to TIF reform.

In terms of what is next? At this point in time, we just don't know. I mean, passage of these bills out of committee was not a big surprise, due to the fact that they were introduced by the Chair. But the feeling is that these bills may lack broad support in the Senate. However, with just one week left in the legislative calendar year anything can happen.

Finally, let me just say that I don't think that the actions of the Senate Finance Committee will have a negative effect on the broader effort to look at TIF reform in Lansing. Further, we have already reached to the Senate Majority Leader's office regarding these bills and the Majority Leader's office has indicated that they are sympathetic to MDA's position and understands the benefits of looking at TIF in a more comprehensive fashion; but they did not give us any indication as to whether, or not they will be bringing these bills up to a vote by the full Senate. Additionally, we've also reached out to the Speaker's office regarding these bills, but they are waiting to see if these bills make it out of the Senate. We will continue to monitor the situation and will let you know if anything new develops.

Eric Pratt
Legislative & Advocacy Committee Chair

Project Manager
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