MENOMINEE COUNTY BOARD OF COMMISSIONERS

Menominee County Courthouse 839 10th Avenue Menominee, MI 49858 www.menomineecounty.com Jason Carviou – County Administrator Sherry DuPont – Administrative Assistant Telephone: (906) 863-7779 or 863-9648 Fax: (906) 863-8839

RESOLUTION – 2020-26

RESOLUTION IN SUPPORT OF HOUSE BILL ESTABLISHING A TOURISM REINVESTMENT EXCISE TAX

WHEREAS, the Upper Peninsula has experienced a steady increase in tourism over the past several years, which is exemplified by a nearly 20% increase in tourism related spending in the Upper Peninsula between 2011 and 2017 as cited by the Michigan Economic Development Corporation; and

WHEREAS, while increased tourism spending results in positive economic impacts for the private sector and increased state tax revenue, local revenue growth remains far more restricted. Local revenue growth remains restricted to local property taxes, which modest increases are insufficient to cover additional expenses incurred due to increased tourism in Menominee County; and

WHEREAS, tourism results in measurable increased spending by local units of government to provide additional services. This is especially true for law enforcement, fire, and emergency medical services being provided. Menominee County is not only a destination for tourism in the Upper Peninsula, but also provides two main corridors of access to the rest of the Upper Peninsula; and

WHEREAS, Menominee County is a geographically large county, which already places strain on our emergency services. Additional requests for emergency services doe to the growing number of visitors to Menominee County place an additional strain on an already burdened system; and

WHEREAS, it is undeniable that increased tourism has resulted in increased costs for emergency services and parks and recreation budget borne by local units of government with no recourse to raise additional revenue to cover these expenses; and

WHEREAS, Menominee County residents should not be asked to subsidize additional costs related to tourism. Residents in the Upper Peninsula already bear proportionately higher property taxes due to the large number of non-taxable and tax-restricted properties in the Upper Peninsula; and

WHEREAS, House Bill 4590, introduced by State Representative Sara Cambensy, seeks to establish a Tourism Reinvestment Tax, that if approved by local voters, would allow Menominee County the option to tax local room rentals at a rate not to exceed 5% of the total room rate. The revenue generated from this tax would be designated specifically for emergency medical services and parks and recreation.

NOW, THEREFORE, BE IT RESOLVED that Menominee County fully supports the passage of House Bill 4590 and that a copy of this Resolution be sent to Governor Gretchen Whitmer, Senate Majority Leader Mike Shirkey, Speaker Lee Chatfield, Senator Ed McBroom, Representative Beau LeFave, Representative Sara Cambensy, the Michigan Association of Counties (MAC), the Upper Peninsula Commission for Area Progress (UPCAP), and to all of the counties located in the Upper Peninsula.

Roll call vote:	AYES: <u>8</u>	NAYS:		
RESOLUTION DE	CLARED ADOPT	TED.		
Doug	Q Picho			9/22/2020
Gerald Piche, Chairn	nan			Date
STATE OF MICHIC	GAN)			
COUNTY OF MEN	OMINEE)	S.		

I hereby certify that the foregoing is a true and complete copy of **Resolution 2020-26** adopted by the County Board of Commissioners at a regular meeting held on **September 22**, **2020**, and I further certify that the public notice of such meeting was given as provided by law.

Marc Kleiman, Menominee County Clerk