




Senate Fiscal Agency
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BILL ANALYSIS

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Senate Bill 1201 (as reported without amendment)
Sponsor: Senator Michelle A. McManus
Committee: Commerce and Labor

CONTENT

The bill would amend the downtown development authority (DDA) Act to allow a municipality that had created a DDA to enter into an agreement with an adjoining municipality that had created a DDA to operate and administer the DDAs jointly, pursuant to an interlocal agreement under the Urban Cooperation Act.

MCL 125.1653

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

The bill would have an unknown fiscal impact on affected local units of government and little to no fiscal impact on State government. The communities in which the DDAs were located, but not the DDAs themselves, would have to be adjoining. Presumably, DDAs would not choose to enter into a joint agreement unless the combined operation would lower operating costs or somehow enhance the administration of the DDAs and improve the revenue stream collected from DDA properties. It is not known how many, or which, DDAs would choose to enter into joint agreements.

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

Date Completed: 6-3-04

Fiscal Analyst: David Zin