
Senate Fiscal Agency
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SFA**BILL ANALYSIS**

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House Bill 4939 (Substitute H-1 as passed by the House)
Sponsor: Representative David Anthony
House Committee: Colleges and Universities
Senate Committee: Education

Date Completed: 10-20-97

CONTENT

The bill would amend the Community College Act to permit a community college district located in the Upper Peninsula to annex a noncontiguous county or township. In addition, a community college district that had been offering classes at a Federal military installation located in a noncontiguous county for at least 20 years could annex that noncontiguous county or that portion of the noncontiguous county that was not within another community college district.

(Currently, the Act permits a board of trustees of a community college district composed of a county or counties by resolution to annex to the community college district, in a manner provided in the Act, any contiguous county or township not already included in the community college district.)

MCL 389.21

Legislative Analyst: L. Arasim

FISCAL IMPACT

The bill would have an indeterminate fiscal impact on State and local government.

To the extent that annexation resulted in increased property tax revenues for colleges, State aid payments could in theory be reduced. Other factors that could affect the fiscal impact of the bill include:

- The potential for increased college costs associated with longer distance operations.
- The reduction in tuition revenues as those students currently paying higher out-of-district tuition would under annexation pay lower tuition fees.
- The increase in college revenue as a result of a larger property tax base due to annexation.

Fiscal Analyst: M. Hansen

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.