
**Technology, Economic Development, &
Veterans Committee**

HB 1437

Brief Description: Concerning sustainable state tourism promotion.

Sponsors: Representatives Walen, Ryu, Donaghy, Reed, Barkis, Paul, Nance, Bernbaum and Cortes.

Brief Summary of Bill

- Requires the Board of Directors of the Washington Tourism Marketing Authority to appoint an eight member advisory group.
- Requires the advisory group to make recommendations for a self-supported assessment on business sectors of the tourism industry.

Hearing Date: 1/28/25

Staff: Martha Wehling (786-7067).

Background:

The Washington Tourism Marketing Authority (WTMA) contracts for marketing services that promote tourism. The WTMA is governed by a Board of Directors (Board) made up of 13 members who receive staff support from the Department of Commerce (Commerce). The Board also has a nonvoting four member advisory committee.

Board membership includes two representatives, two senators, and nine members with expertise in the tourism industry and related businesses, including hotel, restaurant, outdoor recreation, attractions, retail, and rental car businesses. The advisory committee includes representatives from Commerce, the State Parks and Recreation Commission, the Department of Transportation,

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and a federally recognized Indian tribe.

The WTMA was created by legislation enacted in 2018, and contains directives related to the formation of the first Board, as well as ongoing appointments and operations.

The Statewide Tourism Marketing Account (Account) is funded from tax revenues on lodging, car rentals, and restaurants. Until July 1, 2025, 0.2 percent of taxes on retail sales of lodging, car rentals, and restaurants are deposited into the Account. The Legislature must authorize the deposit, and it is limited to \$3 million per biennium. After July 1, 2025, the Legislature is not required to authorize the deposit.

Summary of Bill:

The Board of Directors (Board) of the Washington Tourism Marketing Authority (WTMA) is required to appoint at least eight members to a Tourism Self-Supported Assessment Advisory Group (TSSAAG). The TSSAAG is required to evaluate the viability of an industry self-supported assessment to fund statewide tourism promotion, recommend procedures to establish the self-supported assessment, and report to the Legislature. Members of the TSSAAG must represent tourism industry sectors, including lodging, beverage, arts and culture, tour operators, attractions, transportation, and a statewide Washington tourism promotion nonprofit.

The TSSAAG is required to make recommendations to the Legislature by November 1, 2025, regarding:

- classification of businesses included in a self-supported assessment;
- methodology to conduct the self-supported assessment, including the petition process for businesses to approve the assessment;
- rate of self-supported assessment for each business classification;
- characteristics of the businesses that will benefit from the self-supported assessment;
- duration of the self-supported assessment; and
- establishment of an oversight board.

The TSSAAG will expire on June 1, 2026.

The directives describing the formation of the first Board are removed.

Appropriation: None.

Fiscal Note: Requested on January 20, 2025.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.