



Senate Fiscal Agency  
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**BILL ANALYSIS**

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House Bill 4344 (Substitute S-2 as reported)

Sponsor: Representative Lisa Wojno

House Committee: Commerce

Senate Committee: Economic Development, Small Business and Regulatory Reform

**CONTENT**

The bill would amend the downtown development authority Act's definition of "downtown district" to include one or more separate and distinct geographic areas in a business district as determined by the municipality, if the municipality is a city that surrounds another city, which lies between the two separate and distinct geographic areas. If the downtown district contained more than one separate and distinct geographic area, those areas would be considered one downtown district.

Presently, "downtown district" means an area in a business district that is specifically designated by ordinance of the governing body of the municipality pursuant to the Act. The bill would refer to "that part of" such an area.

MCL 125.1651

Legislative Analyst: Suzanne Lowe

**FISCAL IMPACT**

The bill would have no net effect on the State or local units. For local units affected by the bill, it would increase both revenue and expenditures by the same amount. Downtown district expansions are allowed under current law for contiguous property added to an authority, but the bill would expand the conditions allowing property to be included in an authority. To the extent that the areas included in these expansions would not otherwise become part of a downtown district, and to the extent that there would be some interaction between capturing revenue from the existing portion of a district and repaying any bonds issued related to the expansion, the bill would represent new revenue and new expenses that otherwise would not occur.

This analysis is preliminary and will be revised as new information becomes available.

Date Completed: 5-13-04

Fiscal Analyst: David Zin