

HOUSE BILL No. 4906

June 11, 1997, Introduced by Rep. Griffin and referred to the Committee on Tourism.

A bill to amend 1980 PA 395, entitled
"Community convention or tourism marketing act,"
by amending sections 2 and 6 (MCL 141.872 and 141.876), section 2
as amended by 1993 PA 224.

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
3 a transient facility within an assessment district, computed by
4 application of the applicable percentage against aggregate room
5 charges with respect to that transient facility during the appli-
6 cable assessment period.

7 (b) "Assessment district" means a municipality or combina-
8 tion of municipalities as described in a marketing program. A
9 combination of municipalities is not required to be contiguous.

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

4 (d) "Board" means the board of directors elected by the mem-
5 bers of a bureau. A majority of the members of a board shall be
6 owners of transient facilities.

7 (e) "Bureau" means a nonprofit corporation existing to pro-
8 mote convention business or tourism within this state or a por-
9 tion of this state.

10 (f) "Director" means the director of ~~commerce~~ THE DEPART-
11 MENT OF CONSUMER AND INDUSTRY SERVICES.

12 (g) "Marketing program" means a program established by a
13 bureau to develop, encourage, solicit, and promote convention
14 business or tourism within this state or a portion of this state
15 within which the bureau operates. The encouragement and promo-
16 tion of convention business or tourism includes any service,
17 function, or activity, whether or not performed, sponsored, or
18 advertised by a bureau, that intends to attract transient guests
19 to the assessment district. For a bureau described in
20 section 3(8), a marketing program includes a contract with a non-
21 profit organization formed to promote convention business or
22 tourism that receives funding from a tax levied under ~~Act~~
23 ~~No. 263 of the Public Acts of 1974, being sections 141.861 to~~
24 ~~141.867 of the Michigan Compiled Laws~~ 1974 PA 263, MCL 141.861
25 TO 141.867, in a contiguous county to provide for the promotion
26 of convention business or tourism.

1 (h) "Marketing program notice" means the notice described in
2 section 3.

3 (i) "Municipality" means a county with a population of less
4 than 650,000 or a city, village, or township within a county with
5 a population of less than 650,000. Municipality does not include
6 a special charter, fourth class city.

7 (j) "Owner" means the owner of a transient facility to be
8 served by the bureau or, if the transient facility is operated or
9 managed by a person other than the owner, then the operator or
10 manager of that transient facility.

11 (k) "Room" means a room or other space provided for sleeping
12 that can be rented independently, including the furnishings and
13 other accessories in the room. Room includes, but is not limited
14 to, a condominium or time-sharing unit that, pursuant to a man-
15 agement agreement, may be used to provide dwelling, lodging, or
16 sleeping quarters for a transient guest.

17 (l) "Room charge" means the charge imposed for the use or
18 occupancy of a room, excluding charges for food, beverages, state
19 use tax, telephone service, or like services paid in connection
20 with the charge, and excluding reimbursement of the assessment
21 imposed by this act.

22 (m) "Transient facility" means a building or combination of
23 buildings under common ownership, operation, or management that
24 contains 10 or more rooms used in the business of providing
25 dwelling, lodging, or sleeping to transient guests, whether or
26 not membership is required for the use of the rooms. Transient
27 facility does not include a college or school dormitory, a

1 hospital, a nursing home, or a facility owned and operated by an
2 organization qualified for an exemption from federal taxation
3 under section 501(c) of the internal revenue code OF 1986.

4 (n) "Transient guest" means a person who occupies a room in
5 a transient facility for less than 30 consecutive days.

6 Sec. 6. (1) The assessment revenues collected pursuant to
7 this act ~~shall~~ ARE not ~~be~~ state funds. The ~~money~~
8 ASSESSMENT REVENUES COLLECTED PURSUANT TO THIS ACT shall be
9 deposited in a bank or other depository in this state, in the
10 name of the bureau, and shall be disbursed only for the expenses
11 properly incurred by the bureau with respect to the marketing
12 programs developed by the bureau under this act.

13 (2) The financial statements of the bureau shall be audited
14 at least annually by a certified public accountant. A copy of
15 the audited financial statements shall be mailed to each owner
16 not more than 150 days after the close of the bureau's fiscal
17 year. The financial statements shall include a statement of all
18 assessment revenues received by the bureau during the fiscal year
19 in question and shall be accompanied by a detailed report OF ALL
20 EXPENDITURES, certified as correct by the chief operating officer
21 of the bureau, ~~describing~~ THAT ALSO DESCRIBES the marketing
22 programs implemented or, to the extent then known, to be imple-
23 mented by the bureau.

24 (3) ~~Copies~~ SIMULTANEOUSLY WITH THE MAILING UNDER
25 SUBSECTION (2), THE CHIEF OPERATING OFFICER SHALL FILE COPIES of
26 the audited financial statements and the ~~certified~~ DETAILED
27 report ~~shall simultaneously be mailed to~~ WITH the director.

1 THE COPIES OF THE AUDITED FINANCIAL STATEMENTS AND THE DETAILED
2 REPORT MAY BE FILED BY MAIL.

3 (4) IF COPIES OF THE AUDITED FINANCIAL STATEMENTS AND
4 DETAILED REPORTS ARE NOT RECEIVED BY THE DIRECTOR WITHIN 150 DAYS
5 AFTER THE CLOSE OF THE BUREAU'S FISCAL YEAR PURSUANT TO SUBSEC-
6 TION (3), THE AUTHORITY OF THE BUREAU AND OWNERS TO COLLECT THE
7 ASSESSMENT UNDER THIS ACT IS AUTOMATICALLY SUSPENDED. ANY
8 ASSESSMENT COLLECTED DURING THE PERIOD THAT THE BUREAU'S AND
9 OWNER'S AUTHORITY TO COLLECT ASSESSMENTS IS SUSPENDED SHALL BE
10 RETURNED TO THE PERSON WHO PAID THE ASSESSMENT.

11 (5) UPON WRITTEN REQUEST, THE BUREAU SHALL PROVIDE COPIES OF
12 THE AUDITED FINANCIAL STATEMENTS AND DETAILED REPORTS TO A PERSON
13 WHO REQUESTS THEM. THE BUREAU MAY CHARGE A FEE FOR PROVIDING THE
14 AUDITED FINANCIAL STATEMENTS OR DETAILED REPORTS. THE FEE IS
15 LIMITED TO THE ACTUAL MAILING, DUPLICATION, AND LABOR COSTS. THE
16 BUREAU SHALL PROVIDE THE REQUESTED COPIES WITHIN 30 DAYS AFTER
17 RECEIPT OF THE WRITTEN REQUEST. IF THE BUREAU FAILS TO PROVIDE
18 THE REQUESTED COPIES WITHIN THE 30-DAY TIME FRAME, THE PERSON WHO
19 REQUESTED THE COPIES MAY FILE A COMPLAINT TO COMPEL THE BUREAU TO
20 PROVIDE THE REQUESTED COPIES. THE COMPLAINT SHALL BE FILED IN
21 THE CIRCUIT COURT OF THE COUNTY IN WHICH THAT PERSON RESIDES OR
22 HAS HIS OR HER PRINCIPAL PLACE OF BUSINESS. THE COURT SHALL
23 ORDER THE BUREAU TO PROVIDE THE REQUESTED COPIES AND AWARD REA-
24 SONABLE ATTORNEY FEES AND COSTS TO THE PERSON WHO REQUESTED THE
25 COPIES.