

Act No. 589
Public Acts of 1996
Approved by the Governor
January 20, 1997
Filed with the Secretary of State
January 21, 1997

**STATE OF MICHIGAN
88TH LEGISLATURE
REGULAR SESSION OF 1996**

Introduced by Reps. DeLange, Baade, Agee, Sikkema, Mathieu and Byl

ENROLLED HOUSE BILL No. 5960

AN ACT to amend section 3 of Act No. 395 of the Public Acts of 1980, entitled as amended "An act relating to the promotion of convention business or tourism in municipalities in this state; to provide for tourism or convention marketing programs in municipalities through nonprofit convention and tourist bureaus; to provide for the imposition and collection of assessments on the owners of transient facilities to support tourism or convention marketing programs; to provide for the disbursement of the assessments; to establish the functions and duties of the department of commerce; and to prescribe remedies and penalties," as amended by Act No. 224 of the Public Acts of 1993, being section 141.873 of the Michigan Compiled Laws.

The People of the State of Michigan enact:

Section 1. Section 3 of Act No. 395 of the Public Acts of 1980, as amended by Act No. 224 of the Public Acts of 1993, being section 141.873 of the Michigan Compiled Laws, is amended to read as follows:

Sec. 3. (1) A bureau that intends to establish a marketing program and assessment district shall file a marketing program notice with the director. The marketing program notice shall state that the bureau proposes to create a marketing program under this act and cause an assessment to be collected from owners of transient facilities within the assessment district to pay the costs of the marketing program.

(2) The marketing program notice shall describe the structure, membership, and activities of the bureau.

(3) The marketing program notice shall describe the marketing program to be implemented by the bureau with the assessment revenues, specify the amount of the assessment proposed to be levied, which, except as provided in this subsection, shall not exceed 2% of the room charges in the applicable payment period, and describe the municipalities comprising the assessment district. A bureau described in subsection (8) may impose an assessment of 4% if the assessment and marketing program are approved by a majority of the transient facilities located within a township described in subsection (8) at a written referendum held by the director pursuant to section 3a by mail or in person for the purpose of which each owner shall have 1 vote for each room in an owner's transient facility.

(4) Except as provided in section 10, an area shall not be included in the marketing program notice filed under this act and the assessment district specified in the notice if the area is part of an existing assessment district under this act for which a marketing program is in effect.

(5) If on the date of the mailing of the marketing program notice under this act an excise tax or other tax based on a room charge is not being collected, a municipality included in the marketing program notice shall not be subject to the collection of an excise tax imposed under Act No. 263 of the Public Acts of 1974, being sections 141.861 to 141.867 of the Michigan Compiled Laws, or another tax based on a room charge.

(6) If a part of a municipality is subject to an assessment under the convention and tourism marketing act, Act No. 383 of the Public Acts of 1980, being sections 141.881 to 141.889 of the Michigan Compiled Laws, that part of the municipality shall not be included in a marketing program notice or assessment district under this act.

(7) Simultaneously with the filing of the marketing program notice with the director, the bureau shall mail a copy of the notice, by registered or certified mail, to each owner of a transient facility located in the assessment district specified in the notice, in care of the respective transient facility. In assembling the list of owners to whom the notices shall be mailed, the bureau shall use any data that is reasonably available to the bureau.

(8) A bureau that is located within a township that is a municipality and, except for the assessment made under this subsection, that does not assess a room charge on the owners of a transient facility may impose an assessment of 4% if it meets all of the following:

(a) The assessment district is a township that is contiguous to a county that levies an excise tax of 5% under Act No. 263 of the Public Acts of 1974.

(b) The owners representing not less than 80% of the rooms in the assessment district are members of a nonprofit organization formed to promote convention business or tourism that receives funding from a tax levied under Act No. 263 of the Public Acts of 1974, in the contiguous county.

(c) The bureau contracts with the nonprofit organization formed to promote convention business or tourism that receives funding from a tax levied under Act No. 263 of the Public Acts of 1974, in the contiguous county to promote convention business or tourism and pays that nonprofit organization all of the assessment revenues collected under this act for the promotion of convention business or tourism.

(d) The owners representing not less than 80% of the rooms in the assessment district voluntarily contributed during the nonprofit organization's preceding fiscal year to the nonprofit organization formed to promote convention business or tourism that receives funding from a tax levied under Act No. 263 of the Public Acts of 1974, in the contiguous county, an amount equivalent to the 2% assessment permitted under this act for the promotion of convention business or tourism.

This act is ordered to take immediate effect.

Clerk of the House of Representatives.

Secretary of the Senate.

Approved _____

Governor.