

HOUSE BILL REPORT

HB 1335

As Reported By House Committee On:
Trade & Economic Development

Title: An act relating to the creation of a task force on tourism promotion and development.

Brief Description: Creating a task force on tourism promotion and development.

Sponsors: Representatives Van Luven, Veloria, Dunn, D. Sommers, D. Schmidt, Blalock, Ogden, O'Brien, Hatfield, Morris, Doumit, Kenney, Linville, Cooke, Costa, Ballasiotes, Lantz, McMorris, Mason, Schoesler and Kessler.

Brief History:

Committee Activity:

Trade & Economic Development: 2/6/97, 2/10/97 [DPS].

HOUSE COMMITTEE ON TRADE & ECONOMIC DEVELOPMENT

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 9 members: Representatives Van Luven, Chairman; Dunn, Vice Chairman; Veloria, Ranking Minority Member; Sheldon, Assistant Ranking Minority Member; Alexander; Ballasiotes; Mason; McDonald and Morris.

Staff: Kenny Pittman (786-7392).

Background: Tourism is one of Washington's major industries. Travel-related spending by out-of-state visitors and Washington residents traveling within the state totaled over \$7.5 billion in 1994, and provided employment for over 96,000 people. Tourism and travel-related spending generated \$411.7 million in state tax revenue and \$104.9 million in local tax revenue in 1994. Of the more than 26,000 businesses in Washington that make up the travel industry, 93.8 percent are considered small businesses with fewer than 50 employees.

The Washington State Department of Community, Trade and Economic Development, through the Tourism Development Office, works with the travel industry to increase tourism in the state. The state's core strategy is to increase off-season travel and travel to under-visited, largely rural areas of the state by stimulating demand and helping businesses and communities take advantage of that increased demand.

The tourism and travel-related services provided by the Tourism Development Office include an advertising campaign designed to stimulate consumer demand and new spending, a tourism public relations program designed to promote off-season travel opportunities, a travel trade marketing program to help tour operators develop and market Washington, and a product development program to give tourism businesses in targeted rural communities assistance in marketing their area.

Summary of Substitute Bill: The Task Force on Tourism Promotion and Marketing is created. The task force is created to study tourism promotion and issues related to the establishment of a private commission to market Washington State and its tourism advantage.

The task force consists of 16 members with representation from public and private sector organizations involved in travel and tourism that includes four members of the Legislature and nine private sector representatives of the travel and tourism industry. The ex officio members include the director of the Tourism Development Office, the director of the State Parks and Recreation Commission, and a representative from the Washington Attorney General's Office.

The Governor must appoint the private sector representatives based on recommendations from the private sector organizations. The speaker of the House must appoint the members from the House of Representatives and the lieutenant governor must appoint the members from the Senate. The task force may create working groups to focus on specific issues in the tourism industry. The task force members will be reimbursed for travel expenses.

The task force, or its working group, is authorized to study tourism promotion and related issues. The task force's proposal must include: (1) an evaluation of existing state laws, policies, and programs that promote or affect state tourism marketing; (2) an analysis of the level of state interdepartmental cooperation needed for tourism promotion; (3) a clear determination of the economic impact of an aggressive statewide tourism marketing program; (4) a recommendation on the appropriate structure of the legislatively established statewide tourism commission; (5) a proposal for private sector funding of the statewide tourism commission; and (6) the procedure necessary to develop a statewide marketing plan.

The task force must report to the Legislature by January 31, 1998, on its findings and recommendations. The task force expires June 30, 1998.

The Department of Community, Trade, and Economic Development must provide necessary staff support to the Task Force.

Substitute Bill Compared to Original Bill: The task force is directed to recommend the appropriate structure, membership, and objectives of the statewide tourism commission.

Appropriation: None.

Fiscal Note: Not requested.

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

Testimony For: The tourism industry is more than just hotels and restaurants. It is a diverse industry that includes both the public and private sector. The state has not had a tourism marketing campaign in the past 10 years, it's time that we work together to market the state. The creation of the tourism commission is an important investment in tourism promotion. Working through the task force we will be able to identify issues and work together in the development of a tourism strategy for the state.

Testimony Against: None.

Testified: Representative Steve Van Luven, prime sponsor (pro); Becky Bogard, Washington State Hotel/Motel Association (pro); Scott Taylor, Washington Public Ports Association (pro); and Susan Williams, Williams Bed and Breakfast (pro).