

# Legislative Analysis



## ELIGIBLE MUNICIPALITIES UNDER PA 180 OF 1991

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### House Bill 6515

**Sponsor: Rep. Robert Jones**

**Committee: Commerce**

**Complete to 11-12-08**

## A SUMMARY OF HOUSE BILL 6515 AS INTRODUCED 9-24-08

The bill would amend Public Act 180 of 1991, which allows for the financing of sports stadiums and convention facilities, to expand the number of eligible municipalities.

Public Act 180 allows certain counties or municipalities within counties to levy, with voter approval, an excise tax of up to one percent on restaurants and bars, of up to one percent on hotel and motel rooms, and of up to two percent on rental cars, with the revenues to fund construction of convention facilities or sports or entertainment facilities.

A number of municipalities in the state can use this act based on the definitions in the act, which use a combination of county and city populations.

Currently, for example, the definition of "eligible municipality" includes (among several others): a county with a population of less than 300,000 with a city with a population of more than 100,000 persons, or the most populous city within that county. This definition applies to Ingham County and the City of Lansing.

House Bill 6515 would amend that definition to make it apply to a county with a population of less than 300,000 with a city with a population of more than 70,000 persons. This would appear to apply to Kalamazoo County and the City of Kalamazoo.

[Note: Currently, the act applies to Wayne County; Kent County and Grand Rapids; Muskegon County and the city of Muskegon; Ingham County and Lansing; and Oakland County and Pontiac.]

## FISCAL IMPACT:

A fiscal analysis is in process. The excise taxes in question are raised at the discretion of local units of government and only with voter approval.

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