



Senate Fiscal Agency
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BILL ANALYSIS



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House Bill 5960 (Substitute H-1 as reported without amendment)
Sponsor: Representative Walter DeLange
House Committee: Tourism and Recreation
Senate Committee: Finance

CONTENT

The bill would amend the Community Convention or Tourism Marketing Act to delete the provision that excludes a municipality or a part of a municipality from a marketing program notice and the assessment district specified in the notice if, on the date the notice is mailed, the county in which the municipality or part of a municipality is located is collecting a tax under the accommodations tax Act. The bill also would delete language that allows a municipality or part of a municipality to be included in a marketing program notice and the assessment district specified in the notice and, after September 30, 1991, to be assessed under the Community Convention or Tourism Marketing Act if the county in which the municipality or part is located collected an excise tax under the accommodations tax Act, and the authority to collect the excise tax terminated not later than October 1, 1991.

The Community Convention or Tourism Marketing Act currently requires a convention and tourism bureau that wishes to establish a marketing program and assessment district to file a marketing program notice describing the marketing program to be implemented, the amount of the assessment to be levied--generally up to 2% of the room charges in the applicable payment period, and the municipalities comprising the assessment district. A municipality cannot be part of a room charge assessment district, however, if the county in which it is located is already collecting a room tax under the accommodations tax Act. The bill would delete this exclusion as well as the provision that a municipality may be part of an assessment district if the county in which it is located collected an accommodations excise tax but lost its authority to collect the tax by October 1, 1991.

MCL 205.737

Legislative Analyst: L. Burghardt

FISCAL IMPACT

This bill would have no State or local government fiscal impact. However, convention and visitor bureaus would be able, if approved by hotel and motel owners within the assessment district, to collect an assessment up to 2% of the room rate.

Date Completed: 12-10-96

Fiscal Analyst: R. Ross

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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.