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BILL ANALYSIS

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Senate Bill 1419 (Substitute S-1 as reported)
Sponsor: Senator Tony Stamas
Committee: Commerce and Tourism

CONTENT

The bill would create the "Regional Convention and Tourism Promotion Act" to do all of the following:

-- Authorize a convention and tourism bureau in an assessment district to file a marketing program notice with the Michigan Economic Development Corporation (MEDC).
-- Require a notice to contain a proposed assessment of up to 5% of room charges to be collected from owners of transient facilities (such as hotels and motels) in the assessment district.
-- Require notification of owners of transient facilities at the time the marketing program notice was filed.
-- Provide for the collection of the assessment unless it were defeated by a referendum of owners.
-- Require an owner to pay interest for assessments that were paid late, and a delinquency charge if they were paid more than 90 days late.
-- Specify what could be included in a bureau's marketing program.
-- Specify that assessment revenue would not be State funds, and could be used only for marketing program expenses.
-- Require a bureau's audited annual financial statements and certified report of its marketing programs to include the amount of wages and benefits for each of the bureau's full-time employees.
-- Require the director (the chief executive officer of the MEDC, or his or her designee) to make a bureau's financial statements and certified report available to the public on the internet.
-- Allow transient facility owners in a district to request a referendum to discontinue an assessment at any time three years or more after it took effect.

(Based on definitions in the proposed Act, it appears that it would apply only to bureaus in Bay and Midland Counties.)

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Date Completed: 11-9-10

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