

SENATE BILL REPORT

SB 6080

As Passed Senate, February 8, 2024

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: Senators Boehnke, Dozier, Mullet and Shewmake; by request of Department of Revenue.

Brief History:

Committee Activity: Business, Financial Services, Gaming & Trade: 1/16/24, 1/18/24 [DP-WM].

Ways & Means: 1/30/24, 2/05/24 [DP].

Floor Activity: Passed Senate: 2/8/24, 48-0.

Brief Summary of Bill

- Removes the requirement that the deposit to the Statewide Tourism Marketing Account may only occur if the Legislature authorizes the deposit in the biennial omnibus appropriation act.

SENATE COMMITTEE ON BUSINESS, FINANCIAL SERVICES, GAMING & TRADE

Majority Report: Do pass and be referred to Committee on Ways & Means.

Signed by Senators Stanford, Chair; Frame, Vice Chair; Dozier, Ranking Member; Boehnke, Gildon, Hasegawa, Lovick, MacEwen and Mullet.

Staff: Kellee Gunn (786-7429)

SENATE COMMITTEE ON WAYS & MEANS

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.

Majority Report: Do pass.

Signed by Senators Robinson, Chair; Mullet, Vice Chair, Capital; Nguyen, Vice Chair, Operating; Wilson, L., Ranking Member, Operating; Gildon, Assistant Ranking Member, Operating; Schoesler, Ranking Member, Capital; Rivers, Assistant Ranking Member, Capital; Warnick, Assistant Ranking Member, Capital; Billig, Boehnke, Braun, Conway, Dhingra, Hasegawa, Hunt, Keiser, Muzzall, Pedersen, Randall, Saldaña, Torres, Van De Wege, Wagoner and Wellman.

Staff: Trevor Press (786-7446)

Background: Washington Tourism Marketing Authority. The Washington Tourism Marketing Authority (Authority) was created through legislation in 2018. The Authority contracts for statewide tourism marketing services that promote tourism in Washington. The Authority is governed by a board of directors. A nonvoting advisory committee advises the board.

Statewide Tourism Marketing Account. Of the taxes collected on the retail sales of lodging, car rentals, and restaurants, 0.2 percent must be deposited into the Statewide Tourism Marketing Account (Account). Up to \$3 million of revenue may be collected per biennium and must be deposited into the Account. The deposit to the Account may only occur if the Legislature authorizes the deposit in the biennial omnibus appropriation act.

Expenditures from the Account may only be made for allowable expenses related to implementation of the statewide tourism program and operation of the Authority. The Account is subject to appropriation. During the 2023 legislative session the Legislature authorized a reduced match requirement for expenditures from the Account. The match of nonstate or state fund, other than State General Fund, went from two-to-one to one-to-one, for all expenditures from the Account.

A match may consist of nonstate or state fund, other than State General Fund, cash contributions, the value of an advertising equivalency contribution, or an in-kind contribution. The Authority's board of directors must determine criteria for what qualifies as an in-kind contribution.

Summary of Bill: The requirement that the deposit to the Account may only occur if the Legislature authorizes the deposit in the biennial omnibus appropriation act, in addition to appropriating funds, is removed.

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 (Business, Financial Services, Gaming & Trade):

PRO: This is a clean up bill. This bill streamlines the appropriation process, and ensures the funding gets to the tourism industry. This makes a simple process improvement for the statewide tourism account. The 2023 budget bill was the first time it used the explicit language. However, the agency has been depositing the funds into the account since the transfers became law. This will be in line with how other state accounts deposit funds. Since its enactment the Legislature has appropriated the funding, but only once included explicit language.

Persons Testifying (Business, Financial Services, Gaming & Trade): PRO: Senator Matt Boehnke, Prime Sponsor; Mark Johnson, Washington Retail Association; Ian Doyle, Department of Revenue.

Persons Signed In To Testify But Not Testifying (Business, Financial Services, Gaming & Trade): No one.

Staff Summary of Public Testimony (Ways & Means): PRO: This bill is helpful. It is codifying current practice. The Legislature must explicitly authorize expenditure out of the account. The Legislature still has the ability to not appropriate the funds. Tourism allows the market to grow. This bill is just a cleanup bill.

Persons Testifying (Ways & Means): PRO: Senator Matt Boehnke, Prime Sponsor; Mark Johnson, Washington Retail Association; Steve Ewing, Dept. of Revenue; Sarah Clark, Seattle Metro Chamber.

Persons Signed In To Testify But Not Testifying (Ways & Means): No one.