

HOUSE BILL NO. 4562

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

A bill to amend 2007 PA 25, entitled "Convention and tourism promotion act," by amending sections 2 and 4 (MCL 141.1322 and 141.1324), section 2 as amended by 2018 PA 464.

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
- 4 application of the applicable percentage against aggregate room



1 charges with respect to that transient facility during the
2 applicable assessment period.

3 (b) "Assessment district" means a municipality or a
4 combination of municipalities as described in a marketing program.

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

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

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

13 (i) Has not less than 200 dues-paying members, of which not
14 fewer than 25 are owners of transient facilities.

15 (ii) Has been actively engaged in promoting convention business
16 and tourism for not less than 10 years.

17 (iii) Has a board of directors elected by its members.

18 (iv) Has a full-time chief executive officer and not fewer than
19 14 full-time equivalent employees.

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

22 (vi) Regularly books conventions at the community's largest
23 convention center, which generate hotel room nights throughout the
24 surrounding area.

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

27 (g) "Marketing program" means a program established by a
28 bureau to develop, encourage, solicit, and promote convention
29 business and tourism within this state or a portion of this state



1 within which the bureau operates. The encouragement and promotion
 2 of convention business and tourism shall include any service,
 3 function, or activity, whether or not performed, sponsored, or
 4 advertised by a bureau, that intends to attract transient guests to
 5 the assessment district.

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

8 (i) "Master plan" means the comprehensive, long-range master
 9 plan developed by the Michigan travel commission and the travel
 10 bureau under section 2c of the Michigan tourism policy act, 1945 PA
 11 106, MCL 2.102c.

12 (j) "Municipality" means a city, county, village, or township.

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

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

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

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

27 (o) ~~(n)~~—"Transient facility" means a **short-term transient**
 28 **facility or a** building that contains 35 or more rooms used in the
 29 business of providing dwelling, lodging, or sleeping to transient



1 guests, whether or not membership is required for the use of the
2 rooms. A transient facility shall not include a hospital or nursing
3 home.

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

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

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

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

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

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

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

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

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

27 (f) Programs for establishing and paying the costs of research
28 designed to encourage convention business and tourism in the
29 assessment district.



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

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

