SENATE BILL NO. 649

October 30, 2025, Introduced by Senator ALBERT and referred to Committee on Government Operations.

A bill to amend 1985 PA 106, entitled

"State convention facility development act,"

by amending section 10 (MCL 207.630), as amended by 2022 PA 276.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Sec. 10. (1) Any money remaining in the convention facility development fund after distributions under subsection (5) and section 9 ~~shall~~ **must** be distributed pursuant to subsection (2).

(2) Money **remaining** in the convention facility development fund ~~shall~~ **must** be distributed as provided in subsection (4) in the following order of priority in the following amounts:

(a) For each of the following fiscal years, the following amounts ~~shall~~ **must** be distributed to a metropolitan authority created under the regional convention facility authority act, 2008 PA 554, MCL 141.1351 to 141.1379, for the operational deficit costs of a qualified convention facility operated by the authority under that act for purposes authorized under that act:

(*i*) $5,000,000.00 for the fiscal year ending September 30, 2020.

(*ii*) $7,000,000.00 for the fiscal year ending September 30, 2020 for the impact on operational costs resulting from the COVID-19 virus and related measures to protect public safety.

(*iii*) $8,000,000.00 for the fiscal year ending September 30, 2021.

(*iv*) $8,000,000.00 for the fiscal year ending September 30, 2022.

(*v*) $7,000,000.00 for the fiscal year ending September 30, 2023.

(*vi*) $6,000,000.00 for the fiscal year ending September 30, 2024.

(*vii*) $5,000,000.00 for the fiscal year ending September 30, 2025.

(b) Except as otherwise provided in this subdivision, for fiscal years beginning after September 30, 2016, an amount equal to the product of the amount of distributions of the tax collected under section 1207 of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.2207, in the immediately preceding fiscal year multiplied by 1.01, not to exceed the total amount of tax collected under section 1207 of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.2207, ~~shall~~ **must** be distributed to counties.

For the fiscal years ending September 30, 2023, September 30, 2026, September 30, 2029, September 30, 2032, September 30, 2035, and September 30, 2038, the amount distributed under this subdivision ~~shall~~ **must** equal the amount of the tax collected under section 1207 of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.2207, in the immediately preceding fiscal year. Distributions to each county under this subdivision ~~shall~~ **must** be calculated as follows:

(*i*) The amount of money available to be distributed under this subdivision multiplied by the percentage of collections in the immediately preceding state fiscal year under section 1207 of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.2207, from licensees in counties in which convention hotels are not located ~~shall~~ **must** be distributed to each county in which convention hotels are not located in the same proportion that the amount of tax collected pursuant to section 1207 of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.2207, in the immediately preceding state fiscal year from licensees in that county bears to the total tax collections from section 1207 of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.2207, in the immediately preceding state fiscal year from all counties in which convention hotels are not located.

(*ii*) The amount of money available to be distributed under this subdivision multiplied by the percentage of collections in the immediately preceding state fiscal year under section 1207 of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.2207, from licensees in counties in which convention hotels are located ~~shall~~ **must** be distributed to each county in which convention hotels are located in the same proportion that the amount of tax collected pursuant to section 1207 of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.2207, in the immediately preceding state fiscal year from licensees in that county bears to the total tax collections from section 1207 of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.2207, in the immediately preceding state fiscal year from all counties in which convention hotels are located. However, in ~~the calculation of~~ **calculating** the proportion represented by a county's share of distributions under this subparagraph, the amount of the tax collected from licensees in the qualified local governmental unit that received distributions under section 9 in the 2007-2008 state fiscal year ~~shall~~ **must** not be included.

(c) For each fiscal year beginning with the fiscal year ending on September 30, 2020 through the fiscal year ending on September 30, 2039, if the revenue in the convention facility development fund exceeds the ~~amount~~ **amounts** distributed under section 9, subsection (5), and ~~any distributions under~~ subdivisions (a) and (b), ~~up to~~ **not more than** $5,000,000.00 must be distributed to the operator of a street railway system for the operations of a street railway system as **that term is** defined in section 507 of the recodified tax increment financing act, 2018 PA 57, MCL 125.4507.

(d) For the fiscal year ending September 30, 2021 only, if the revenue in the convention facility development fund exceeds the ~~amount~~ **amounts** distributed under section 9, subsection (5), and ~~any distributions under~~ subdivisions (a), (b), and (c), ~~up to~~ **not more than** $4,000,000.00 must be distributed from the convention facility development fund to the Michigan strategic fund created under ~~the Michigan strategic fund act,~~ **former** 1984 PA 270 ~~, MCL 125.2001 to 125.2094,~~ for the purpose of awarding grants to convention centers negatively impacted by the COVID-19 virus and related measures to protect public safety. All the following apply to the grant program described in this subdivision:

(*i*) The Michigan strategic fund shall develop an application process by December 1, 2020 and award grants under this subdivision no later than May 1, 2021.

(*ii*) An eligible convention center under this subdivision includes only a publicly owned facility of ~~at least~~ **not less than** 10,000 square ~~foot~~ **feet** that is generally available to members of the public for lease or rental on a short-term basis for holding conventions, meetings, exhibits, and similar events, and that has any combination of convention hall, auditorium, meeting rooms, and exhibition areas that are separate and distinct and contiguous to each other, and that does not receive funding under subdivision (a).

(*iii*) The Michigan strategic fund ~~cannot~~ **may not** award more than $1,000,000.00 to any 1 eligible convention center under this subdivision.

(*iv*) An eligible convention center receiving funding under this subdivision must report how the grant dollars were spent by September 30, 2021 or return the funds.

(e) Except as **otherwise** provided in subdivision (f), beginning with the fiscal year ending on September 30, 2016, and each fiscal year thereafter other than the fiscal year ending September 30, 2020, if the revenue in the convention facility development fund exceeds the amounts distributed under section 9, subsection (5), and ~~the distributions under~~ subdivisions (a), (b), (c), and (d), the excess must be distributed to a qualified local governmental unit that is a metropolitan authority to be used by that qualified local governmental unit only for capital expenditures, including payments under a public-private arrangement, or the retirement of outstanding bonds, obligations, or other evidences of indebtedness incurred for which distributions under section 9 are pledged and for a qualified governmental unit that is a metropolitan authority.

(f) For the fiscal year ending on September 30, 2021 and the fiscal year ending on September 30, 2022, the amount distributed under subdivision (e) from the convention facility development fund to a qualified local governmental unit that is a metropolitan authority to be used by that qualified local governmental unit only for the retirement of outstanding bonds, obligations, or other evidences of indebtedness incurred must not exceed $5,000,000.00.

(g) For the fiscal year ending on September 30, 2020, if the revenue in the convention facility development fund exceeds the amounts distributed under section 9, subsection (5), and ~~the distributions under~~ subdivisions (a), (b), (c), and (d), the excess must be distributed to a qualified local governmental unit to be reserved for expenditures authorized by the regional convention facility authority act, 2008 PA 554, MCL 141.1351 to 141.1379. For the fiscal year ending on September 30, 2021 and the fiscal year ending on September 30, 2022, if the revenue in the convention facility development fund exceeds the amounts distributed under section 9 and ~~the distributions under~~ subdivisions (a) to (e), the excess must be distributed to a qualified local governmental unit to be reserved for expenditures authorized by the regional convention facility authority act, 2008 PA 554, MCL 141.1351 to 141.1379.

(3) A distribution to a county ~~pursuant to~~ **under** this section ~~shall~~ **must** be included for purposes of the calculations required to

be made by section 24e of the general property tax act, 1893 PA 206, MCL 211.24e. If the governing body of a taxing unit approves the additional millage rate under section 24e of the general property tax act, 1893 PA 206, MCL 211.24e, that is due to distributions pursuant to this section, then an amount not less than either of the following must be used for substance abuse treatment within the taxing unit:

(a) 40% of the distribution under this section.

(b) The amount used for substance abuse treatment within the taxing unit in the fiscal year ending September 30, 2022.

(4) Each year, from the revenue collected during the previous quarter, after distributing the monthly payments under section 9(1), the state treasurer shall make quarterly distributions under subsections (2) and (5).

(5) For the fiscal year ending September 30, 2020 only, ~~prior to~~ **before** the distributions required under subsection (2), $10,000,000.00 of the money in the convention facility development fund is transferred **to** and must be deposited into the general fund.

Enacting section 1. This amendatory act does not take effect unless Senate Bill No. 631 of the 103rd Legislature is enacted into law.