

SHB 1253 - H AMD 300

By Representative Condotta

OUT OF ORDER 03/13/2013

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

13 (~~(2) ((Local jurisdictions that use the lodging tax revenues under
14 this section must submit an annual economic impact report to the
15 department of community, trade, and economic development for
16 expenditures made beginning January 1, 2008. These reports must
17 include the expenditures by the local jurisdiction for tourism
18 promotion purposes and what is used by a nonprofit organization exempt
19 from taxation under 26 U.S.C. Sec. 501(c)(3) or 501(c)(6). This
20 economic impact report, at a minimum, must include: (a) The total
21 revenue received under this chapter for each year; (b) the list of
22 festivals, special events, or nonprofit 501(c)(3) or 501(c)(6)
23 organizations that received funds under this chapter; (c) the list of
24 festivals, special events, or tourism facilities sponsored or owned by
25 the local jurisdiction that received funds under this chapter; (d) the
26 amount of revenue expended on each festival, special event, or
27 tourism-related facility owned or sponsored by a nonprofit 501(c)(3) or
28 501(c)(6) organization or local jurisdiction; (e) the estimated number
29 of tourists, persons traveling over fifty miles to the destination,
30 persons remaining at the destination overnight, and lodging stays~~

1 ~~generated per festival, special event, or tourism-related facility~~
2 ~~owned or sponsored by a nonprofit 501(c)(3) or 501(c)(6) organization~~
3 ~~or local jurisdiction; and (f) any other measurements the local~~
4 ~~government finds that demonstrate the impact of the increased tourism~~
5 ~~attributable to the festival, special event, or tourism-related~~
6 ~~facility owned or sponsored by a nonprofit 501(c)(3) or 501(c)(6)~~
7 ~~organization or local jurisdiction.~~

8 ~~(3) The joint legislative audit and review committee must report to~~
9 ~~the legislature and the governor on the use and economic impact of~~
10 ~~lodging tax revenues by local jurisdictions since January 1, 2008, to~~
11 ~~support festivals, special events, and tourism-related facilities owned~~
12 ~~or sponsored by a nonprofit organization under section 501(c)(3) or~~
13 ~~501(c)(6) of the internal revenue code of 1986, as amended, or a local~~
14 ~~jurisdiction, and the economic impact generated by these festivals,~~
15 ~~events, and facilities. This report shall be due September 1, 2012.~~

16 ~~(4) Reporting under this section must begin with calendar year~~
17 ~~2008.~~

18 ~~(5) This section expires June 30, 2013.)~~ (a) Except as provided in
19 (b) of this subsection, applicants applying for use of revenues in this
20 chapter must provide the local jurisdiction to which they are applying
21 estimates of how any moneys received will result in increases in:

22 (i) The number of tourists visiting the local jurisdiction
23 including anticipated overnight stays; and

24 (ii) Tourism-related economic benefits to the local jurisdiction.

25 (b)(i) In a municipality with a population of five thousand or
26 more, applicants applying for use of revenues in this chapter must
27 submit their applications and estimates described under (a) of this
28 subsection to the local lodging tax advisory committee.

29 (ii) The local lodging tax advisory committee must select
30 candidates from amongst the applicants applying for use of revenues in
31 this chapter and provide a list of such candidates and recommended
32 amounts of funding to the local jurisdiction for final determination.
33 The local jurisdiction may only choose recipients from the list of
34 candidates provided by the local lodging tax advisory committee.

35 (c)(i) All recipients must submit a report to the local
36 jurisdiction reporting pertinent data evaluating tourism benefits
37 resulting from the use of the funds as compared with the estimates
38 contained in the application. A local jurisdiction receiving a report

1 must: Make such report available to the local legislative body and the
2 public; and furnish copies of the report to the department of commerce
3 and members of the local lodging tax advisory committee.

4 (ii) On a biennial basis, and in compliance with RCW 43.01.036, the
5 joint legislative audit and review committee must submit a report to
6 the economic development committees of the legislature that details the
7 use and economic impact of lodging tax revenues by local jurisdictions
8 based on the reports furnished to the department of commerce under
9 (c)(i) of this subsection. Reporting under this subsection must begin
10 in calendar year 2015.

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

13 The definitions in this section apply throughout this chapter
14 unless the context clearly requires otherwise.

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

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

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

25 (4) "Person" means the federal government or any agency thereof,
26 the state or any agency, subdivision, taxing district or municipal
27 corporation thereof other than county, city or town, any private
28 corporation, partnership, association, or individual.

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

32 (6) "Tourism promotion" means activities, operations, and
33 expenditures designed to increase tourism, including but not limited to
34 advertising, publicizing, or otherwise distributing information for the
35 purpose of attracting and welcoming tourists; developing strategies to
36 expand tourism; operating tourism promotion agencies; and funding the

1 marketing of or the operation of special events and festivals designed
2 to attract tourists.

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

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

17 ~~(9) Amendments made in section 1, chapter 497, Laws of 2007 expire~~
18 ~~June 30, 2013)) for business or pleasure on a trip: Away from their~~
19 ~~place of residence or business and stays overnight in paid~~
20 ~~accommodations; to a place fifty miles or more one way from their place~~
21 ~~of residence or their business for the day or stays overnight; or from~~
22 ~~another country or state outside of their place of residence or their~~
23 ~~business.~~

24 NEW SECTION. Sec. 3. This act is necessary for the immediate
25 preservation of the public peace, health, or safety, or support of the
26 state government and its existing public institutions, and takes effect
27 July 1, 2013."

28 Correct the title.

EFFECT: Removes the use of lodging tax revenues for capital
expenditures and modifies the requirements for approving applications
by the lodging tax advisory committee and local jurisdictions. The
definitions of local traveler and local traveler economic activity are
eliminated.

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