

SENATE BILL REPORT

SB 5798

As Reported By Senate Committee On:
International Trade & Economic Development, February 24, 2005

Title: An act relating to tourism promotion.

Brief Description: Using television advertising to promote tourism in Washington.

Sponsors: Senators Parlette, Shin, Jacobsen, Haugen, Finkbeiner, Kohl-Welles, Mulliken and Rasmussen.

Brief History:

Committee Activity: International Trade & Economic Development: 2/17/05, 2/24/05
[DPS-WM, w/oRec].

SENATE COMMITTEE ON INTERNATIONAL TRADE & ECONOMIC DEVELOPMENT

Majority Report: That Substitute Senate Bill No. 5798 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Shin, Chair; Doumit, Eide and Roach.

Minority Report: That it be referred without recommendation.

Signed by Senator Zarelli.

Staff: Joyce Ahlering (360-786-7486)

Background: Washington offers many opportunities for tourists of all interests. The Department of Community, Trade, and Economic Development (CTED) coordinates with public and private tourism development associations to promote the state's tourism to national and international markets.

The upcoming 2010 Olympic Winter Games in Vancouver, Canada present significant opportunities for further state tourism promotion.

Summary of Substitute Bill: CTED is to contract with an in-state business or organization to implement a television tourism promotion campaign in markets outside of Washington. No more than 15 percent of the television campaign appropriation is to be spent on overhead or staff costs. If no appropriation for the television campaign is made, CTED is to consider a television campaign in future tourism promotions.

Substitute Bill Compared to Original Bill: CTED's television tourism promotion campaign is to be implemented in markets outside of Washington, instead of nationally and internationally. The requirement that the campaign must feature both eastern and western Washington tourism opportunities is removed.

The total appropriation for the television tourism campaign is 3,500,000 dollars, eliminating the "or as much thereof as may be necessary" language. Instead of requiring CTED to cover the costs of the campaign if no appropriation is made, CTED is to consider a television tourism promotion campaign if no appropriation is made.

Appropriation: \$1,750,000 in FY 2006; \$1,750,000 in FY 2007.

Fiscal Note: Requested on February 15, 2005; Substitute bill fiscal note requested on February 24, 2005.

Committee/Commission/Task Force Created: No.

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

Testimony For: Since every dollar spent on tourism in the state brings back 39 dollars in tourism, a television tourism campaign is a wise investment. Television promotion will attract 2010 Olympics travelers to Washington State.

Testimony Against: If no appropriation for this television campaign is made, requiring CTED to fund the television promotion will wipe out the existing tourism budget.

Other: A television tourism campaign will be costly. Along with that, an effective tourism campaign must integrate a World Wide Web presence rather than only a television presence.

Who Testified: PRO: Senator Linda Evans Parlette, prime sponsor; Craig Larsen, Wenatchee Valley Chamber of Commerce. OTHER: Ruthie Reinert, Washington Convention Visitor's Bureau; Becky Bogard, Washington Association of Convention & Visitor Bureaus; Ron Newbry, Washington Economic Development Association; T.K. Bentler, Washington State Hotel & Lodging Association.

CON: Peter McMillin, CTED.