
HOUSE BILL 2229

State of Washington

63rd Legislature

2014 Regular Session

By Representatives Morris, Smith, Appleton, Haler, Moscoso, Tarleton, Roberts, Ryu, Habib, and Bergquist

Read first time 01/14/14. Referred to Committee on Community Development, Housing & Tribal Affairs.

1 AN ACT Relating to long-term funding for a state tourism marketing
2 program; creating new sections; providing an effective date; and
3 declaring an emergency.

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

5 NEW SECTION. **Sec. 1.** (1) The legislature finds that after the
6 termination of funding for the state tourism office, the Washington
7 tourism alliance, a statewide industry organization with members from
8 all sectors of the tourism industry, has maintained a basic state
9 tourism marketing program. In spite of that, competition from other
10 states and provinces has caused Washington state's percentage growth of
11 tourism to be below the national average. Tourism is the fourth
12 largest export industry in Washington state, employs more than one
13 hundred fifty-three thousand individuals, and contributes significantly
14 to state and local tax revenues. It is composed of large and small
15 businesses from all corners of Washington state. Because of the number
16 and diversity of businesses in the tourism industry and the desire to
17 prevent further decline in the state's tourism industry, the
18 legislature finds that it is in the state's best interest to identify
19 a long-term, significant source of funding that can only be used for

1 implementing a state tourism marketing program. The program should be
2 supported by contributions from the primary business sectors of the
3 state's tourism industry. The legislature also finds that a state
4 tourism marketing program is best governed by the businesses and
5 entities that contribute funding, including in-kind contributions.

6 (2) It is the intent of the legislature to enact the structure of
7 a mechanism that will provide funding for a state tourism marketing
8 program, including the sources of funding and governance organization
9 which will determine the specific use and allocation of the funds.
10 Further, it is the intent of the legislature that appropriate state
11 agencies will work with the Washington tourism alliance to devise a
12 plan to collect funds necessary for a state tourism marketing program
13 and ensure that the funds are used only for that purpose.

14 NEW SECTION. **Sec. 2.** (1) The Washington tourism alliance has
15 determined that a reasonable amount to initially implement a state
16 tourism marketing program is seven million five hundred thousand
17 dollars. This amount must be raised from five major sectors of the
18 tourism industry. These sectors are lodging, food service, attractions
19 and entertainment, retail, and transportation. Based on annual
20 economic studies that identify each sector's contribution to tourism
21 revenues and the North American classification system codes that make
22 up each sector, these sectors must contribute the following amounts in
23 a manner to be described in the report required under subsection (2) of
24 this section:

- 25 (a) Lodging - two million four hundred thousand dollars;
- 26 (b) Food service - two million one hundred thousand dollars;
- 27 (c) Attractions and entertainment - nine hundred seventy-five
28 thousand dollars;
- 29 (d) Retail - one million four hundred twenty-five thousand dollars;
- 30 and
- 31 (e) Transportation - six hundred thousand dollars.

32 (2) By December 1, 2014, a report must be submitted to the
33 appropriate legislative committees from the Washington tourism alliance
34 proposing the manner in which the amounts allocated to each sector will
35 be collected and the mechanism that can be used to ensure that the
36 funds are used only by the Washington tourism alliance for a state
37 tourism marketing program including its administration. The

1 legislature must direct the appropriate agencies of state government to
2 work with the Washington tourism alliance to assist in developing the
3 collection method. These agencies include but are not limited to the
4 department of revenue, department of commerce, the state treasurer's
5 office, and the secretary of state.

6 (3) In addition to the five sectors in subsection (1) of this
7 section, the Washington tourism alliance must identify and include in
8 the report other tourism sectors, businesses, and government entities
9 which are part of the tourism industry and could provide additional
10 funding for a state marketing program.

11 NEW SECTION. **Sec. 3.** (1) As part of the report to the legislature
12 required under section 2(2) of this act, the Washington tourism
13 alliance must include a proposal for a governance structure which will
14 determine the use of the funds, including a method to report on the
15 effectiveness of the state tourism marketing plan. The report must
16 also include a method for stopping the collection of funds from the
17 sectors noted in section 2(1) of this act if the board determines that
18 the funds are not being used in an appropriate manner.

19 (2) The governance structure must include a board with a majority
20 of representatives from the five sectors noted in section 2(1) of this
21 act. Representatives from destination marketing organizations must
22 also be included on the board. The board members must be chosen to
23 ensure broad geographic representation and diversity in the size of
24 businesses. Other representatives may be chosen from businesses and
25 entities that voluntarily make a significant contribution to state
26 tourism marketing funding. All board members must represent the
27 interests of the entire state.

28 (3) Initial board appointments must be made by the current
29 Washington tourism alliance board. Statewide trade associations that
30 represent any of the sectors noted in section 2(1) of this act must
31 submit nominations from their sector for the board. The nominations
32 must reflect the size and geographic diversity of the sector
33 represented by the trade association and must be at least twice the
34 number of positions to be filled by the nominations. Initial and
35 subsequent board appointments must be made from these nominations.

36 (4) The governance structure must include a proposal for a

1 marketing committee and an executive committee. The marketing
2 committee may include representatives from the tourism industry who are
3 not members of the board.

4 NEW SECTION. **Sec. 4.** This act is necessary for the immediate
5 preservation of the public peace, health, or safety, or support of the
6 state government and its existing public institutions, and takes effect
7 April 1, 2014.

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