

# HOUSE BILL REPORT

## HB 1896

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**As Reported by House Committee On:**  
Appropriations

**Title:** An act relating to simplifying the funding provisions of the statewide tourism marketing account.

**Brief Description:** Simplifying the funding provisions of the statewide tourism marketing account.

**Sponsors:** Representatives Ryu, Volz, Steele, Reed, Rule, Sandlin and Reeves; by request of Department of Revenue.

**Brief History:**

**Committee Activity:**

Appropriations: 1/18/24, 1/24/24 [DP].

**Brief Summary of Bill**

- Eliminates the requirement for the Legislature to authorize deposits into the Statewide Tourism Marketing Account in the operating budget.

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### HOUSE COMMITTEE ON APPROPRIATIONS

**Majority Report:** Do pass. Signed by 29 members: Representatives Ormsby, Chair; Bergquist, Vice Chair; Gregerson, Vice Chair; Macri, Vice Chair; Corry, Ranking Minority Member; Chambers, Assistant Ranking Minority Member; Connors, Assistant Ranking Minority Member; Couture, Assistant Ranking Minority Member; Berg, Callan, Chopp, Davis, Dye, Fitzgibbon, Harris, Lekanoff, Pollet, Riccelli, Rude, Ryu, Schmick, Senn, Simmons, Slatter, Springer, Stokesbary, Stonier, Tharinger and Wilcox.

**Minority Report:** Do not pass. Signed by 1 member: Representative Chandler.

**Staff:** Jessica Van Horne (786-7288).

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

**Background:**

The Statewide Tourism Marketing Account (Account) was created in 2018. Expenditures from the Account may only be made by the Washington Tourism Marketing Authority (Authority) for allowable expenses related to implementation of the statewide tourism program. The Account is subject to appropriation.

Allowable expenses from the Account include:

- entering into a contract for a multiple year statewide tourism marketing plan with a statewide nonprofit organization whose sole purpose is marketing Washington to tourists which must include focuses on: (1) rural, tourism-dependent counties; (2) natural wonders and outdoor recreation opportunities of the state; (3) attraction of international tourists; (4) identification of local offerings for tourists; and (5) assistance for tourism areas adversely impacted by natural disasters;
- contracting for the evaluation of the statewide tourism marketing program; and
- paying for the administrative expenses of the Authority.

A one-to-one nonstate or state fund, other than the State General Fund, match must be provided for all expenditures from the Account.

Of the taxes collected on the retail sales of lodging, car rentals, and restaurants, 0.2 percent must be deposited into the Account, up to \$3 million per biennium. Deposits into the Account may only occur if the Legislature authorizes the deposit in the operating budget.

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**Summary of Bill:**

Beginning July 1, 2025, the requirement for the Legislature to authorize deposits into the Account in the operating budget is removed. The underlying requirement of depositing 0.2 percent of the taxes collected on the retail sales of lodging, car rentals, and restaurants, up to \$3 million per biennium, remains the same. Additional direction regarding deposits in fiscal year 2019 is removed.

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**Appropriation:** None.**Fiscal Note:** Available.**Effective Date:** The bill takes effect on July 1, 2025.**Staff Summary of Public Testimony:**

(In support) This legislation will simplify the way that funds are deposited into the

Statewide Tourism Marketing Account (Account) each biennium and is a simple process improvement. It is not a request for additional funding. The 2023 Operating Budget was the first time that there was explicit authorization language for a deposit. However, the Legislature had previously appropriated funds from the Account and the Department of Revenue had interpreted that as implicit authorization. The changes made under the bill will ensure the Account is subject to the same procedures as other appropriated accounts. The Port of Seattle supports this request as a partner to the Tourism Marketing Authority. Tourism is central to the economy of King County, the Port, and the state.

(Opposed) None.

**Persons Testifying:** Representative Cindy Ryu, prime sponsor; Ian Doyle, Department of Revenue; and Fred Felleman, Port of Seattle.

**Persons Signed In To Testify But Not Testifying:** None.