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SENATE BILL 6446

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State of Washington                      62nd Legislature                      2012 Regular Session

By Senators Fraser, Morton, Regala, and Kohl-Welles

Read first time 01/23/12. Referred to Committee on Ways & Means.

1            AN ACT Relating to the lodging tax; amending RCW 67.28.1816; and  
2 reenacting and amending RCW 67.28.080.

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

4            **Sec. 1.** RCW 67.28.1816 and 2008 c 28 s 1 are each amended to read  
5 as follows:

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

13            (2) Local jurisdictions that use the lodging tax revenues under  
14 this section must submit an annual economic impact report to the  
15 department of (~~community, trade, and economic development~~) commerce  
16 for expenditures made beginning January 1, 2008. These reports must  
17 include the expenditures by the local jurisdiction for tourism  
18 promotion purposes and what is used by a nonprofit organization exempt  
19 from taxation under 26 U.S.C. Sec. 501(c)(3) or 501(c)(6). This

1 economic impact report, at a minimum, must include: (a) The total  
2 revenue received under this chapter for each year; (b) the list of  
3 festivals, special events, or nonprofit 501(c)(3) or 501(c)(6)  
4 organizations that received funds under this chapter; (c) the list of  
5 festivals, special events, or tourism facilities sponsored or owned by  
6 the local jurisdiction that received funds under this chapter; (d) the  
7 amount of revenue expended on each festival, special event, or  
8 tourism-related facility owned or sponsored by a nonprofit 501(c)(3) or  
9 501(c)(6) organization or local jurisdiction; (e) the estimated number  
10 of tourists, persons traveling over fifty miles to the destination,  
11 persons remaining at the destination overnight, and lodging stays  
12 generated per festival, special event, or tourism-related facility  
13 owned or sponsored by a nonprofit 501(c)(3) or 501(c)(6) organization  
14 or local jurisdiction; and (f) any other measurements the local  
15 government finds that demonstrate the impact of the increased tourism  
16 attributable to the festival, special event, or tourism-related  
17 facility owned or sponsored by a nonprofit 501(c)(3) or 501(c)(6)  
18 organization or local jurisdiction.

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

27 ~~(4))~~ Reporting under this section must begin with calendar year  
28 2008.

29 ~~((5) This section expires June 30, 2013.))~~

30 **Sec. 2.** RCW 67.28.080 and 2007 c 497 s 1 are each reenacted and  
31 amended to read as follows:

32 The definitions in this section apply throughout this chapter  
33 unless the context clearly requires otherwise.

34 (1) "Acquisition" includes, but is not limited to, siting,  
35 acquisition, design, construction, refurbishing, expansion, repair, and  
36 improvement, including paying or securing the payment of all or any

1 portion of general obligation bonds, leases, revenue bonds, or other  
2 obligations issued or incurred for such purpose or purposes under this  
3 chapter.

4 (2) "Municipality" means any county, city or town of the state of  
5 Washington.

6 (3) "Operation" includes, but is not limited to, operation,  
7 management, and marketing.

8 (4) "Person" means the federal government or any agency thereof,  
9 the state or any agency, subdivision, taxing district or municipal  
10 corporation thereof other than county, city or town, any private  
11 corporation, partnership, association, or individual.

12 (5) "Tourism" means economic activity resulting from tourists,  
13 which may include sales of overnight lodging, meals, tours, gifts, or  
14 souvenirs.

15 (6) "Tourism promotion" means activities, operations, and  
16 expenditures designed to increase tourism, including but not limited to  
17 advertising, publicizing, or otherwise distributing information for the  
18 purpose of attracting and welcoming tourists; developing strategies to  
19 expand tourism; operating tourism promotion agencies; and funding the  
20 marketing of or the operation of special events and festivals designed  
21 to attract tourists.

22 (7) "Tourism-related facility" means real or tangible personal  
23 property with a usable life of three or more years, or constructed with  
24 volunteer labor that is: (a)(i) Owned by a public entity; (ii) owned  
25 by a nonprofit organization described under section 501(c)(3) of the  
26 federal internal revenue code of 1986, as amended; or (iii) owned by a  
27 nonprofit organization described under section 501(c)(6) of the federal  
28 internal revenue code of 1986, as amended, a business organization,  
29 destination marketing organization, main street organization, lodging  
30 association, or chamber of commerce and (b) used to support tourism,  
31 performing arts, or to accommodate tourist activities.

32 (8) "Tourist" means a person who travels from a place of residence  
33 to a different town, city, county, state, or country, for purposes of  
34 business, pleasure, recreation, education, arts, heritage, or culture.

35 (~~(9) Amendments made in section 1, chapter 497, Laws of 2007~~  
36 ~~expire June 30, 2013.~~)

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