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Senate Fiscal Agency  
P. O. Box 30036  
Lansing, Michigan 48909-7536

**SFA****BILL ANALYSIS**

Telephone: (517) 373-5383  
Fax: (517) 373-1986  
TDD: (517) 373-0543

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Senate Bill 867 (Substitute S-1 as reported)  
Sponsor: Senator Glenn D. Steil  
Committee: Local, Urban and State Affairs

### **CONTENT**

The bill would create the "Convention Facility Authority Act" to do the following:

- Allow a qualified city and a qualified county jointly to establish a convention facility authority.
- Provide for a seven-member board of directors, composed of county residents, to exercise the powers and duties of the authority.
- Permit the authority to develop a convention facility, and issue negotiable revenue bonds.
- Specify that the authority could not levy a tax, but enable the authority to receive accommodations tax revenue levied by the county.
- Create a convention facility authority fund.
- Prohibit the authority from using funds received under Section 103 of Public Act 137 of 1999 (described below) to defray costs incurred before the State Treasurer released the funds.

The bill would define "qualified city" as "a city with a population of more than 170,000 that is the most populous city in a qualified county". "Qualified county" would mean "a county with a population of more than 500,000 that is not a charter county or a county with an optional unified form of government and contains a qualified city".

Legislative Analyst: S. Lowe

### **FISCAL IMPACT**

Section 301 of Public Act 137 of 1999 specified that of the \$62.0 million appropriated in the Act for convention center grants for development/expansion, \$60.0 million was for the Grand Rapids convention facility. The Act requires the funds to be held by the Department of Treasury until a convention facility development authority is created by the Legislature to serve as an oversight body for the approval of plans and timely disbursement of the funds. If the authority is not created by January 1, 2000, the Director of the Department of Treasury will carry out these responsibilities.

Given that the appropriation has already been made, and that the release of funds and oversight responsibilities will occur even in absence of a convention center authority, the bill would have no direct State fiscal impact.

Date Completed: 11-4-99

Fiscal Analyst: M. Hansen

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Analysis available @ <http://www.michiganlegislature.org>

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