
HOUSE BILL 2713

State of Washington 57th Legislature 2002 Regular Session

By Representatives Veloria, Van Luven and Woods

Read first time 01/24/2002. Referred to Committee on Finance.

1 AN ACT Relating to the use of hotel-motel taxes; and amending RCW
2 67.28.080, 67.28.1817, and 67.28.1815.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 67.28.080 and 1997 c 452 s 2 are each amended to read
5 as follows:

6 The definitions in this section apply throughout this chapter
7 unless the context clearly requires otherwise.

8 (1) "Acquisition" includes, but is not limited to, siting,
9 acquisition, design, construction, refurbishing, expansion, repair, and
10 improvement, including paying or securing the payment of all or any
11 portion of general obligation bonds, leases, revenue bonds, or other
12 obligations issued or incurred for such purpose or purposes under this
13 chapter.

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

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

18 (4) "Person" means the federal government or any agency thereof,
19 the state or any agency, subdivision, taxing district or municipal

1 corporation thereof other than county, city or town, any private
2 corporation, partnership, association, or individual.

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

6 (6) "Tourism promotion" means activities and expenditures designed
7 to increase tourism, including but not limited to advertising,
8 publicizing, or otherwise distributing information for the purpose of
9 attracting and welcoming tourists; developing strategies to expand
10 tourism; operating tourism promotion agencies; and funding marketing of
11 special events and festivals designed to attract tourists.

12 (7) "Tourism-related facility" means real or tangible personal
13 property with a usable life of three or more years, or constructed with
14 volunteer labor, and used to support tourism, (~~(performing arts,~~) or
15 to accommodate tourist activities which may include the performing
16 arts.

17 (8) "Tourist" means a person who travels from a place of residence
18 to a different town, city, county, state, or country, for purposes of
19 an overnight stay related to business, pleasure, recreation, education,
20 arts, heritage, or culture.

21 **Sec. 2.** RCW 67.28.1817 and 1998 c 35 s 3 are each amended to read
22 as follows:

23 (1) Before proposing imposition of a new tax under this chapter, an
24 increase in the rate of a tax imposed under this chapter, repeal of an
25 exemption from a tax imposed under this chapter, or a change in the use
26 of revenue received under this chapter, a municipality with a
27 population of five thousand or more shall establish a lodging tax
28 (~~(advisory)~~) committee under this section. A lodging tax (~~(advisory)~~)
29 committee shall consist of at least five members, appointed by the
30 legislative body of the municipality, unless the municipality has a
31 charter providing for a different appointment authority. The committee
32 membership shall (~~(include)~~) consist of the following: (a) At least
33 two members who are representatives of businesses required to collect
34 tax under this chapter; (~~(and)~~) (b) at least two members who are
35 persons involved in activities authorized to be funded by revenue
36 received under this chapter; and (c) one member who is an elected
37 official of the municipality who shall serve as chair. Persons who are
38 eligible for appointment under (a) of this subsection are not eligible

1 for appointment under (b) of this subsection. (~~(Persons who are~~
2 ~~eligible for appointment under (b) of this subsection are not eligible~~
3 ~~for appointment under (a) of this subsection.)) Organizations
4 representing businesses required to collect tax under this chapter,
5 organizations involved in activities authorized to be funded by revenue
6 received under this chapter, and local agencies involved in tourism
7 promotion may submit recommendations for membership on the committee.
8 The number of members who are representatives of businesses required to
9 collect tax under this chapter shall equal the number of members who
10 are involved in activities authorized to be funded by revenue received
11 under this chapter. (~~One member shall be an elected official of the~~
12 ~~municipality who shall serve as chair of the committee. An advisory))
13 A committee for a county may include one nonvoting member who is an
14 elected official of a city or town in the county. (~~An advisory)) A
15 committee for a city or town may include one nonvoting member who is an
16 elected official of the county in which the city or town is located.
17 The appointing authority shall review the membership of the
18 (~~advisory)) committee annually and make changes as appropriate.~~~~~~~~

19 (2) Any municipality that proposes imposition of a tax under this
20 chapter, an increase in the rate of a tax imposed under this chapter,
21 repeal of an exemption from a tax imposed under this chapter, or a
22 change in the use of revenue received under this chapter shall submit
23 the proposal to the lodging tax (~~advisory)) committee for review and
24 comment and approval or rejection. The submission shall occur at least
25 forty-five days before final action on or passage of the proposal by
26 the municipality. The (~~advisory)) committee shall (~~submit comments~~
27 ~~on)) approve or reject the proposal in a timely manner through
28 generally applicable public comment procedures. The comments shall
29 include reasons for approval or rejection, including an analysis of the
30 extent to which the proposal will accommodate activities for tourists
31 or increase tourism, and the extent to which the proposal will affect
32 the long-term stability of the fund created under RCW 67.28.1815.
33 (~~Failure of the advisory committee to submit comments before final~~
34 ~~action on or passage of the proposal shall not prevent the municipality~~
35 ~~from acting on the proposal. A municipality is not required to submit~~
36 ~~an amended proposal to an advisory committee under this section.))
37 Multiyear expenditures from the fund for a project or proposal shall be
38 reviewed and approved or rejected annually, except if an expenditure is
39 to secure financing for a tourist-related facility. No use of funds~~~~~~~~

1 can be approved by the municipality until the committee has approved
2 its use.

3 (3) If a municipality with a population of less than five thousand
4 establishes a lodging tax advisory committee, then the committee shall
5 be composed according to subsection (1) of this section and shall
6 follow the procedures according to subsection (2) of this section.

7 **Sec. 3.** RCW 67.28.1815 and 1997 c 452 s 4 are each amended to read
8 as follows:

9 All revenue from taxes imposed under this chapter shall be credited
10 to a special fund in the treasury of the municipality imposing such tax
11 and used solely for the purpose of paying all or any part of the cost
12 of tourism promotion, acquisition of tourism-related facilities, or
13 operation of tourism-related facilities. Municipalities may, under
14 chapter 39.34 RCW, agree to the utilization of revenue from taxes
15 imposed under this chapter for the purposes of funding a
16 multijurisdictional tourism-related facility. Municipalities must use
17 or pledge at least seventy-five percent of the funds generated every
18 calendar year.

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