

# HOUSE BILL No. 5697

March 24, 2004, Introduced by Reps. Pappageorge, Ruth Johnson, Rocca, Stewart, Shulman, Palmer, Drolet, LaJoy, Stakoe, Ward, Garfield, Brandenburg, Koetje, Steil, DeRoche, Stahl, Taub, Casperson, Hoogendyk, Woodward, Smith, Farhat, Amos, Gaffney, Vagnozzi, Accavitti, Plakas, O'Neil, Pastor, Woronchak, Wojno, Meisner, Gleason, Law, Hopgood, Condino, Waters, Anderson, Bieda, Gielegthem, Hunter, McConico, Farrah, Cheeks, Reeves, Hood, Stallworth and Hardman and referred to the Committee on Commerce.

A bill to amend 1985 PA 106, entitled  
"State convention facility development act,"  
by amending section 10 (MCL 207.630).

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 10. (1) Any money remaining in the convention facility  
2 development fund at the end of the state fiscal year shall be  
3 transferred to the general fund of the state treasury to be  
4 distributed in the next state fiscal year pursuant to subsection  
5 (2).

6       (2) Money transferred from the convention facility  
7 development fund to the general fund pursuant to subsection (1)  
8 shall be distributed in the following order of priority in the  
9 following amounts:

10       (a) An amount equal to the difference, if any, between the  
11 tax imposed pursuant to this act in the preceding state fiscal

1 year that is designated pursuant to section 9 to a qualified  
2 local governmental unit and the tax imposed pursuant to this act  
3 that is designated pursuant to section 9 in the state fiscal year  
4 prior to the preceding state fiscal year for the same local  
5 governmental unit shall be distributed to that local governmental  
6 unit. This subdivision shall not apply unless a tax has been  
7 imposed under this act in the entire 2 state fiscal years  
8 immediately preceding the state fiscal year in which a  
9 distribution under this subdivision is made. Any amount  
10 distributed pursuant to this subdivision shall be used by the  
11 local governmental unit only for the retirement of outstanding  
12 bonds, obligations, or other evidences of indebtedness incurred  
13 for which distributions pursuant to section 9 are pledged. A  
14 distribution under this subdivision shall not be made to the  
15 extent that the obligations, bonds, or other evidences of  
16 indebtedness cannot be retired or are not outstanding.

17 (b) Of the money transferred pursuant to subsection (1) and  
18 remaining after distributions under subdivision (a), ~~an amount~~  
19 ~~equal to that portion of~~ the liquor tax collected pursuant to  
20 ~~the convention facility promotion tax act~~ **section 1207 of the**  
21 **Michigan liquor control code of 1998, 1998 PA 58, MCL 436.2207,**  
22 from licensees in **all** counties ~~in which convention hotels are~~  
23 ~~not located~~ **of this state** shall be distributed to ~~those~~  
24 ~~counties in which convention hotels are not located~~ **each county**  
25 in the same proportion that the amount of tax collected pursuant  
26 to ~~the convention facility promotion tax act~~ **section 1207 of**  
27 **the Michigan liquor control code of 1998, 1998 PA 58, MCL**

1 436.2207, in the preceding state fiscal year from the licensees  
2 in ~~a~~ **that** county bears to the total tax collections pursuant to  
3 ~~the convention facility promotion tax act~~ **section 1207 of the**  
4 **Michigan liquor control code of 1998, 1998 PA 58, MCL 436.2207,**  
5 in the preceding state fiscal year from all counties. ~~in which~~  
6 ~~convention hotels are not located.~~

7 (c) The remaining money transferred pursuant to subsection  
8 (1) after distributions under subdivisions (a) and (b) shall be  
9 distributed to each county ~~in the following amounts:~~

10 ~~—— (i) The amount of money available to be distributed under~~  
11 ~~this subdivision multiplied by the percentage of collections in~~  
12 ~~the preceding state fiscal year under the convention facility~~  
13 ~~promotion tax act from licensees in counties in which convention~~  
14 ~~hotels are not located shall be distributed to each county in~~  
15 ~~which convention hotels are not located in the same proportion~~  
16 ~~that the amount of tax collected pursuant to the convention~~  
17 ~~facility promotion tax act in the preceding state fiscal year~~  
18 ~~from licensees in that county bears to the total tax collections~~  
19 ~~from the convention facility promotion tax act in the preceding~~  
20 ~~state fiscal year from all counties in which convention hotels~~  
21 ~~are not located.~~

22 ~~—— (ii) The amount of money available to be distributed under~~  
23 ~~this subdivision multiplied by the percentage of collections in~~  
24 ~~the preceding state fiscal year under the convention facility~~  
25 ~~promotion tax act from licensees in counties in which convention~~  
26 ~~hotels are located shall be distributed to each county in which~~  
27 ~~convention hotels are located~~ in the same proportion that the

1 amount of tax collected pursuant to ~~the convention facility~~  
2 ~~promotion tax act~~ **section 1207 of the Michigan liquor control**  
3 **code of 1998, 1998 PA 58, MCL 436.2207,** in the preceding state  
4 fiscal year ~~from licensees~~ in that county bears to the total  
5 tax collections from ~~the convention facility promotion tax act~~  
6 **section 1207 of the Michigan liquor control code of 1998, 1998 PA**  
7 **58, MCL 436.2207,** in the preceding state fiscal year from all  
8 counties. ~~in which convention hotels are located. However, in~~  
9 ~~the calculation of the proportion represented by a county's share~~  
10 ~~of distributions under this subparagraph, the amount of the tax~~  
11 ~~collected from licensees in the qualified local governmental unit~~  
12 ~~that received distributions under section 9 in the last state~~  
13 ~~fiscal year shall not be included.~~

14 (3) A distribution to a county pursuant to this section shall  
15 be included for purposes of the calculations required to be made  
16 by section 24e of the general property tax act, ~~Act No. 206 of~~  
17 ~~the Public Acts of 1893, being section 211.24e of the Michigan~~  
18 ~~Compiled Laws~~ **1893 PA 206, MCL 211.24e.** If the governing body  
19 of a taxing unit approves the additional millage rate under  
20 section 24e of the general property tax act, ~~Act No. 206 of the~~  
21 ~~Public Acts of 1893~~ **1893 PA 206, MCL 211.24e,** which is due to  
22 distributions pursuant to this section, then an amount equal to  
23 50% of the distribution under this section shall be used for  
24 substance abuse treatment within the taxing unit.