H-0282.3				

HOUSE BILL 1290

State of Washington 61st Legislature 2009 Regular Session

By Representatives Maxwell, Rodne, Kenney, Green, Clibborn, Liias, Anderson, and Hunter

Read first time 01/16/09. Referred to Committee on Community & Economic Development & Trade.

- 1 AN ACT Relating to local tourism promotion areas; amending RCW
- 2 35.101.010, 35.101.050, 35.101.070, and 35.101.080; and adding a new
- 3 section to chapter 35.101 RCW.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 35.101.010 and 2003 c 148 s 1 are each amended to read 6 as follows:
- 7 Unless the context clearly requires otherwise, the definitions in 8 this section apply throughout this chapter.
- 9 (1) "Area" means a tourism promotion area.
- 10 (2) "Legislative authority" means the legislative authority of any county with a population greater than forty thousand ((but less than
- one million)), or of any city or town within such a county, including
- 13 unclassified cities or towns operating under special charters.
- 14 However, in counties with a population of one million or more, the
- 15 <u>legislative authority shall be comprised of two or more jurisdictions</u>
- 16 <u>acting jointly as the legislative authority under an interlocal</u>
- 17 agreement created under chapter 39.34 RCW for the joint establishment
- 18 <u>and operation of a tourism promotion area.</u>

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- 1 (3) "Lodging business" means a person that furnishes lodging 2 taxable by the state under chapter 82.08 RCW that has forty or more 3 lodging units.
- 4 (4) "Tourism promotion" means activities and expenditures designed 5 to increase tourism and convention business, including but not limited 6 to advertising, publicizing, or otherwise distributing information for 7 the purpose of attracting and welcoming tourists, and operating tourism 8 destination marketing organizations.
- 9 **Sec. 2.** RCW 35.101.050 and 2003 c 148 s 5 are each amended to read 10 as follows:
- 11 A legislative authority may impose a charge on the furnishing of 12 lodging by a lodging business located in the area.
- 13 (1) There shall not be more than six classifications upon which a charge can be imposed.
- 15 (2) Classifications can be based upon the number of rooms, room 16 revenue, or location within the area. <u>Furthermore</u>, <u>if an exemption</u> 17 <u>request is made as provided in subsection (5) of this section, one of</u> 18 <u>the six classifications shall be an exempt classification with a rate</u> 19 <u>equal to zero</u>.
- 20 (3) Each classification may have its own rate, which shall be 21 expressed in terms of nights of stay.
- 22 (4) In no case may the rate under this section be in excess of two 23 dollars per night of stay.
- 24 (5) If a lodging business within the area makes an exemption 25 request to the legislative authority on or before the date of the 26 hearing under RCW 35.101.030, the lodging business is exempt from the 27 charge. This subsection only applies to counties with a population of 28 one million or more.
- 29 **Sec. 3.** RCW 35.101.070 and 2003 c 148 s 7 are each amended to read 30 as follows:
- Whenever a hearing is held under RCW 35.101.030, the legislative authority shall hear all protests ((and)), receive evidence for or against the proposed action, and receive and acknowledge any requests for exemption under RCW 35.101.050. The legislative authority may continue the hearing from time to time. Proceedings shall terminate if

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- 1 protest is made by the lodging businesses in the area which would pay
- 2 a majority of the proposed charges.
- 3 **Sec. 4.** RCW 35.101.080 and 2003 c 148 s 8 are each amended to read 4 as follows:
- Only after an initiation petition has been presented to the legislative authority under RCW 35.101.020 and only after the
- 7 legislative authority has conducted a hearing under RCW 35.101.030, may
- 8 the legislative authority adopt an ordinance to establish an area. If
- 9 the legislative authority adopts an ordinance to establish an area, the 10 ordinance shall contain the following information:
- 11 (1) The number, date, and title of the resolution of intention 12 pursuant to which it was adopted;
- 13 (2) The time and place the hearing was held concerning the 14 formation of the area;
 - (3) The description of the boundaries of the area;
- 16 (4) The initial or additional rate of charges to be imposed with a 17 breakdown by classification, if such classification is used;
- 18 (5) The name of lodging businesses submitting exemption requests 19 under RCW 35.101.050(5);
- 20 <u>(6)</u> A statement that an area has been established; and
- 21 $((\frac{6}{}))$ The uses to which the charge revenue shall be put.
- 22 Uses shall conform to the uses declared in the initiation petition
- 23 under RCW 35.101.020.

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- NEW SECTION. Sec. 5. A new section is added to chapter 35.101 RCW to read as follows:
 - (1) The furnishing of lodging at a new lodging facility located within a tourism promotion area is exempt from the charge imposed under this chapter unless the lodging business submits a petition to the legislative authority indicating that lodging furnished at the new lodging facility will be subject to the charge.
- 31 (2) This section only applies to a new lodging facility located 32 within a county with a population of one million five hundred thousand 33 or more.
- 34 (3) For the purposes of this section, "new lodging facility" means

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- 1 a recently constructed lodging facility where the facility is issued a
- 2 certificate of occupancy on or after the effective date of this act.

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