# Washington State House of Representatives Office of Program Research



## **Appropriations Committee**

### **HB 1896**

**Brief Description:** Simplifying the funding provisions of the statewide tourism marketing account.

**Sponsors:** Representatives Ryu, Volz, Steele, Reed, Rule, Sandlin and Reeves; by request of Department of Revenue.

#### **Brief Summary of Bill**

• Eliminates the requirement for the Legislature to authorize deposits into the Statewide Tourism Marketing Account in the operating budget.

**Hearing Date:** 1/18/24

**Staff:** Jessica Van Horne (786-7288).

#### **Background:**

The Statewide Tourism Marketing Account (Account) was created in 2018. Expenditures from the Account may only be made by the Washington Tourism Marketing Authority (Authority) for allowable expenses related to implementation of the statewide tourism program. The Account is subject to appropriation.

Allowable expenses from the Account include:

• entering into a contract for a multiple year statewide tourism marketing plan with a statewide nonprofit organization whose sole purpose is marketing Washington to tourists which must include focuses on: (1) rural, tourism-dependent counties; (2) natural wonders and outdoor recreation opportunities of the state; (3) attraction of international tourists; (4) identification of local offerings for tourists; and (5) assistance for tourism areas adversely impacted by natural disasters;

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- contracting for the evaluation of the statewide tourism marketing program; and
- paying for the administrative expenses of the Authority.

A one-to-one non-state or state fund, other than the State General Fund, match must be provided for all expenditures from the Account.

Of the taxes collected on the retail sales of lodging, car rentals, and restaurants, 0.2 percent must be deposited into the Account, up to \$3 million per biennium. Deposits into the Account may only occur if the Legislature authorizes the deposit in the operating budget.

#### **Summary of Bill:**

Beginning July 1, 2025, the requirement for the Legislature to authorize deposits into the Account in the operating budget is removed. The underlying requirement of depositing 0.2 percent of the taxes collected on the retail sales of lodging, car rentals, and restaurants, up to \$3 million per biennium, remains the same. Additional direction regarding deposits in fiscal year 2019 is removed.

Appropriation: None.

Fiscal Note: Available.

**Effective Date:** The bill takes effect on July 1, 2025.