

SENATE BILL REPORT

SB 6010

As of January 9, 2018

Title: An act relating to authorizing certain cities to impose a lodging fee for public safety and public works.

Brief Description: Authorizing certain cities to impose a lodging fee for public safety and public works.

Sponsors: Senator Takko.

Brief History:

Committee Activity: Local Government: 1/09/18.

Brief Summary of Bill

- Cities with populations of 10,000 or less may impose a fee of up to \$3 for furnishing lodging used exclusively for public safety and public works purposes.

SENATE COMMITTEE ON LOCAL GOVERNMENT

Staff: Bonnie Kim (786-7316)

Background: Lodging Tax. Generally, counties and cities may impose a special excise tax of up to 2 percent on lodging charges for periods of less than 30 consecutive days for hotels, motels, rooming houses, private campgrounds, RV parks, and similar facilities. Lodging tax revenue may be used for activities designed to increase tourism, such as tourism marketing and operating special events and festivals designed to attract tourists.

Summary of Bill: The legislative authority of cities with a population of 10,000 or less may impose a fee of up to three dollars for furnishing lodging used exclusively for public safety and public works purposes. The legislative authority must contract with the Department of Revenue for the administration and collection of the fee before the effective date of any ordinance imposing a lodging fee.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Public safety means law enforcement services, emergency medical services, and fire protection services. Public works means new construction, reconstruction, and expansion of roads, streets, and other transportation infrastructure.

Appropriation: None.

Fiscal Note: Not requested.

Creates Committee/Commission/Task Force that includes Legislative members: No.

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

Staff Summary of Public Testimony: PRO: The intent of this bill is to allow small cities to charge up to \$3 per night for housing provided for public safety or public works. The main concerns are policing and public safety during large festivals, but this bill also addresses other associated costs such as litter. There are no other avenues for small cities to recoup associated costs caused primarily by travelers. This bill will provide a new revenue source for the 201 small cities in the state. A larger fix is needed to fund public safety across the state. The 1 percent property tax limit must be changed to reflect cost of living increases.

CON: Current law is vague about how lodging tax revenue may be used. This bill should be delayed until stakeholders discuss the use of lodging tax revenue.

Persons Testifying: PRO: Senator Dean Takko, Prime Sponsor; Jerry Phillips, Mayor, Long Beach, WA; Geoff Simpson, Washington State Council of Fire Fighters.

CON: Morgan Hickel, Washington Hospitality Association.

Persons Signed In To Testify But Not Testifying: No one.