

HOUSE BILL NO. 4561

May 02, 2019, Introduced by Reps. O'Malley, Brixie, Paquette and Lilly and referred to the Committee on Commerce and Tourism.

A bill to amend 2010 PA 254, entitled "Regional convention and tourism promotion act," by amending sections 2 and 4 (MCL 141.1432 and 141.1434), section 2 as amended by 2018 PA 465.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2. As used in this act:

2 (a) "Assessment" means the amount levied against an owner of a
3 transient facility within an assessment district computed by



1 application of the applicable percentage against aggregate room
2 charges with respect to that transient facility during the
3 applicable assessment period.

4 (b) "Assessment district" means a combination of 2 or more
5 adjoining municipalities as described in a marketing program.

6 (c) "Assessment revenues" means the money derived from the
7 assessment, including any interest and penalties on the assessment,
8 imposed by this act.

9 (d) "Board" means the board of directors of a bureau.

10 (e) "Bureau" means a nonprofit corporation incorporated under
11 the laws of this state existing solely to promote convention
12 business and tourism within this state or a portion of this state
13 and that complies with all of the following:

14 (i) Has been actively engaged in promoting convention business
15 and tourism for not less than 5 years.

16 (ii) Has a board of directors elected by its members.

17 (iii) Has a full-time chief executive officer and not fewer than
18 2 full-time equivalent employees.

19 (iv) Is a member of 1 or more nationally recognized
20 associations of travel and convention bureaus.

21 (f) "Director" means the chief executive officer of the
22 Michigan economic development corporation or his or her designee.

23 (g) "Marketing program" means a program established by a
24 bureau to develop, encourage, solicit, and promote regional
25 convention business and tourism within this state or a portion of
26 this state within which the bureau operates. The encouragement and
27 promotion of regional convention business and tourism shall include
28 any service, function, or activity, whether or not performed,
29 sponsored, or advertised by a bureau, that intends to attract



1 transient guests to the assessment district.

2 (h) "Marketing program notice" means the notice described in
3 section 3.

4 (i) "Master plan" means the comprehensive, long-range master
5 plan developed by the Michigan travel commission and the travel
6 bureau under section 2c of the Michigan tourism policy act, 1945 PA
7 106, MCL 2.102c.

8 (j) "Municipality" means a county with a population of more
9 than 80,000 and less than 115,000 and that contains a city with a
10 population of more than 35,000 and less than 45,000, at the time
11 the marketing notice is filed with the director, and that shares a
12 border with a county that levies a tax on accommodations under 1974
13 PA 263, MCL 141.861 to 141.867.

14 (k) "Owner" means the owner of a transient facility located
15 within the assessment district or, if the transient facility is
16 operated or managed by a person other than the owner, then the
17 operator or manager of that transient facility.

18 (l) "Room" means a room or other space provided for sleeping,
19 including the furnishings and other accessories in the room.

20 (m) "Room charge" means the charge imposed for **a short-term**
21 **rental or** the use or occupancy of a room, excluding charges for
22 food, beverages, state use tax, telephone service or like services
23 paid in connection with the charge, and reimbursement of the
24 assessment imposed by this act.

25 (n) **"Short-term rental" and "short-term transient facility"**
26 **mean those terms as defined in the Michigan short-term rental**
27 **promotion act.**

28 (o) ~~(n)~~ "Transient facility" means a **short-term transient**
29 **facility or a** building that contains 2 or more rooms used in the



1 business of providing dwelling, lodging, or sleeping to transient
2 guests, whether or not membership is required for the use of the
3 rooms. A transient facility shall not include a hospital or nursing
4 home.

5 (p) ~~(e)~~—"Transient guest" means a natural person who occupies
6 a room in a transient facility for less than 30 consecutive days
7 regardless of who pays the room charge for the room.

8 (q) ~~(p)~~—"Travel bureau" means the Michigan travel bureau
9 created under section 2a of the Michigan tourism policy act, 1945
10 PA 106, MCL 2.102a.

11 (r) ~~(q)~~—"Use tax" means the tax imposed under the use tax act,
12 1937 PA 94, MCL 205.91 to 205.111.

13 Sec. 4. A marketing program may include all or any of the
14 following:

15 (a) Provisions for establishing and paying the costs of
16 advertising, marketing, and promotional programs to encourage
17 convention business and tourism in the assessment district.

18 (b) Provisions for assisting transient facilities within the
19 assessment district in promoting regional convention business and
20 tourism.

21 (c) Provisions for the acquisition of personal property
22 considered appropriate by the bureau in furtherance of the purposes
23 of the marketing program.

24 (d) Provisions for the hiring of and payment for personnel
25 employed by the bureau to implement the marketing program.

26 (e) Provisions for contracting with organizations, agencies,
27 or persons for carrying out activities in furtherance of the
28 purposes of the marketing program.

29 (f) Programs for establishing and paying the costs of research



1 designed to encourage convention business and tourism in the
2 assessment district.

3 **(g) Provisions clarifying the assessment on room charges for**
4 **short-term rentals of short-term transient facilities.**

5 Enacting section 1. This amendatory act does not take effect
6 unless Senate Bill No.____ or House Bill No.____ (request no.
7 01509'19) of the 100th Legislature is enacted into law.

