

Legislative Analysis



ELIGIBLE MUNICIPALITIES UNDER PA 180 OF 1991

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House Bill 6515

Public Act 532 of 2008

Sponsor: Rep. Robert Jones

House Committee: Commerce

Senate Committee: None (Referred directly to the Committee of the Whole)

Complete to 6-5-09

A SUMMARY OF HOUSE BILL 6515 AS ENROLLED

The bill amended Public Act 180 of 1991, which allows for the financing of sports stadiums and/or 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 definition in the act of "eligible municipality," which uses a combination of county and city populations.

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

House Bill 6515 amended the definition of "eligible municipality" so that it would also apply to a county with a population of less than 300,000 that contains a city with a population of more than 70,000 persons or the most populous city in that county. This provision applies only to a stadium for professional sports or entertainment. It appears to apply only to Kalamazoo County and the City of Kalamazoo.

[Note: Previously, the act applied only 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:

The excise taxes in question, which would increase local revenue for a professional sports or entertainment facility, can only be raised at the discretion of local units of government and only with voter approval.

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