

# SENATE BILL NO. 595

July 15, 2021, Introduced by Senator MCBROOM and referred to the Committee on Economic and Small Business Development.

A bill to amend 1989 PA 244, entitled "Regional tourism marketing act," by amending sections 2 and 5 (MCL 141.892 and 141.895), section 2 as amended by 2018 PA 466.

**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
- 3 under this act.
- 4           (b) "Assessment revenues" means the money collected by a
- 5 regional marketing organization from the assessment, including any

1 interest and penalties on the assessment, imposed under this act.

2 (c) "Board" means the board of directors elected by the  
3 members of a regional marketing organization.

4 (d) "Director" means the president of the Michigan strategic  
5 fund or his or her designee.

6 (e) "Master plan" means the comprehensive, long-range master  
7 plan developed by the Michigan travel commission and the travel  
8 bureau under section 2c of the Michigan tourism policy act, 1945 PA  
9 106, MCL 2.102c.

10 (f) "Owner" means the owner of a transient facility that is  
11 located within the regional assessment district or, if the  
12 transient facility is operated or managed by a person other than  
13 the owner, then the operator or manager of that transient facility.  
14 Owner includes a person electing to come under the provisions of  
15 this act pursuant to section 9.

16 (g) "Regional assessment district" means a region of this  
17 state composed of a number of counties in which a regional  
18 marketing organization operates. Regional assessment district does  
19 not include a portion of the region that is a special charter,  
20 fourth class city.

21 (h) "Regional marketing organization" means a nonprofit  
22 corporation that promotes tourism within a region of this state.  
23 Regional marketing organization includes only an organization that  
24 has been operating for 10 or more years and that operates in a  
25 region composed of 15 counties.

26 (i) "Room" means a room or other space provided for sleeping  
27 that can be rented independently, including the furnishings and  
28 other accessories in the room. Room includes, but is not limited  
29 to, a condominium or time-sharing unit that, pursuant to a

1 management agreement, may be used to provide dwelling, lodging, or  
2 sleeping quarters for a transient guest.

3 (j) "Room charge" means the charge imposed for **a short-term**  
4 **rental or** the use or occupancy of a room, excluding charges for  
5 food, beverages, state use tax, telephone service, or like services  
6 paid in connection with the room charge, and reimbursement of the  
7 assessment as allowed in section 6.

8 (k) "Short-term rental" means a rental of a short-term  
9 transient facility of not more than 30 consecutive days.

10 (l) "Short-term transient facility" means an apartment, house,  
11 cottage, condominium, or other occupied property where 1 or more  
12 rooms are rented by an owner through the use of advanced  
13 reservations. A short-term transient facility does not include a  
14 hotel or a motel.

15 (m) ~~(k)~~—"Transient facility" means a **short-term transient**  
16 **facility or** building or combination of buildings under common  
17 ownership, operation, or management that contains 10 or more rooms  
18 used in the business of providing dwelling, lodging, or sleeping to  
19 transient guests, whether or not membership is required for the use  
20 of the rooms. Transient facility includes a building or combination  
21 of buildings, the owner of which has elected to come under the  
22 provisions of this act pursuant to section 9. Transient facility  
23 does not include a college or school dormitory; a hospital; a  
24 nursing home; a hospice; a building or combination of buildings  
25 that is otherwise a transient facility, but that is located within  
26 1 mile of a ski lift as defined in section 2 of the ski area safety  
27 act of 1962, 1962 PA 199, MCL 408.322; or a facility owned and  
28 operated by an organization qualified for an exemption from federal  
29 taxation under section 501(c) of the internal revenue code, **26 USC**

1 501.

2 (n) ~~(l)~~—"Transient guest" means a natural person who occupies a  
3 room in a transient facility for less than 30 consecutive days  
4 regardless of who pays the room charge.

5 (o) ~~(m)~~—"Tourism marketing program" means a program  
6 established by a regional marketing organization to develop,  
7 encourage, solicit, and promote tourism within a region of this  
8 state. The encouragement and promotion of tourism includes a  
9 service, function, or activity, whether or not performed,  
10 sponsored, or advertised by a regional marketing organization, that  
11 intends to attract transient guests to the regional assessment  
12 district.

13 (p) ~~(n)~~—"Tourism marketing program notice" means the notice  
14 described in section 3.

15 (q) ~~(e)~~—"Travel bureau" means the Michigan travel bureau  
16 created under section 2a of the Michigan tourism policy act, 1945  
17 PA 106, MCL 2.102a.

18 Sec. 5. A tourism marketing program may include 1 or more of  
19 the following:

20 (a) A provision for establishing and paying the costs of  
21 advertising, marketing, and promotional programs to encourage  
22 tourism in the regional assessment district.

23 (b) A provision for assisting a transient facility within the  
24 regional assessment district to promote tourism.

25 (c) A provision for the acquisition of personal property  
26 considered appropriate by the regional marketing organization to  
27 achieve the purpose of the tourism marketing program.

28 (d) A provision for the hiring of and payment for personnel  
29 employed by the regional marketing organization to implement the

1 tourism marketing program.

2 (e) A provision for contracting with organizations, agencies,  
3 or persons to carry out activities to achieve the purpose of the  
4 tourism marketing program.

5 (f) A program to establish and pay for the costs of research  
6 designed to encourage tourism in the regional assessment district.

7 (g) A provision to incur any other expense or cost that the  
8 board, in the exercise of its reasonable business judgment,  
9 considers reasonably related to the promotion of tourism within the  
10 regional assessment district.

11 (h) A procedure for election of the board that requires that a  
12 majority of the members of the board are owners.

13 **(i) A provision clarifying the assessment on room charges for**  
14 **short-term rentals of short-term transient facilities.**