

# ALGER COUNTY BOARD OF COMMISSIONERS

Mary Ann Froberg, Clerk  
101 COURT STREET, MUNISING, MI 49862

## RESOLUTION #2020-09

### **Alger County Resolution on House Bill 4590 A Bill to Create a Tourism Reinvestment Excise Tax**

**Whereas**, tourism rates have increased steadily across the Upper Peninsula in recent years. This growth is apparent in an almost 20 percent increase in visitor spending in the U.P. between 2011 and 2017, according to the Michigan Economic Development Corporation.

**Whereas**, while this growth in tourism results in positive economic impacts to the private sector and increased state tax revenue, local revenue growth is far more restricted. This local revenue growth is limited to local property taxes, any modest increase of which is insufficient to cover the costs of the growth in tourism.

**Whereas**, recreational activity by tourists result in measurable increased strain on local services. This is especially true of life-saving medical services that impact not only visitor safety but that of residents as well. Alger County has witnessed a 240 percent growth in non-residential emergency runs between 2012 and 2018. Additionally, the number of out-of-state tickets for traffic violations has more than doubled in the past five years.

**Whereas**, the geographic distances between local services, hospitals and the sites of emergency events can be very large. This places further strain on the ability of EMS to respond in a timely manner when multiple calls are received in one day, putting lives at risk.

**Whereas**, large numbers of tourists impact the cost of emergency services, as well as parks and recreation, in local budgets. There is currently no recourse for County governments to levy taxes that only impact visitors in order to account for these increased costs.

**Whereas**, local residents should not be asked to subsidize with their own limited resources, the increased costs of tourism. U.P. residents already pay relatively high property taxes, due in part to greater amount of non-taxable and tax-restricted properties, which shifts the tax burden onto regular property owners. Local voters have also been asked to approve a greater number of special assessments in recent years, due to constrained local revenue in rural counties.

**Whereas**, House Bill 4590, introduced by State Representative Sara Cambensy, provides for a Tourism Reinvestment Excise Tax that, if approved by local voters, would allow Counties the option to tax local room rentals at rate not to exceed 5 percent of the total room rate. The revenue generated would be designated specifically for emergency medical services and parks and recreation costs

**Therefore, Be it resolved that**, Alger County fully supports the passage House Bill 4590 and that copies of this resolution be sent to Governor Gretchen Whitmer, Senate Majority Leader Mike Shirkey, Speaker Lee Chatfield, the Michigan Association of Counties (MAC) and the Upper Peninsula Commission for Area Progress (UPCAP).

**CERTIFICATION**

I hereby certify that the above is a true copy of a Resolution adopted by the Alger County Board of Commissioners at the time, date, and place specified above pursuant to the required statutory procedures.

Respectfully submitted,

  
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Mary Ann Froberg, Alger County Clerk

Dated: September 14, 2020

