Legislative Analysis



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CONVENTION TOURISM ASSESSMENT

House Bill 6166 as introduced Sponsor: Rep. Tyrone Carter

Committee: Government Operations

Complete to 12-3-24

SUMMARY:

House Bill 6166 would amend the Convention and Tourism Marketing Act, which currently allows an eligible (as defined in the act) travel and convention bureau located in Wayne County to levy an assessment of up to 2% on charges for rooms in facilities with 35 or more guest rooms in the metro Detroit area—that is, in Wayne, Oakland, and Macomb Counties—to pay the costs of its marketing program for the area.

The bill would increase the maximum amount the bureau can assess from 2% to 3%; then to 3.5% beginning January 1, 2025; and then to 4% beginning January 1, 2031.

MCL 141.883

FISCAL IMPACT:

House Bill 6166 could increase revenues for an eligible bureau in Wayne County (Visit Detroit) if the bureau adopted an increase in assessment fees authorized under the bill. Based on the most recently reported assessment revenues, the 2% assessment generated approximately \$18.0 million in revenue. An increase in the assessment fee to 3.5% could generate approximately \$13.5 million in additional revenue. Put another way, for each 0.1 percentage point increase in the assessment, approximately \$900,000 in revenue would be generated, based on the most recently reported assessment revenues.

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