

SENATE BILL REPORT

HB 1279

As Reported by Senate Committee On:
Trade & Economic Development, March 25, 2015

Title: An act relating to local tourism promotion areas.

Brief Description: Modifying the definition of legislative authority for purposes of local tourism promotion areas.

Sponsors: Representatives Kochmar and Gregory.

Brief History: Passed House: 3/05/15, 73-25.

Committee Activity: Trade & Economic Development: 3/18/15, 3/25/15 [DP].

SENATE COMMITTEE ON TRADE & ECONOMIC DEVELOPMENT

Majority Report: Do pass.

Signed by Senators Brown, Chair; Braun, Vice Chair; Chase, Ranking Minority Member; Angel, Frockt and McCoy.

Staff: Jeff Olsen (786-7428)

Background: In 2003 the Legislature authorized the creation of tourism promotion areas for the purpose of welcoming tourists and operating tourism destination marketing organizations. Legislative authorities of counties with populations between 40,000 and 1 million, and all incorporated cities and towns located in such counties, were authorized to establish tourism promotion areas and impose a charge on lodging to increase tourism and conventions within such areas. A fee may be assessed on lodging businesses of up to \$2 per night of stay. Funding must be used for advertising, publicizing, or otherwise distributing information to attract and welcome tourists, and operating tourism destination marketing organizations, to increase convention and tourism business.

In 2009 tourism promotion areas in a county with a population of 1 million or more were authorized. A legislative authority for such a county is two or more jurisdictions acting under an interlocal agreement to jointly establish and operate a tourism promotion area.

Summary of Bill: The requirement for jurisdictions within a county with a population of 1 million or more to act jointly for the purposes of establishing and operating a tourism

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promotion area is eliminated for cities incorporated after January 1990 with a population greater than 89,000.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony: PRO: This bill allows Federal Way to establish their own tourism promotion area to promote local destinations such as the King County Aquatics Center, Wild Waves, the Pacific Bonsai Museum, and in the near future the performing arts center. Local hoteliers worked with neighboring communities to explore establishing a joint promotion area, but other jurisdictions were not interested.

Persons Testifying: PRO: Representative Kochmar, prime sponsor; Jeanne Burbidge, city of Federal Way, Deputy Mayor; Ryan Miller, Hampton Inn and Suites Federal Way.

Persons Signed in to Testify But Not Testifying: No one.