



**House
Legislative
Analysis
Section**

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REGULATE TRAVEL AGENTS

House Bill 4129

Sponsor: Rep. Ilona Varga

Committee: Regulatory Affairs

Complete to 5-9-95

A SUMMARY OF HOUSE BILL 4129 (SUBSTITUTE H-1)

The bill would create a new act, the Travel Promotion Act, to regulate the business of travel promotion, and to specify the damages a customer would be entitled to if harmed by a travel promoter's activities. Under the bill, a "travel promoter" would be a person primarily engaged in soliciting and/or selling tickets for transportation or transportation-related services. A person could not act as a travel promoter unless he or she had obtained at least one of the following: at least \$1 million in errors and omissions insurance; a \$10,000 surety bond or letter of credit, payable to his or her customers; or, at the time payment was received, proof of accreditation in the Airline Reporting Corporation (ARC). However, accreditation in the ARC would demonstrate compliance with the provisions of the bill only if the accreditation required bonding equal to or exceeding the bill's \$10,000 surety bond provision.

Under the bill, a person harmed by the action or inaction of a travel promoter in violation of the bill would be allowed to bring an action in a court of competent jurisdiction. The court could award treble damages to the person harmed.

House Bill 4129 (5-9-95)