

SSB 6446 - S AMD 131  
By Senator Fraser

1 Strike everything after the enacting clause and insert the  
2 following:

3 "Sec. 1. RCW 67.28.1816 and 2008 c 28 s 1 are each amended to read  
4 as follows:

5 (1)(a) Lodging tax revenues under this chapter may be used,  
6 directly by local jurisdictions or indirectly through a convention and  
7 visitors bureau or destination marketing organization, for the  
8 marketing and operations of special events and festivals and to support  
9 the operations and capital expenditures of tourism-related facilities  
10 owned by nonprofit organizations described under section 501(c)(3) and  
11 section 501(c)(6) of the internal revenue code of 1986, as amended.

12 (b) Applicants applying for funding from revenues in this chapter  
13 must provide the local jurisdiction to which they are applying  
14 estimates of how any funding received will result in increases in  
15 tourists visiting from fifty miles or more to the local jurisdiction or  
16 other specific tourism-related economic benefits to the local  
17 jurisdiction. All applicants must submit a postevent report to the  
18 local jurisdiction evaluating the actual tourism benefits resulting  
19 from the use of the funds as compared with the estimates contained in  
20 the application.

21 (2) Local jurisdictions that use the lodging tax revenues under  
22 this section must submit an annual economic impact report to the  
23 department of (~~community, trade, and economic development~~) commerce  
24 for expenditures made beginning January 1, 2008. These reports must  
25 include the expenditures by the local jurisdiction for tourism  
26 promotion purposes and what is used by a nonprofit organization exempt  
27 from taxation under 26 U.S.C. Sec. 501(c)(3) or 501(c)(6). This  
28 economic impact report, at a minimum, must include: (a) The total  
29 revenue received under this chapter for each year; (b) the list of  
30 festivals, special events, or nonprofit 501(c)(3) or 501(c)(6)

1 organizations that received funds under this chapter; (c) the list of  
2 festivals, special events, or tourism facilities sponsored or owned by  
3 the local jurisdiction that received funds under this chapter; (d) the  
4 amount of revenue expended on each festival, special event, or  
5 tourism-related facility owned or sponsored by a nonprofit 501(c)(3) or  
6 501(c)(6) organization or local jurisdiction; (e) the estimated number  
7 of tourists, persons traveling over fifty miles to the destination,  
8 persons remaining at the destination overnight, and lodging stays  
9 generated per festival, special event, or tourism-related facility  
10 owned or sponsored by a nonprofit 501(c)(3) or 501(c)(6) organization  
11 or local jurisdiction; and (f) any other measurements the local  
12 government finds that demonstrate the impact of the increased tourism  
13 attributable to the festival, special event, or tourism-related  
14 facility owned or sponsored by a nonprofit 501(c)(3) or 501(c)(6)  
15 organization or local jurisdiction.

16 (3) The department of commerce may modify the standardized form  
17 used to compile the economic impact reports in consultation with  
18 associations representing cities, counties, and the tourism industry.

19 (4) The joint legislative audit and review committee must report to  
20 the legislature and the governor on the use and economic impact of  
21 lodging tax revenues by local jurisdictions since January 1, 2008, to  
22 support festivals, special events, and tourism-related facilities owned  
23 or sponsored by a nonprofit organization under section 501(c)(3) or  
24 501(c)(6) of the internal revenue code of 1986, as amended, or a local  
25 jurisdiction, and the economic impact generated by these festivals,  
26 events, and facilities. This report (~~(shall be)~~) is due September 1,  
27 2012 with an update of the report due September 1, 2013.

28 (~~(+4)~~) (5) Reporting under this section must begin with calendar  
29 year 2008.

30 (~~(+5)~~) (6) This section expires (~~(June 30, 2013)~~) December 31,  
31 2014.

32 **Sec. 2.** RCW 67.28.080 and 2007 c 497 s 1 are each reenacted and  
33 amended to read as follows:

34 The definitions in this section apply throughout this chapter  
35 unless the context clearly requires otherwise.

36 (1) "Acquisition" includes, but is not limited to, siting,  
37 acquisition, design, construction, refurbishing, expansion, repair, and

1 improvement, including paying or securing the payment of all or any  
2 portion of general obligation bonds, leases, revenue bonds, or other  
3 obligations issued or incurred for such purpose or purposes under this  
4 chapter.

5 (2) "Municipality" means any county, city or town of the state of  
6 Washington.

7 (3) "Operation" includes, but is not limited to, operation,  
8 management, and marketing.

9 (4) "Person" means the federal government or any agency thereof,  
10 the state or any agency, subdivision, taxing district or municipal  
11 corporation thereof other than county, city or town, any private  
12 corporation, partnership, association, or individual.

13 (5) "Tourism" means economic activity resulting from tourists,  
14 which may include sales of overnight lodging, meals, tours, gifts, or  
15 souvenirs.

16 (6) "Tourism promotion" means activities, operations, and  
17 expenditures designed to increase tourism, including but not limited to  
18 advertising, publicizing, or otherwise distributing information for the  
19 purpose of attracting and welcoming tourists; developing strategies to  
20 expand tourism; operating tourism promotion agencies; and funding the  
21 marketing of or the operation of special events and festivals designed  
22 to attract tourists.

23 (7) "Tourism-related facility" means real or tangible personal  
24 property with a usable life of three or more years, or constructed with  
25 volunteer labor that is: (a)(i) Owned by a public entity; (ii) owned  
26 by a nonprofit organization described under section 501(c)(3) of the  
27 federal internal revenue code of 1986, as amended; or (iii) owned by a  
28 nonprofit organization described under section 501(c)(6) of the federal  
29 internal revenue code of 1986, as amended, a business organization,  
30 destination marketing organization, main street organization, lodging  
31 association, or chamber of commerce and (b) used to support tourism,  
32 performing arts, or to accommodate tourist activities.

33 (8) "Tourist" means a person who travels from a place of residence  
34 to a different town, city, county, state, or country, for purposes of  
35 business, pleasure, recreation, education, arts, heritage, or culture.

36 (9) Amendments made in section 1, chapter 497, Laws of 2007 expire  
37 (~~June 30, 2013~~) December 31, 2014."

1        On page 1, line 1 of the title, after "tax;" strike the remainder  
2 of the title and insert "amending RCW 67.28.1816, reenacting and  
3 amending RCW 67.28.080; and providing expiration dates"

EFFECT:        (1) Applicants applying for funding from lodging taxes must provide estimates on how any funding received will result in increases in tourists visiting from fifty miles or more to the local jurisdiction or other specific tourism-related benefits to the local jurisdiction. They must also provide a postevent report to the local jurisdiction evaluating the actual tourism benefits resulting from the use of the funds as compared with the estimates contained in the application.

(2) JLARC must provide a report to the legislature in September 2012. In addition they must do an update to this report in September of 2013.

(3) The department of commerce may modify the standardized form used to compile the economic impacts from the use of the funds with the help of the cities, counties, and tourism industry.

--- END ---