Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

BILL ANALYSIS

Telephone: (517) 373-5383
Fax: (517) 373-1986
TDD: (517) 373-0543

Senate Bill 1515 (Substitute S-1 as reported)
Sponsor: Senator Patricia L. Birkholz
Committee: Commerce and Tourism

**CONTENT**

The bill would amend the Community Convention or Tourism Marketing Act to do all of the following:

-- Increase from 2% to 5% the maximum allowable assessment collected from owners of transient facilities (such as hotels and motels) within a convention and tourism bureau's assessment district (one or more counties with a population of less than 650,000, or a city, village, or township within a county of that size).
-- 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 president of the Michigan Strategic Fund) to make a bureau's financial statements and certified report available to the public on the internet.
-- Require the director to mail a demand letter to a bureau that failed to submit copies of its financial statements and certified report.
-- Prohibit a bureau from spending assessments collected during a period of noncompliance with requirements to submit financial statements and certified reports to the State.
-- Specify that if a bureau failed to provide copies of its financial statements and certified report within 90 days of a demand letter, the bureau would be responsible for a State civil infraction and could be ordered to pay a civil fine of up to $10,000.
-- Authorize the Attorney General to bring an action to dissolve a bureau that failed to provide copies of its financial statements and certified report within 90 days of a demand letter.

MCL 141.873 & 141.876 Legislative Analyst: Patrick Affholter

**FISCAL IMPACT**

The bill would have no fiscal impact on State or local government. Convention and tourism bureaus, which are nonprofit entities, would be allowed to assess transient facilities in their district up to 5%, rather than the current 2%, which would potentially represent a significant change in revenue for the bureaus.

Date Completed: 11-9-10 Fiscal Analyst: Eric Scorsone