ENGROSSED SUBSTITUTE SENATE BILL 6592

State of Washington 66th Legislature 2020 Regular Session

By Senate Local Government (originally sponsored by Senators Holy, Hunt, Takko, and Keiser)

READ FIRST TIME 02/05/20.

- AN ACT Relating to tourism authorities; amending RCW 35.101.010
- 2 and 35.101.130; adding new sections to chapter 35.101 RCW; and
- 3 providing an expiration date.

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- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 35.101.010 and 2015 c 131 s 1 are each amended to 6 read as follows:
 - Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.
 - (1) "Area" means a tourism promotion area.
- 10 (2)(a) Except as otherwise provided in this subsection,
 11 "legislative authority" means the legislative authority of any county
 12 ((with a population greater than forty thousand)), or of any city or
 13 town within such a county, including unclassified cities or towns
 14 operating under special charters.
- (b) Except as provided in (c) of this subsection, in any county with a population of one million or more, "legislative authority" means two or more jurisdictions acting jointly as the legislative authority under an interlocal agreement created under chapter 39.34 RCW for the joint establishment and operation of a tourism promotion area.

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- 1 (c) For a city incorporated after January 1990, with a population 2 greater than eighty-nine thousand, and located in a county described 3 in (b) of this subsection, "legislative authority" means the city's 4 legislative authority.
 - (3) "Lodging business" means a person that furnishes lodging taxable by the state under chapter 82.08 RCW that has forty or more lodging units.
 - (4) "Tourism promotion" means activities and expenditures designed to increase tourism and convention business, including but not limited to advertising, publicizing, or otherwise distributing information for the purpose of attracting and welcoming tourists, and operating tourism destination marketing organizations.
- 13 <u>(5) "Tourist" means a person who travels for business or pleasure</u> 14 <u>on a trip:</u>
- 15 <u>(a) Away from the person's place of residence or business and</u> 16 <u>stays overnight in paid accommodations;</u>
- 17 (b) To a place at least fifty miles away one way by driving
 18 distance from the person's place of residence or business for the day
 19 or stays overnight. However, island communities without land access
 20 are exempt from the mileage requirement under this subsection (5)(b);
 21 or
- (c) To another country or state outside of the person's place of residence or business.
- NEW SECTION. Sec. 2. A new section is added to chapter 35.101 RCW to read as follows:
- 26 (1) In addition to the two dollar charge authorized by RCW 35.101.050, a legislative authority may impose an additional charge of up to three dollars per night of stay on the furnishing of lodging by a lodging business located in the area.
- 30 (2) This section expires July 1, 2027.

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- 31 **Sec. 3.** RCW 35.101.130 and 2003 c 148 s 13 are each amended to read as follows:
 - (1) The legislative authority imposing the charge shall have sole discretion as to how the revenue derived from the charge is to be used to promote tourism that increases the number of tourists to the area. However, the legislative authority may appoint existing advisory boards or commissions to make recommendations as to its use,

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or the legislative authority may create a new advisory board or commission for ((the [that])) that purpose.

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- The legislative authority may contract with tourism destination marketing organizations or other similar organizations to administer the operation of the area, so long as the administration complies with all applicable provisions of law, including this chapter, and with all county, city, or town resolutions and ordinances, and with all regulations lawfully imposed by the state auditor or other state agencies.
- (3) If a majority of those lodging businesses assessed the 10 charges imposed under RCW 35.101.050 or section 2 of this act 11 12 petition in writing to the legislative authority that the charge be removed, the legislative authority must remove the charge. 13
- (4) Any legislative authority with a charge in place under RCW 14 35.101.050 as of January 1, 2020, shall not have the charge be 15 amended as provided under subsection (3) of this section unless the 16 17 legislative authority has adopted an increase to the charge as authorized in section 2 of this act. 18
- 19 <u>NEW SECTION.</u> **Sec. 4.** A new section is added to chapter 35.101 20 RCW to read as follows:
 - Each tourism promotion area must conduct a program review of the additional tourism promotion area charge established in section 2 of this act. The review must be completed and submitted to the appropriate committees of the legislature by January 1, 2026. The review must:
 - (1) Analyze how tourism promotion area charge funds were used during the period when the additional charge was imposed;
- (2) Identify additional marketing and promotional measures conducted or purchased with additional funds beyond the current two 29 30 dollar charge;
 - (3) Assess whether additional tourism promotion area charges above two dollars contributed to an actual increase in the number of tourists, as defined in RCW 35.101.010; and
- (4) Assess the average additional cost per visit per tourist due 34 35 to additional tourism promotion area charges above two dollars.

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