
SUBSTITUTE SENATE BILL 5770

State of Washington

67th Legislature

2022 Regular Session

By Senate Business, Financial Services & Trade (originally sponsored by Senators Mullet and Frockt; by request of Secretary of State)

READ FIRST TIME 01/26/22.

1 AN ACT Relating to providing Washington state convention economy
2 grants; adding a new section to chapter 43.330 RCW; and creating a
3 new section.

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

5 NEW SECTION. **Sec. 1.** (1) The legislature finds that conventions
6 are an important part of the state's economy. Conventions create
7 jobs, attract investment, directly support the hospitality and
8 tourism industries, and improve the diversity and vibrancy of our
9 communities.

10 (2) The legislature further finds that businesses dependent on
11 conventions have suffered disproportionately from the COVID-19
12 pandemic and that grant funding is necessary to support and
13 revitalize this industry.

14 (3) Therefore, the legislature intends to:

15 (a) Establish a grant program to provide financial assistance to
16 businesses that are dependent on the economic activity created
17 through conventions hosted in Washington; and

18 (b) Make a financial contribution of \$5 million dollars to fund
19 the grant program for fiscal year 2023. This appropriation may be
20 from either state funds or federal funds, or from any combination of
21 both.

1 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.330
2 RCW to read as follows:

3 (1) The department shall establish a grant program to provide
4 additional grants to assist businesses registered with the department
5 of revenue as provided in RCW 82.32.030 that are dependent on the
6 economic activity created through conventions hosted in Washington
7 state to maintain their operations. To be eligible for a grant under
8 this subsection, the business must:

9 (a) Apply for or have applied for the grant;

10 (b) Have reported annual gross receipts of \$100,000,000 or less
11 to the department of revenue for calendar year 2019;

12 (c) Have expenses that are necessary to continue business
13 operations and the expense is not a federal, state, or local tax,
14 fee, license, or other government revenue;

15 (d) Self-attest that the expense is not funded by any other
16 government or private entity;

17 (e) Have experienced a reduction in business income or activity
18 related to COVID-19 or state or local actions in response to
19 COVID-19;

20 (f) Have met one or more of the following criteria:

21 (i) Hosted a convention in Washington;

22 (ii) Have a business that provided support services to
23 conventions to Washington; or

24 (iii) Have a business that depends on the function of conventions
25 to sell goods and services in Washington state; and

26 (g) Agree to operate in accordance with the requirements of
27 applicable federal, state, and local public health guidance and
28 directives.

29 (2)(a) Eligible businesses may receive up to a \$500,000 grant for
30 revenue lost due to a cancellation or a reduction of participants in
31 a convention hosted in Washington state in 2020 or 2021.

32 (b) Eligible participants must provide the department of commerce
33 with: (i) Financial records from 2019 that can provide a basis for
34 revenue received from convention activity in Washington state prior
35 to the COVID-19 outbreak; and (ii) financial records from 2020 and
36 2021 that show a reduction in gross revenue received from convention
37 activity in Washington state during the COVID-19 outbreak.

38 (c) Eligible businesses must provide financial records related to
39 any grants or loans from federal and state government programs during
40 2020 through 2022.

1 (d) The grant award shall equal the loss in revenue between 2019
2 and 2021, less grants or loans from federal and state government
3 programs, and is not to exceed \$500,000.

4 (e) If a business received one or more working Washington small
5 business grants, the grant awarded under this section must be reduced
6 to reflect the amounts received from previous working Washington
7 small business grants.

8 (f) Examples of eligible participants may include, but are not
9 limited to, businesses that are dependent on Washington state
10 conventions such as:

11 (i) The PAX West convention;

12 (ii) The Spokane Hoopfest;

13 (iii) The Emerald City Comic Con;

14 (iv) The Northwest Flower and Garden Festival;

15 (v) The Seattle Boat Show; and

16 (vi) The OrcaCon.

17 (3) Nonprofit organizations may be eligible to receive funding
18 under subsection (1) or (2) of this section if they have a primary
19 business activity that has been impacted as described in subsection
20 (1)(e) of this section.

21 (4) Subject to limits imposed in this section, the department is
22 authorized to adjust funding awards based on demand for grants.

--- END ---