

# HOUSE BILL NO. 5377

October 07, 2021, Introduced by Reps. Roth, Steckloff, Anthony, Wozniak and Martin and referred to the Committee on Commerce and Tourism.

A bill to amend 1980 PA 395, entitled  
"Community convention or tourism marketing act,"  
by amending section 2 (MCL 141.872), as amended by 2018 PA 626; and  
to repeal acts and parts of acts.

## **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 a
- 3       transient facility within an assessment district, computed by
- 4       application of the applicable percentage against aggregate room

1 charges with respect to that transient facility during the  
2 applicable assessment period.

3 (b) "Assessment district" means a municipality or combination  
4 of municipalities as described in a marketing program. A  
5 combination of municipalities is not required to be contiguous.

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

9 (d) "Board" means the board of directors elected by the  
10 members of a bureau. A majority of the members of a board shall be  
11 owners of transient facilities.

12 (e) "Bureau" means a nonprofit corporation existing to promote  
13 convention business or tourism within this state or a portion of  
14 this state.

15 (f) "Director" means the president of the Michigan strategic  
16 fund or his or her designee.

17 (g) "Hosting platform" means a service through a digital  
18 platform, third-party website, software, online-enabled  
19 application, mobile phone application, or some other similar  
20 electronic process that provides for 1 or more of the following:

21 (i) An owner agent to advertise, list, or offer the transient  
22 facilities under this act.

23 (ii) An owner or owner agent to collect the payment of a  
24 transient facility under this act.

25 (iii) A person to arrange, book, reserve, or rent a transient  
26 facility under this act.

27 (h) "Marketing plan" means the annual marketing plan developed  
28 by the bureau. The marketing plan must include the current list of  
29 municipalities with assessment districts being served by the

1 **bureau.**

2 (i) ~~(g)~~ "Marketing program" means a program established by a  
 3 bureau to develop, encourage, solicit, and promote convention  
 4 business or tourism within this state or a portion of this state  
 5 within which the bureau operates. The encouragement and promotion  
 6 of convention business or tourism includes any service, function,  
 7 or activity, whether or not performed, sponsored, or advertised by  
 8 a bureau, that intends to attract transient guests to the  
 9 assessment district. ~~For a bureau described in section 3(8), a~~  
 10 ~~marketing program includes a contract with a nonprofit organization~~  
 11 ~~formed to promote convention business or tourism that receives~~  
 12 ~~funding from a tax levied under 1974 PA 263, MCL 141.861 to~~  
 13 ~~141.867, in a contiguous county to provide for the promotion of~~  
 14 ~~convention business or tourism.~~

15 (j) ~~(h)~~ "Marketing program notice" means the notice described  
 16 in section 3.

17 (k) ~~(i)~~ "Master plan" means the comprehensive, long-range  
 18 master plan developed by the Michigan travel commission and the  
 19 travel bureau under section 2c of the Michigan tourism policy act,  
 20 1945 PA 106, MCL 2.102c.

21 (l) ~~(j)~~ "Municipality" means a county with a population of less  
 22 than 650,000 or a city, village, or township within a county with a  
 23 population of less than 650,000.

24 (m) ~~(k)~~ "Owner" means the owner of a transient facility to be  
 25 served by the bureau or, if the transient facility is operated or  
 26 managed by a person other than the owner, then the **owner agent,**  
 27 operator, or manager of that transient facility.

28 (n) ~~(l)~~ "Room" means a room or other space provided for  
 29 sleeping that can be rented independently, including the

furnishings and other accessories in the room. Room includes, but is not limited to, a condominium or time-sharing unit that, pursuant to a management agreement, may be used to provide dwelling, lodging, or sleeping quarters for a transient guest.

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

(p) "State use tax" means taxes levied under the use tax act, 1937 PA 94, MCL 205.91 to 205.111.

(q) ~~(n)~~ "Transient facility" means a ~~building or combination of buildings under common ownership, operation, or management that contains 10 or more rooms used in the business of providing dwelling, lodging, or sleeping to transient guests, whether or not membership is required for the use of the rooms.~~ **room or other space provided for sleeping, including furnishing and other accessories in the room or other space, that is rented out for 15 or more days in a calendar year.** Transient facility does not include a college or school dormitory, a hospital, a nursing home, or a facility owned and operated by an organization qualified for an exemption from federal taxation under section 501(c) of the internal revenue code.

(r) ~~(o)~~ "Transient guest" means a natural person who occupies a room in a transient facility for less than 30 consecutive days regardless of who pays the room charge.

(s) ~~(p)~~ "Travel bureau" means the Michigan travel bureau created under section 2a of the Michigan tourism policy act, 1945 PA 106, MCL 2.102a.

1       Enacting section 1. Section 9 of the community convention or  
2 tourism marketing act, 1980 PA 395, MCL 141.879, is repealed.

3       Enacting section 2. This amendatory act does not take effect  
4 unless all of the following bills of the 101st Legislature are  
5 enacted into law:

6       (a) Senate Bill No. \_\_\_\_\_ or House Bill No. 5378 (request no.  
7 04486'21).

8       (b) Senate Bill No. \_\_\_\_\_ or House Bill No. 5379 (request no.  
9 04487'21).