



Senate Fiscal Agency  
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BILL ANALYSIS

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Senate Bill 1204 (as reported without amendment)  
Sponsor: Senator Jason E. Allen  
Committee: Commerce and Tourism

### **CONTENT**

The bill would amend the Community Convention or Tourism Marketing Act to delete a provision excluding a special charter, fourth class city from the definition of "municipality".

The Act prescribes procedures for a nonprofit convention and tourism bureau to establish a marketing program funded by the collection of an assessment from owners of transient facilities (such as hotels and motels) within an assessment district.

An "assessment district" is a municipality or combination of municipalities described in a marketing program. "Municipality" means a county with a population of less than 650,000, or a city, village, or township within a county of that size, but does not include a "special charter, fourth class city". The bill would delete that exception. (Mackinac Island is Michigan's only special charter, fourth class city.)

MCL 141.872

Legislative Analyst: Patrick Affholter

### **FISCAL IMPACT**

The bill would have no effect on State revenue or expenditure. The bill would potentially increase both local unit revenue and expenditure by an unknown amount. The act allows nonprofit visitors and convention bureaus to levy an assessment equal to (usually) 2% of the room charges at transient facilities to fund marketing programs. The bill would allow Mackinac Island to be included in an assessment district.

Date Completed: 3-16-10

Fiscal Analyst: David Zin