

SENATE BILL REPORT

SB 5492

As of January 27, 2025

Title: An act relating to sustainable state tourism promotion.

Brief Description: Concerning sustainable state tourism promotion.

Sponsors: Senators Riccelli, Chapman, Cleveland, Dozier, Goehner, Harris, Krishnadasan and Wilson, C..

Brief History:

Committee Activity: Business, Financial Services & Trade: 1/29/25.

Brief Summary of Bill

- Establishes a tourism self-supported assessment advisory group, composed of representatives from various sectors of the Washington tourism industry.
- Requires the advisory group to report recommendations to the Legislature by November 1, 2025.

SENATE COMMITTEE ON BUSINESS, FINANCIAL SERVICES & TRADE

Staff: Clint McCarthy (786-7319)

Background: The Legislature created the Washington Tourism Marketing Authority (Authority) in 2018 as a public entity to manage financial resources and contract for statewide tourism marketing services. The Authority is governed by a board of directors, with assistance from a nonvoting advisory committee.

Up to \$3 million from revenue per biennium from a 0.2 percent of tax collected on retail sales of lodging, car rentals, and restaurants may be deposited into the Statewide Tourism Marketing Account (Account). Money in the Account can only be spent after appropriation.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

A match of one-to-one nonstate or state fund, other than general fund state, must be provided for all expenditures from the Account. The Account may be used for the operation of the Authority, the Statewide Tourism Marketing Program, and for certain allowable expenses.

Allowable expenses include entering into a contract for a multiple-year statewide tourism marketing plan with an existing statewide nonprofit organization, which must include focuses on:

- rural tourism-dependent counties;
- natural wonders and outdoor recreation opportunities of the state;
- attraction of international tourists;
- identification of local offerings for tourists;
- assistance for tourism areas adversely impacted by natural disasters;
- contracting for the evaluation of the impact of the statewide tourism marketing program; and
- administrative expenses of the Authority.

Summary of Bill: Establishes a tourism self-supported assessment advisory group, composed of representatives from various sectors of the Washington tourism industry. The advisory group must include:

- two members of the lodging sector;
- one member of the beverage sector;
- one member representing the arts and culture sector;
- one member representing the tour operators sector;
- one member representing the attractions sector;
- one member representing the transportation sector; and
- one member representing a statewide Washington tourism promotion nonprofit.

The advisory group must submit written recommendations to the Legislature by November 1, 2025, on key elements related to a self-supported assessment, including:

- classification structure of businesses proposed to be included in the assessment;
- assessment methodology, including a petition process for businesses to approve the assessment;
- assessment rate for each business classification;
- characteristics of businesses within each classification that would benefit from the assessment; and
- creation of an oversight board for ratepayers of the assessment.

Appropriation: None.

Fiscal Note: Requested on January 25, 2025.

Creates Committee/Commission/Task Force that includes Legislative members: No.

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