CERTIFICATION OF ENROLLMENT

SUBSTITUTE HOUSE BILL 3206

Chapter 28, Laws of 2008

60th Legislature 2008 Regular Session

LODGING TAX REVENUES--ANNUAL ECONOMIC IMPACT REPORT

EFFECTIVE DATE: 06/12/08

Passed by the House February 18, 2008 Yeas 94 Nays 1

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate March 4, 2008 Yeas 46 Nays 0

BRAD OWEN

President of the Senate

Approved March 14, 2008, 4:03 p.m.

CERTIFICATE

I, Barbara Baker, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SUBSTITUTE HOUSE BILL 3206** as passed by the House of Representatives and the Senate on the dates hereon set forth.

BARBARA BAKER

Chief Clerk

FILED

March 17, 2008

CHRISTINE GREGOIRE

Governor of the State of Washington

Secretary of State State of Washington

SUBSTITUTE HOUSE BILL 3206

Passed Legislature - 2008 Regular Session

State of Washington 60th Legislature 2008 Regular Session

By House Community & Economic Development & Trade (originally sponsored by Representatives Kenney, Haler, Rolfes, and Santos)

READ FIRST TIME 02/05/08.

AN ACT Relating to the information required to be reported in the annual economic impact report on lodging tax revenues; and amending RCW 67.28.1816.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 67.28.1816 and 2007 c 497 s 2 are each amended to read 6 as follows:

7 (1) Lodging tax revenues under this chapter may be used, directly 8 by local jurisdictions or indirectly through a convention and visitors bureau or destination marketing organization, for the marketing and 9 10 operations of special events and festivals and to support the operations and capital expenditures of tourism-related facilities owned 11 12 by nonprofit organizations described under (([section])) section 501(c)(3) and (([section])) section 501(c)(6) of the internal revenue 13 code of 1986, as amended. 14

15 (2) Local jurisdictions that use the lodging tax revenues under 16 this section must submit an annual economic impact report ((for these 17 expenditures)) to the department of community, trade, and economic 18 development for expenditures made beginning January 1, 2008. These 19 reports must include the expenditures by the local jurisdiction for

tourism promotion purposes and what is used by a nonprofit organization 1 exempt from taxation under 26 U.S.C. Sec. 501(c)(3) or 501(c)(6). This 2 economic impact report, at a minimum, must include: (a) The total 3 revenue received under this chapter for each year; (b) the list of 4 5 festivals, special events, or nonprofit 501(c)(3) or 501(c)(6) organizations that received funds under this chapter; (c) the list of 6 7 festivals, special events, or tourism facilities sponsored or owned by the local jurisdiction that received funds under this chapter; (d) the 8 amount of revenue expended on each festival, special event, or 9 tourism-related facility owned or sponsored by a nonprofit 501(c)(3) or 10 501(c)(6) organization or local jurisdiction; (((d))) <u>(e)</u> the estimated 11 12 number of tourists, persons traveling over fifty miles to the 13 destination, persons remaining at the destination overnight, and 14 lodging stays generated per festival, special event, or tourism-related facility owned <u>or sponsored</u> by a nonprofit 501(c)(3) or 501(c)(6) 15 organization <u>or local jurisdiction</u>; (((e) an estimated increase in 16 17 sales and use tax revenues attributable to the special event, festival, or tourism related facility owned by a nonprofit 501(c)(3) or 501(c)(6) 18 organization;)) and (f) any other measurements the local government 19 finds that demonstrate the impact of the increased tourism attributable 20 21 to the festival, special event, or tourism-related facility owned or 22 sponsored by a nonprofit 501(c)(3) or 501(c)(6) organization or local 23 jurisdiction.

24 (3) The joint legislative audit and review committee must report to 25 the legislature and the governor on the use and economic impact of lodging tax revenues by local jurisdictions since ((July 22, 2007)) 26 27 January 1, 2008, to support festivals, special events, and tourismrelated facilities owned or sponsored by a nonprofit organization under 28 section 501(c)(3) or 501(c)(6) of the internal revenue code of 1986, as 29 amended, or a local jurisdiction, and the economic impact generated by 30 31 these festivals, events, and facilities. This report shall be due September 1, 2012. 32

33 (4) <u>Reporting under this section must begin with calendar year</u> 34 <u>2008</u>.

35 (5) This section expires June 30, 2013. Passed by the House February 18, 2008. Passed by the Senate March 4, 2008. Approved by the Governor March 14, 2008. Filed in Office of Secretary of State March 17, 2008.

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