



Senate Fiscal Agency
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House Bill 4177 (Substitute H-2 as reported without amendment)
House Bills 5817 and 5818 (as reported without amendment)
Sponsor: Representative Tyrone Carter (H.B. 4177 & 5817)
Representative Samantha Steckloff (H.B. 5818)
House Committee: Regulatory Reform
Senate Committee: Regulatory Affairs

CONTENT

House Bill 4177 (S-2) would enact the "History Museum Authorities Act" to allow a county board of commissioners to establish a history museum authority. Among other things, an authority could levy a tax of 0.2 mill on the county's taxable property to support the operation of a history museum owned by a city with a population of over 500,000, if a majority of voters approved the tax and the authority entered a contract with the museum. An authority also could provide grant funding to local historical museums that were not owned by a city as described above. An authority would have to reimburse a county or municipality for actual election costs incurred because of a vote to levy the millage. House Bills 5817 and 5818 would specify that the taxes levied under the proposed Act could not be collected as tax increment revenues for tax increment financing or brownfield redevelopment purposes.

The bills are tie-barred.

MCL 125.4201 et al. (H.B. 5817)
125.2652 (H.B. 5818)

BRIEF RATIONALE

According to testimony, the Wayne County Zoological Authority, which administers the Detroit Zoo's millage in Wayne County, has succeeded in raising money and managing finances in support of the Zoo. Some argue that the Detroit Historical Museum would benefit from a similar authority, which could administer a millage and manage finances in support of the Museum.

PREVIOUS LEGISLATION

(This section does not provide a comprehensive account of previous legislative efforts on this subject matter.)

House Bill 4177 is a companion bill to Senate Bill 136 of the 2023-2024 Legislative Session.

Legislative Analyst: Nathan Leaman

FISCAL IMPACT

The bills would have no fiscal impact on State revenue or expenditure. If a county were to create an authority and voters within the county were to approve a proposed mill levy adopted by an authority, the bills would increase local unit revenue. The bills also would alter the distribution of local unit revenue. Any revenue impact would depend on whether a local unit established an authority, the taxable value of properties within the county, how those taxable values changed over time, and the millage rate levied on affected properties.

House Bill 4177 (S-2) would allow a history museum authority to levy a tax of up to 0.2 mills in a county that established an authority. House Bills 5817 and 5818 would exempt those mills from being captured by other types of authorities, which are authorized to capture revenue from increases in taxable value within their boundaries. By exempting the mills from capture from these authorities, the bills would change the distribution of local unit revenue from what would occur absent the exemption. For tax year 2024, taxable value in Wayne County, a county which would meet the criteria to establish an authority, totaled approximately \$55.6 billion and a levy of 0.2 mills would generate approximately \$11.1 million in revenue. But no history museum authority currently exists, thus these bills would have no direct fiscal impact.

Date Completed: 11-25-24

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.