SENATE BILL REPORT
SHB 1258

As of March 10, 2023

Title: An act relating to increasing tourism to Washington state through enhancement of the statewide tourism marketing account and changing necessary match requirements.

Brief Description: Increasing tourism to Washington state through enhancement of the statewide tourism marketing account and changing necessary match requirements.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives Ryu, Volz, Steele, Walen, Reeves, Waters, Chambers, Reed, Christian, Cortes, Callan, Schmidt, Barkis and Fosse).

Brief History: Passed House: 3/1/23, 96-0.
Committee Activity: Business, Financial Services, Gaming & Trade: 3/14/23.

Brief Summary of Bill

- Changes the matching funds requirement from two-to-one to one-to-one for expenditures from the Statewide Tourism Marketing Account (Account).
- Increases the amount that may be deposited into the Account to $9 million per biennium from future revenue collections.

SENATE COMMITTEE ON BUSINESS, FINANCIAL SERVICES, GAMING & TRADE

Staff: Kellee Gunn (786-7429)

Background: The Legislature created the Washington Tourism Marketing Authority (Authority) in 2018 as a public entity to manage financial resources and contract for statewide tourism marketing services. The Authority is governed by a board of directors, with assistance from a nonvoting advisory committee.

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.

Up to $3 million from revenue per biennium from a 0.2 percent of tax collected on retail sales of lodging, car rentals, and restaurants may be deposited into the Statewide Tourism Marketing Account (Account). Money in the Account can only be spent after appropriation. A match of two-to-one nonstate or state fund, other than general fund state, must be provided for all expenditures from the account. The Account may be used for the operation of the Authority and the Statewide Tourism Marketing Program and for certain allowable expenses.

Allowable expenses include entering into a contract for a multiple-year statewide tourism marketing plan with an existing statewide nonprofit organization, which must include focuses on:

- rural tourism-dependent counties;
- natural wonders and outdoor recreation opportunities of the state;
- attraction of international tourists;
- identification of local offerings for tourists;
- assistance for tourism areas adversely impacted by natural disasters;
- contracting for the evaluation of the impact of the statewide tourism marketing program; and
- administrative expenses of the Authority.

Summary of Bill: The match requirement for expenditures from the Account is changed from two-to-one nonstate or state fund, other than general fund state, to one-to-one.

The portion of revenue collected on retail sales of lodging, car rentals, and restaurants and deposited into the Account is increased from $3 to $9 million per biennium.

Appropriation: None.

Fiscal Note: Available.

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

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