

PART 1

Slide 1

Chairman Rendon, committee members, my name is Linda Singer. I represent the Michigan Lake to Lake Bed and Breakfast Association as its executive director. I am joined today by an innkeeper who represents the 84 other member innkeepers who are folding laundry, stripping beds, preparing guest rooms and shopping for tomorrow's breakfast.

Bed and Breakfasts are pretty much "Mom and Pop" operations – owner driven and owner operated. The same person who greets you at the door of a B&B is most likely the same person who cleaned the toilets earlier and made sure your linens were spotless and the flowers fresh in your guest room. The same person may quickly become your newest friend over a glass of wine or a cup of tea while pointing you toward the best "insider" places to enjoy dinner and play. Innkeepers are "on stage" 24/7, 365 days a year. It's a profession that requires passion or it would quickly grow old. And it's a business that makes a big impact on Michigan's overall tourism industry even though its numbers are relatively small.

As an association, we've identified close to 350 lodgings in Michigan that claim to be bed and breakfast inns. A good portion of those would not meet our requirements for membership for any number of reasons. Foremost would be

- the ratio of guest rooms to bathrooms,
- the inclusion of breakfast as part of the lodging rate,
- a verifiable level of cleanliness and quality
- proof of a professionally managed reservation system.....
- the overall maintenance and upkeep of the structure and grounds....
- A range of safety measures from fire protection to first aid kits.

Of those 350 potential B&Bs, probably half would not meet the state association standards. Half of the remaining qualified B&Bs are already members. We'll keep working on the rest.

YOU CAN SEE ON THE SCREEN the mission of the association.

Slide 2

This is what the Lake to Lake B&B brand promises guests visiting from within and outside Michigan.

Guests rest assured of quality lodging,
warm personal hospitality, enjoyable breakfasts
and an exceptional Pure Michigan experience.

To achieve our brand promise, we provide our member inns:

- Education on best practices and industry trends
- Regular Quality Assurance inspections of every inn member
- Marketing tools to put heads in beds
- Industry sustainability through mentoring programs
- Advocacy to ensure a robust lodging business climate

These members, whose B&Bs RANGE from 2 – 14 ROOMS,
who generally have only a part-time seasonal employee or two,
and who must make enough money to feed their kids and put them through school in a three-month period of time....

PAY an AVERAGE ANNUAL USE TAX of \$18,340. In total, the 85 members of this association contribute more than \$1.5 million to the state's tax coffers.

This doesn't begin to tell the story of B&Bs. That's why I brought a REAL innkeeper with me today to tell HER story and the story of bed and breakfast innkeeping in Michigan.

PART II

Slide 3 – At Willow Pond, presentation by Claire Vandenburg

Last Slide

PART III

Now that you know who we are and our niche in Michigan's tourism industry, I'd like to briefly share with you the three challenges we face as a small but unique and vital part of the whole shebang.

#1. In 2017, tourism interests are asking you to fund the Pure Michigan Campaign in the amount of \$40 million dollars. It's well proven the return on investment would make a Wall Street banker sing for joy – a whopping \$6.87 generated in state sales tax revenue for every dollar spent on the campaign. Not only do we join with tourism interests in asking for full funding next year, we hope you all in Lansing will find a way to fund Pure Michigan permanently so we don't have to come back year-after-year to beg.

#2. We understand House Bill 5193 is going up for a vote in the House any day now. We respectfully beg that you not approve it, because approving it would effectively kill the law that mandates Michigan schools start after Labor Day. Every innkeeper is a parent or a grandparent and every innkeeper want the best possible education for their children. But you would have to come up with statistics that have not yet shown themselves to convince us our kids will suffer if school starts after Labor Day. Over 70% of voters agree, and since the PLDS law was passed, August has moved into the #1 most favored vacation month for families.

#3. While we realize the regulation of lodging facilities is locally controlled, we hope you will make yourselves aware of how damaging the illegal short-term rental phenomenon is to legitimate B&Bs – and all legitimate lodgings -- and encourage local government jurisdictions in your districts to enact ordinances that keep neighborhoods safe, protect the consumer and level the playing field for these hard-working mom and pops who pay their licensing fees and their taxes and whatever else is required.

THANK YOU for opportunity to talk with you today. If you have any questions, we're happy to answer them.