

Legislative Analysis



SCHOOL RECREATIONAL AUTHORITIES

Mitchell Bean, Director
Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

House Bill 4700

Sponsor: Rep. Kate Segal

Committee: Education

Complete to 3-31-09

A SUMMARY OF HOUSE BILL 4700 AS INTRODUCED 3-25-09

House Bill 4700 would amend the Recreational Authorities Act (MCL 123.1133) to allow school district officials to set up recreational authorities.

Now the law allows cities, counties, villages, and townships to join together and create a recreational authority. House Bill 4700 would retain this provision, but add a "school district" to the list of local governmental units that can create a recreational authority.

BACKGROUND INFORMATION:

Municipalities may establish recreational authorities to acquire, construct, operate, maintain or improve one or more of the following public facilities: a swimming pool; a recreation center; an auditorium; a conference center; a park; a museum; and an historic farm.

An authority may acquire and hold by purchase, lease, grant, gift, or other legal means real and personal property inside or outside the territory of the authority; apply for grants; and hire full-time or part-time employees. An authority may also maintain its real and personal property; assess and collect fees for services; receive revenue as appropriated by the Legislature; and enter into contracts in order to accomplish its purposes.

Voters who live within the boundaries of an authority must vote their approval, if an authority intends to levy a tax of up to one mill (for up to 20 years) on all of the taxable property within the territory of the authority. Authority officials may also borrow money and issue bonds or notes to finance the acquisition, construction, and improvement of its facilities.

FISCAL IMPACT:

As written, the bill would have no significant impact on state revenue or expenditures. To the extent that voters approve additional millage increases, local tax revenue would increase for recreational authorities.

Legislative Analyst: J. Hunault

Fiscal Analyst: Jim Stansell

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