



HOUSE BILL No. 5960

June 7, 1996, Introduced by Reps. DeLange, Baade, Agee, Sikkema, Mathieu and Byl and referred to the Committee on Tourism and Recreation.

A bill to amend section 3 of Act No. 395 of the Public Acts of 1980, entitled as amended "Community convention or tourism marketing act," 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:

1 Section 1. Section 3 of Act No. 395 of the Public Acts of
2 1980, as amended by Act No. 224 of the Public Acts of 1993, being
3 section 141.873 of the Michigan Compiled Laws, is amended to read
4 as follows:

5 Sec. 3. (1) A bureau that ~~wishes~~ INTENDS to establish a
6 marketing program and assessment district shall file a marketing
7 program notice with the director. The marketing program notice
8 shall state that the bureau proposes to create a marketing
9 program under this act and cause an assessment to be collected

1 from owners of transient facilities within the assessment
2 district to pay the costs of the marketing program.

3 (2) The marketing program notice shall describe the struc-
4 ture, membership, and activities of the bureau.

5 (3) The marketing program notice shall describe the market-
6 ing program to be implemented by the bureau with the assessment
7 revenues, specify the amount of the assessment proposed to be
8 levied, which, except as provided in this subsection, shall not
9 exceed 2% of the room charges in the applicable payment period,
10 and describe the municipalities comprising the assessment
11 district. A bureau described in subsection ~~(8)~~ (7) may impose
12 an assessment of 4% if the assessment and marketing program are
13 approved by a majority of the transient facilities located within
14 a township described in subsection ~~(8)~~ (7) at a written refer-
15 endum held by the director pursuant to section 3a by mail or in
16 person for the purpose of which each owner shall have 1 vote for
17 each room in an owner's transient facility.

18 ~~(4) Except as provided in this subsection, a municipality~~
19 ~~or a part of a municipality shall not be included in the market-~~
20 ~~ing program notice and the assessment district specified in the~~
21 ~~notice if, on the date the notice is mailed, the county in which~~
22 ~~that part is located is collecting a tax pursuant to Act No. 263~~
23 ~~of the Public Acts of 1974, being sections 141.861 to 141.867 of~~
24 ~~the Michigan Compiled Laws. A municipality or a part of a munic-~~
25 ~~ipality may be included in a marketing program notice and the~~
26 ~~assessment district specified in the notice and, after~~
27 ~~September 30, 1991, may be assessed under this act if the county~~

1 ~~in which the municipality or part is located collects an excise~~
2 ~~tax pursuant to Act No. 263 of the Public Acts of 1974 and the~~
3 ~~authority to collect that excise tax terminates not later than~~
4 ~~October 1, 1991.~~ Except as provided in section 10, an area shall
5 not be included in the marketing program notice filed under this
6 act and the assessment district specified in the notice if the
7 area is part of an existing assessment district under this act
8 for which a marketing program is in effect.

9 ~~(5) If on the date of the mailing of the marketing program~~
10 ~~notice under this act an excise tax or other tax based on a room~~
11 ~~charge is not being collected, a municipality included in the~~
12 ~~marketing program notice shall not be subject to the collection~~
13 ~~of an excise tax imposed under Act No. 263 of the Public Acts of~~
14 ~~1974 or another tax based on a room charge.~~

15 (5) ~~(6)~~ If a part of a municipality is subject to an
16 assessment under the convention and tourism marketing act, Act
17 No. 383 of the Public Acts of 1980, being sections 141.881 to
18 141.889 of the Michigan Compiled Laws, that part of the munici-
19 pality shall not be included in a marketing program notice or
20 assessment district under this act.

21 (6) ~~(7)~~ Simultaneously with the filing of the marketing
22 program notice with the director, the bureau shall mail a copy of
23 the notice, by registered or certified mail, to each owner of a
24 transient facility located in the assessment district specified
25 in the notice, in care of the respective transient facility. In
26 assembling the list of owners to whom the notices shall be

1 mailed, the bureau shall use any data that is reasonably
2 available to the bureau.

3 (7) ~~(8)~~ A bureau that is located within a township that is
4 a municipality and, except for the assessment made under this
5 subsection, that does not assess a room charge on the owners of a
6 transient facility may impose an assessment of 4% if it meets all
7 of the following:

8 (a) The assessment district is a township that is contiguous
9 to a county that levies an excise tax of 5% under Act No. 263 of
10 the Public Acts of 1974, BEING SECTIONS 141.861 TO 141.867 OF THE
11 MICHIGAN COMPILED LAWS.

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

17 (c) The bureau contracts with the nonprofit organization
18 formed to promote convention business or tourism that receives
19 funding from a tax levied under Act No. 263 of the Public Acts of
20 1974, in the contiguous county to promote convention business or
21 tourism and pays that nonprofit organization all of the assess-
22 ment revenues collected under this act for the promotion of con-
23 vention business or tourism.

24 (d) The owners representing not less than 80% of the rooms
25 in the assessment district voluntarily contributed during the
26 nonprofit organization's preceding fiscal year to the nonprofit
27 organization formed to promote convention business or tourism

1 that receives funding from a tax levied under Act No. 263 of the
2 Public Acts of 1974, in the contiguous county, an amount equiva-
3 lent to the 2% assessment permitted under this act for the promo-
4 tion of convention business or tourism.