

## TRANSFER REVENUE FROM CONVENTION FACILITY DEVELOPMENT FUND TO GENERAL FUND

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**House Bill 6119 as introduced**  
**Sponsor: Rep. Cynthia Neeley**  
**Committee: Appropriations**  
**Complete to 8-28-20**

Analysis available at  
<http://www.legislature.mi.gov>

### SUMMARY:

House Bill 6119 would amend the State Convention Facility Development Act to transfer \$10.0 million from the Convention Facility Development Fund to the state's general fund for FY 2019-20 only.

MCL 207.630

### BACKGROUND:

The Convention Facility Development Fund (CFDF) primarily serves as a depository for the revenues used to pay off any bonds issued to finance TCF Center renovations. Distributions are also made to counties pursuant to a statutory formula based on the amount of liquor excise tax collected in the county and to the Detroit Regional Convention Facility Authority (DRCFA) for operational deficits in an amount fixed by statute. Per statute, the entire balance of the CFDF is distributed annually.

Under current law there are three sources of CFDF revenue: the hotel accommodations tax levied on certain hotels in southeast Michigan, liquor excise tax, and Health and Safety Fund transfer. Distributions from the fund occur in the following order: annual debt service payments for TCF Center renovation bonds, DRCFA operational deficits, county payments, and any remaining for early retirement of TCF Center bonds.

For a more detailed background on the Convention Facility Development Fund, please see the HFA Fiscal Brief on the topic [here](#).

### FISCAL IMPACT:

The bill would increase the state's general fund revenues by \$10.0 million and reduce the available balance of the Convention Facility Development Fund by a corresponding amount. This transfer was agreed to as part of a FY 2019-20 budget balancing agreement. The transfer would reduce the amount available in FY 2019-20 for early retirement of the TCF Center (formerly Cobo Hall) debt.

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