

# HOUSE BILL REPORT

## HB 2715

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### As Passed Legislature

**Title:** An act relating to marketing funds for the state convention and trade center.

**Brief Description:** Revising state convention and trade center marketing provisions.

**Sponsors:** By Representatives Murray and Esser.

### Brief History:

#### Committee Activity:

Trade & Economic Development: 2/5/02, 2/7/02 [DP].

#### Floor Activity:

Passed House: 2/14/02, 85-13.

Passed Senate: 3/5/02, 44-3.

Passed Legislature.

### Brief Summary of Bill

- Removes the requirement that any contract entered into by the Washington State Convention and Trade Center (WSCTC) with the Seattle-King County Convention and Visitors Bureau (SKCCVB), for the marketing of the WSCTC's facilities and services, contain language that requires a match of \$1.10 of non-state funds for every dollar provided by the WSCTC.

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### HOUSE COMMITTEE ON TRADE & ECONOMIC DEVELOPMENT

**Majority Report:** Do pass. Signed by 6 members: Representatives Veloria, Chair; Eickmeyer, Vice Chair; Chase, Dunn, Fromhold and Gombosky.

**Minority Report:** Without recommendation. Signed by 2 members: Representatives Ahern and Mulliken.

**Staff:** Kenny Pittman (786-7392).

### Background:

In 1982 the Legislature imposed an additional hotel-motel tax to fund the construction and operation of the Washington State convention and Trade Center (WSCTC) located in

Seattle. The additional state sales tax is imposed on the renting of hotels and motels in King County that contain more than 60 lodging units. The rate of the additional state sales tax is 7 percent in Seattle and 2.8 percent in King County outside the city of Seattle.

In 1988 the Legislature authorized the expansion of the WSCTC. The WSCTC corporation was also authorized to contract with the Seattle-King County Convention and Visitors Bureau (SKCCVB) for the marketing of the WSCTC's facilities and services. Any contract had to include a provision that required for each dollar provided to the SKCCVB by the WSCTC must be matched by at least \$1.10 in non-state funds.

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**Summary of Bill:**

The contract provision that required a match of \$1.10 in non-state funds to every \$1.00 provided by the WSCTC to the SKCCVB is removed. The funds were used for the marketing of the facilities and services of the WSCTC by the SKCCVB.

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**Appropriation:** None.

**Fiscal Note:** Not Requested.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** At this time we need to increase our promotion and marketing efforts of the state's convention and trade center. The money generated by the hotel/motel tax for the convention and trade center has increased to the point that it is hard for the other partners to meet the statutory non-state funds matching requirement. This bill would remove the existing matching requirement and allow the state convention and trade center board of directors to establish it on an annual basis. This increase in flexibility will allow the SKCCVB to continue and increase promotion and marketing of its facilities.

**Testimony Against:** None.

**Testified:** Becky Bogard, Seattle/King County Convention and Visitors Bureau; and Chip Firth, Washington State Convention and Trade Center.