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SECOND SUBSTITUTE SENATE BILL 5916

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State of Washington                      64th Legislature                      2015 Regular Session

By Senate Ways & Means (originally sponsored by Senators Brown, Chase, Angel, Kohl-Welles, Hatfield, Benton, and McAuliffe)

READ FIRST TIME 04/02/15.

1            AN ACT Relating to tourism marketing; reenacting and amending RCW  
2 43.79A.040; adding a new section to chapter 82.04 RCW; adding a new  
3 section to chapter 44.28 RCW; adding a new chapter to Title 43 RCW;  
4 adding a new chapter to Title 82 RCW; providing an effective date;  
5 providing an expiration date; and declaring an emergency.

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

7            NEW SECTION.    **Sec. 1.**    FINDINGS—PURPOSE. (1) The legislature  
8 finds that the tourism industry is the fourth largest economic sector  
9 in the state of Washington. Since 2011 there have been no general  
10 funds committed to statewide tourism marketing and Washington is the  
11 only state without a state tourism office. Before 2011, the amount of  
12 funds appropriated to statewide tourism marketing were not  
13 significant and in fact, Washington ranked forty-eighth in state  
14 tourism funding. Washington has significant attractions and  
15 activities for tourists, including many natural outdoor assets that  
16 draw visitors to mountains, waterways, parks, and open spaces. There  
17 should be a program to publicize these assets and activities that is  
18 implemented in an expeditious manner by tourism professionals in the  
19 private sector.

20            (2) The purpose of this act is to establish the framework and  
21 funding for a statewide tourism marketing program. The program needs

1 to have a structure that includes significant, stable, long-term  
2 funding, and it should be implemented and managed by the tourism  
3 industry. The source of funds should be from major sectors of the  
4 tourism industry with government assistance in collecting these funds  
5 and providing accountability for their expenditure. The fees and  
6 charges imposed in this chapter will bring direct benefits to those  
7 paying the fees and charges by bringing more tourists into the state  
8 who will patronize the participating businesses.

9 NEW SECTION. **Sec. 2.** DEFINITIONS. The definitions in this  
10 section apply throughout this chapter unless the context clearly  
11 requires otherwise.

12 (1) "Adjusted gross revenue" means a business's total taxable  
13 amount for all of its activities that are subject to tax under  
14 chapters 82.04 and 82.16 RCW. For purposes of this subsection,  
15 "taxable amount" means the gross income of the business as defined in  
16 RCW 82.04.080 and gross income as defined in RCW 82.16.010, less any  
17 validly claimed deductions or exemptions under chapter 82.04 or 82.16  
18 RCW.

19 (2) "Assessed sectors" means businesses in any of the following  
20 industry sectors:

21 (a) Lodging; and

22 (b) Food service, attractions and entertainment, retail, and  
23 transportation.

24 (3) "Attractions and entertainment" means businesses whose  
25 primary business activity in this state is:

26 (a) Producing live presentations involving the performance of  
27 actors, actresses, singers, dancers, musical groups, or other  
28 performing artists;

29 (b) Operating a professional or semiprofessional team or club  
30 primarily engaged in participating in live sporting events before a  
31 paying audience;

32 (c) Operating any kind of racetrack or the presenting or  
33 promoting of racing events held at a racetrack;

34 (d) Organizing, promoting, or managing performing arts  
35 productions; sporting events; and similar events, such as fairs,  
36 concerts, and festivals;

37 (e) Representing or managing creative and performing artists,  
38 athletes, entertainers, or other public figures;

1 (f) The preservation and exhibition of objects of historical,  
2 cultural, or educational value;

3 (g) The preservation and exhibition of sites, buildings, forts,  
4 or communities that describe events or persons of particular  
5 historical interest;

6 (h) The preservation and exhibition of live plant or animal life  
7 displays;

8 (i) The preservation and exhibition of natural areas or settings;

9 (j) Operating an amusement park, theme park, water park, or  
10 similar facility;

11 (k) Operating an amusement arcade or parlor, including a  
12 billiards parlor;

13 (l) Operating a golf course open to the public;

14 (m) Operating a driving range or miniature golf facility;

15 (n) Operating a downhill or cross-country skiing area, including  
16 operating equipment such as ski lifts and tows;

17 (o) Acting as a travel agent or tour operator taxable under RCW  
18 82.04.260(5);

19 (p) Engaging in the business of operating contests of chance  
20 taxable under RCW 82.04.285; or

21 (q) Operating a "marina," which means providing docking or  
22 storage facilities primarily or exclusively for pleasure craft  
23 owners, with or without any related activities, such as retailing  
24 fuel and marine supplies, and repairing, maintaining, or renting  
25 pleasure craft.

26 (4) "Authority" means the Washington tourism marketing authority  
27 created in section 3 of this act.

28 (5) "Business" means a person as defined in RCW 82.04.030,  
29 required to file tax returns with the department for purposes of  
30 reporting taxes due under chapter 82.04, 82.08, or 82.16 RCW.

31 (6) "Common control group" means any number of businesses in the  
32 food service industry sector that have the same ownership. For  
33 purposes of this subsection, businesses have the same ownership if at  
34 least eighty percent of each business is owned, directly or  
35 indirectly, by the same five or fewer persons.

36 (7) "Department" means the department of revenue.

37 (8) "Director" means the director of the department of revenue.

38 (9) "Food service" means businesses whose primary business  
39 activity in this state is operating a "restaurant" as defined in RCW  
40 82.08.9995.

1 (10) "Lodging" means a person that furnishes lodging taxable by  
2 the state under chapter 82.08 RCW at a facility that contains twenty  
3 or more lodging units.

4 (11) "Primary" means:

5 (a) The business activity that generated more than fifty percent  
6 of a business's total adjusted gross revenue during the preceding  
7 calendar year or, if the person did not engage in business during the  
8 preceding calendar year, during the current calendar year; or

9 (b) The business activity that generated the most adjusted gross  
10 revenue during the preceding calendar year or, if the person did not  
11 engage in business during the preceding calendar year, during the  
12 current calendar year, if the business engaged in more than two  
13 business activities during the relevant time period and none of the  
14 activities generated more than fifty percent of the business's total  
15 adjusted gross revenue.

16 (12)(a) "Retail" means businesses whose primary business activity  
17 in this state is making retail sales from the operation of one or  
18 more of the following:

19 (i) An establishment that primarily sells one or more of the  
20 following categories of goods: Alcohol products intended for off-  
21 premises consumption; any type of clothing, including shoes and  
22 accessories; jewelry; luggage or leather goods; sporting goods,  
23 including athletic uniform supply stores, fishing supply stores,  
24 bicycle shops, golf equipment stores, saddlery stores, diving  
25 equipment stores, general sporting goods stores, fitness equipment  
26 stores, outdoor recreation stores, and gun shops; books; novelty  
27 merchandise; souvenirs; greeting cards; seasonal and holiday  
28 decorations; curios; toys; games; and hobby and craft supplies except  
29 needlecraft;

30 (ii) An establishment that has separate departments for various  
31 merchandise lines, including department stores and discount  
32 department stores;

33 (iii) An establishment selling a general line of groceries in  
34 combination with general lines of merchandise, including warehouse  
35 clubs and supercenters; or

36 (iv) An establishment selling a general line of merchandise, such  
37 as apparel, automotive parts, dry goods, hardware, groceries,  
38 housewares, or home furnishings, and other lines of merchandise in  
39 limited amounts, with none of the lines of merchandise predominating,  
40 such as dollar stores, general stores, and variety stores.

1 (b) "Retail" does not include:

2 (i) Businesses primarily engaged in making retail sales via the  
3 internet;

4 (ii) Businesses in the food service sector pursuant to subsection  
5 (9) of this section; or

6 (iii) Establishments primarily making retail sales in any one of  
7 the following categories: Electronics; appliances; health and  
8 personal care products, such as prescription and nonprescription  
9 drugs and medicines, first-aid products, toiletries, beauty supplies,  
10 perfume, personal grooming products, dietary supplements as defined  
11 in RCW 82.08.0293; durable medical equipment, prosthetic devices, or  
12 mobility enhancing equipment as those terms are defined in RCW  
13 82.08.0283; groceries; gasoline, or gasoline and very limited lines  
14 of groceries and other merchandise; specialty food items, including  
15 bakeries, meat markets, and fish and seafood markets; hardware,  
16 building materials, lawn and garden supplies, or any combination  
17 thereof; motor vehicles or watercraft; automotive parts and  
18 accessories, including tires; furniture; nursery and garden products;  
19 fresh cut flowers, potted ornamental plants, floral arrangements,  
20 floral bouquets, wreaths, or similar products; outdoor power  
21 equipment; home furnishings; or used merchandise.

22 (13) "Secretary" means the secretary of state.

23 (14) "Statewide tourism marketing account" means the account  
24 created pursuant to section 5 of this act in the custody of the state  
25 treasurer. This account shall be the depository for fees collected  
26 pursuant to section 6 of this act and charges collected pursuant to  
27 section 11 of this act, except as otherwise provided in section 5 of  
28 this act.

29 (15) "Transportation" means businesses whose primary business  
30 activity in this state is:

31 (a) Transporting paying passengers for hire by motor vehicle or  
32 vessel, but not including:

33 (i) Transportation that crosses the state's boundaries or the  
34 territorial waters of the state; or

35 (ii) Businesses whose primary business activity in this state is  
36 providing transportation for "persons with special transportation  
37 needs" as defined in RCW 81.66.010;

38 (b) Providing day trips for sightseeing purposes. Such  
39 transportation includes sightseeing busses and trolleys, steam train  
40 excursions, horse-drawn carriage rides, airboat rides, dinner

1 cruises, harbor sightseeing tours, aerial sightseeing flights, hot  
2 air balloon rides, aerial tramways, and similar transportation  
3 activities;

4 (c) Making retail car rentals as defined in RCW 82.08.011; or

5 (d) Providing automobile parking or storage garage services  
6 defined as a retail sale in RCW 82.04.050.

7 NEW SECTION. **Sec. 3.** WASHINGTON TOURISM MARKETING AUTHORITY—  
8 ESTABLISHED. (1) The Washington tourism marketing authority is  
9 established as a public body corporate and politic, constituting an  
10 instrumentality of the state of Washington.

11 (2) The authority is responsible for acting as a business  
12 management organization on behalf of the citizens of the state to  
13 manage financial resources and contract for statewide tourism  
14 marketing services.

15 (3) Membership in the authority includes all businesses subject  
16 to the fee imposed in section 6 of this act or the charge imposed in  
17 section 11 of this act.

18 (4) The office of the secretary of state must provide  
19 administrative assistance to the authority.

20 NEW SECTION. **Sec. 4.** BOARD OF DIRECTORS. (1)(a) The authority  
21 shall be governed by a board of directors. The board of directors  
22 shall be composed of thirteen members.

23 (b) Board membership shall be allocated to the assessed sectors  
24 as follows:

25 (i) Lodging, four members;

26 (ii) Food service, three members;

27 (iii) Retail, two members;

28 (iv) Attractions and entertainment, one member; and

29 (v) Transportation, one member.

30 (c) In addition, there shall be two members representing regional  
31 destination marketing organizations.

32 (d) The secretary and the director shall serve as ex officio  
33 voting members of the authority.

34 (2) The secretary and the director must jointly make appointments  
35 to the board from nominations submitted by organizations representing  
36 assessed sectors and members of the authority. Appointments shall  
37 reflect diversity in geography, size of businesses, gender, and  
38 ethnicity.

1 (3)(a) Half of the initial appointments under subsection  
2 (1)(b)(i), (ii), and (iii) of this section shall be for two years.  
3 The initial appointment under subsection (1)(b)(iv) of this section  
4 shall be for four years. The initial appointment under subsection  
5 (1)(b)(v) of this section shall be for two years.

6 (b) After the initial appointments, all appointments shall be for  
7 four years.

8 (4) The board shall select from its membership the chair of the  
9 board and such other officers as it deems appropriate.

10 (5) A majority of the board constitutes a quorum.

11 (6) The board shall create its own bylaws in accordance with the  
12 laws of the state of Washington.

13 (7) Any member of the board may be removed for misfeasance,  
14 malfeasance, or willful neglect of duty after notice and a public  
15 hearing, unless the notice and hearing are expressly waived in  
16 writing by the affected member.

17 (8) If a vacancy occurs on the board, the secretary and the  
18 director shall appoint a replacement from the same sector and from  
19 recommendations provided by businesses in that sector. The appointed  
20 member shall serve the remainder of the term.

21 (9) The members of the board serve without compensation but are  
22 entitled to reimbursement, solely from the funds of the authority,  
23 for expenses incurred in the discharge of their duties.

24 (10) The board shall meet at least quarterly.

25 (11) No board member of the authority may serve on the board of  
26 an organization that could be considered for the contract authorized  
27 by section 8 of this act.

28 (12) Beginning in fiscal year 2017, the authority shall report to  
29 the appropriate legislative committees concerning the effectiveness  
30 of the statewide tourism marketing program funded from the statewide  
31 tourism marketing account.

32 NEW SECTION. **Sec. 5.** STATEWIDE TOURISM MARKETING ACCOUNT. (1)

33 The statewide tourism marketing account is created in the custody of  
34 the state treasurer. All receipts from fees under section 6 of this  
35 act and the charge on lodging businesses imposed in section 11 of  
36 this act shall be deposited into the account, except as provided in  
37 subsection (2) of this section. Expenditures from the account may be  
38 used only for expenses related to implementation of a statewide  
39 tourism marketing program. The chair of the authority or the chair's

1 designee may authorize expenditures from the account. In the event of  
2 a dispute concerning expenditure authorization, a majority of the  
3 board may authorize expenditures for the account. The account is not  
4 subject to appropriation or allotment procedures for expenditures.

5 (2) Two percent of the total revenue collected by the department  
6 from fees under section 6 of this act and from the charge on lodging  
7 businesses under section 11 of this act must be deposited into the  
8 general fund to reimburse the state for administration and collection  
9 expenses incurred by the department.

10 NEW SECTION. **Sec. 6.** AUTHORIZATION AND COLLECTION OF FEES. (1)  
11 Beginning January 1, 2016, fees shall be imposed on all businesses in  
12 those assessed sectors included in section 2(2)(b) of this act.

13 (2) All fees collected under this section shall be deposited in  
14 the statewide tourism marketing account, except as otherwise provided  
15 in section 5 of this act.

16 (3) The department must collect the fees imposed under this  
17 section from businesses subject to the fee in the manner prescribed  
18 by the department. To the extent practicable, the reporting and  
19 payment of the fee must coincide with the business's regular tax  
20 reporting method and frequency for the taxes imposed in chapters  
21 82.04 and 82.16 RCW.

22 (4) The amount of the fee is based on a business's annual  
23 adjusted gross revenue for the preceding calendar year as shown in  
24 the rate tables below. However, if a business did not engage in  
25 business during the preceding calendar year, the fee for the current  
26 year is the lowest fee amount for the applicable assessed sector. For  
27 businesses that file tax returns with the department on a more  
28 frequent basis than annually, a business may elect to either report  
29 and pay the entire fee on the return for the first reporting period  
30 of the current calendar year or in installments. If a taxpayer elects  
31 to pay the fee in installments, the amount of each payment is  
32 determined by multiplying the fee provided in this subsection by a  
33 fraction, the numerator of which is the number of months in the  
34 reporting period, and the denominator of which is twelve.

35 (a) Food service.

36	\$1-\$499,000	\$ 25
37	\$500,000 – \$999,999	\$ 175
38	\$1,000,000 – \$1,499,999	\$ 350

1	\$1,500,000 – \$1,999,999	\$ 525
2	\$2,000,000 – \$2,499,999	\$ 700
3	\$2,500,000 – \$2,999,999	\$ 875
4	\$3,000,000 – \$3,499,999	\$ 1,050
5	\$3,500,000 – \$3,999,999	\$ 1,225
6	\$4,000,000 – \$4,499,999	\$ 1,400
7	\$4,500,000 – \$4,999,999	\$ 1,575
8	\$5,000,000 – \$5,499,999	\$ 1,750
9	\$5,500,000 – \$5,999,999	\$ 1,925
10	\$6,000,000 – \$6,499,999	\$ 2,100
11	\$6,500,000 – \$6,999,999	\$ 2,275
12	\$7,000,000 – \$7,499,999	\$ 2,450
13	\$7,500,000 – \$7,999,999	\$ 2,625
14	\$8,000,000 – \$8,499,999	\$ 2,800
15	\$8,500,000 – \$8,999,999	\$ 2,975
16	\$9,000,000 – \$9,499,999	\$ 3,150
17	\$9,500,000 – \$9,999,999	\$ 3,325
18	Over \$10,000,000	\$ 3,500

19 (b) Attractions and entertainment.

20	\$200,000 – \$599,999	\$ 100
21	\$600,000 – \$999,999	\$ 250
22	\$1,000,000 – \$1,999,999	\$ 400
23	\$2,000,000 – \$4,999,999	\$ 1,000
24	Greater than \$5 million	\$ 2,500

25 (c) Retail.

26	\$200,000 – \$599,999	\$ 100
27	\$600,000 – \$999,999	\$ 200
28	\$1 million – \$5 million	\$ 600
29	Greater than \$5 million	\$ 1,200

30 (d) Transportation.

31	\$1-\$499,000	\$ 125
32	\$500,000 – \$999,999	\$ 250

1	\$1 million – \$4,999,999	\$ 1,000
2	Greater than \$5 million	\$ 2,500

3 (5) The department must send a list of businesses it determines  
4 are in the assessed sectors to the authority annually at a time and  
5 in a form and format as mutually agreed to by the department and the  
6 authority. The list must identify lodging separately from the other  
7 assessed sectors. For those businesses, except lodging, it may also  
8 include information concerning the amount and payment of fees.

9 (6) Chapter 82.32 RCW applies to the fees imposed under this  
10 section.

11 (7)(a) If the legislature redirects or changes the use of the  
12 statewide tourism marketing account to a use other than that  
13 authorized in this chapter, fees shall not be imposed under this  
14 section as of the first day of the month that is at least sixty days  
15 from the date the department receives written notification from the  
16 authority as provided in (b) of this subsection.

17 (b) The authority must notify the department in writing of any  
18 action by the legislature that would redirect or change the use of  
19 the statewide tourism marketing account to a use other than that  
20 authorized in this chapter.

21 (8) The department may adopt rules under chapter 34.05 RCW to  
22 implement this section.

23 NEW SECTION. **Sec. 7.** CREDIT FOR COMMON CONTROL GROUP. (1)(a) A  
24 credit is allowed against the fees imposed in section 6 of this act  
25 for one member of a common control group if the amount of fees owed  
26 by all members of the common control group for the calendar year  
27 exceeds the amount of such fees that would have been owed for the  
28 calendar year if the common control group had been allowed to pay the  
29 fees as a single entity.

30 (b) The amount of the credit is the amount that such fees owed by  
31 all members of the common control group for the calendar year exceeds  
32 the amount of such fees that would have been owed for the calendar  
33 year if the common control group had been allowed to pay the fees as  
34 a single entity.

35 (c) Only one member of a common control group is entitled to a  
36 credit under this section for any single calendar year. However, a  
37 different member of a common control group may receive a credit under  
38 this section for a subsequent calendar year. No refunds may be

1 granted for credits under this section. Approved credit may be  
2 carried forward and used against fees incurred under section 6 of  
3 this act for up to four calendar years following the calendar year in  
4 which the department approved the credit.

5 (2) A common control group seeking credit under this section must  
6 apply to the department. A common control group may not apply for  
7 more than one credit for a calendar year. Applications must be  
8 submitted in a form and manner as required by the department and must  
9 include:

10 (a) Information about the ownership interests of each member of  
11 the common control group;

12 (b) A statement designating which business in the common control  
13 group will receive the credit provided under this section;

14 (c) Information necessary to calculate the amount of the credit;  
15 and

16 (d) Other information or documentation as the department may  
17 require.

18 (3) To claim a credit under this section, a business must  
19 electronically file with the department all returns, forms,  
20 applications, and other information the department requires in an  
21 electronic format as provided or approved by the department. The  
22 department may cancel approved credit if the recipient of the credit  
23 does not comply with this subsection.

24 (4) Except for RCW 82.32.805 and 82.32.808, chapter 82.32 RCW  
25 applies to the administration of credits provided under this section.

26 (5) The department may adopt rules under chapter 34.05 RCW to  
27 implement this section.

28 NEW SECTION. **Sec. 8.** USE OF FUNDS. (1) The authority shall use  
29 any funds legally available to it for any purpose specifically  
30 authorized by this chapter, including:

31 (a) Entering into a contract for a multiple-year statewide  
32 tourism marketing plan with a statewide nonprofit organization  
33 existing on the effective date of this section whose sole purpose is  
34 marketing Washington to tourists and who meets the requirements of  
35 subsection (2) of this section;

36 (b) Contracting for the evaluation of the impact of the statewide  
37 tourism marketing program; and

1 (c) Paying for administrative expenses of the authority, which  
2 shall not exceed one and one-half percent of funds collected in any  
3 fiscal year.

4 (2) In entering into a contract for a statewide marketing  
5 program, the authority must require the statewide nonprofit  
6 organization to be governed by a board reflecting sectors of the  
7 tourism industry and having geographically diverse representation.  
8 Sectors of the tourism industry must include adventure/outdoor  
9 recreation, arts and culture, attractions, lodging, food service,  
10 retail, and transportation. Other sectors may also include  
11 representatives of other organizations that have contributed to  
12 funding for the statewide tourism marketing program or that have  
13 particular expertise in tourism marketing, including but not limited  
14 to port districts, tribes, destination marketing organizations,  
15 economic development organizations, airlines, cruise ships, and other  
16 tourism related businesses. Geographic diversity will be based on  
17 regions established by the nonprofit organization. If, after  
18 appropriate notice, the authority determines that there is only one  
19 qualified entity, then the authority may issue a sole source  
20 contract. The authority shall include a provision in such a contract  
21 that will enable the contractor to pay expenses in a timely manner.

22 (3) All funds collected by the authority under this chapter,  
23 including interest, dividends, and other profits, are and must remain  
24 under the complete control of the authority and its board of  
25 directors, be fully available to achieve the intent of this chapter,  
26 and be used for the sole purpose of achieving the intent of this  
27 chapter.

28 (4)(a) The authority may suspend the fees under section 6 of this  
29 act and charges under section 11 of this act if the authority, by a  
30 majority vote, determines that the program as implemented pursuant to  
31 subsection (1)(a) of this section is not effective.

32 (b) The effective date for the fee suspension will be the first  
33 day of the month that is at least sixty days from the date the  
34 department receives written notification from the authority to  
35 suspend the fees.

36 NEW SECTION. **Sec. 9.** SHORT TITLE. This chapter may be known and  
37 cited as the statewide tourism marketing act.

1        NEW SECTION.    **Sec. 10.**    The definitions in this section apply  
2 throughout this chapter unless the context clearly requires  
3 otherwise.

4        (1) "Lodging business" means a person that furnishes  
5 lodging taxable by the state under chapter 82.08 RCW at a facility  
6 that has twenty or more lodging units.

7        (2) "Occupied room" means a room in a facility operated by a  
8 lodging business, if the room is used by an overnight guest for  
9 consideration.

10       (3) Unless the context clearly requires otherwise, the  
11 definitions in chapters 82.04, 82.08, and 82.12 RCW apply to this  
12 chapter.

13       NEW SECTION.    **Sec. 11.**    (1) There is imposed on every lodging  
14 business in the state a charge of fifteen cents per occupied room per  
15 night. The charge is the sole obligation of the lodging business, but  
16 the lodging business may separately itemize the charge on any invoice  
17 or other document of sale provided to the guest.

18       (2) Except for RCW 82.32.805 and 82.32.808, chapter 82.32 RCW  
19 applies to the charge imposed in this section. The due dates,  
20 reporting periods, and return requirements applicable to a lodging  
21 business for the taxes imposed in chapters 82.04 and 82.08 RCW also  
22 apply to the charge on lodging imposed in this section.

23       (3) All charges collected under this section must be deposited in  
24 the statewide tourism marketing account, except as otherwise provided  
25 in section 5 of this act.

26       NEW SECTION.    **Sec. 12.**    The charge on lodging authorized under  
27 this chapter does not apply with respect to lodging if the charge  
28 made for the lodging is not subject to the tax imposed in chapter  
29 82.08 RCW.

30       NEW SECTION.    **Sec. 13.**    The department may adopt rules to  
31 implement this chapter.

32       **Sec. 14.**    RCW 43.79A.040 and 2013 c 251 s 5 and 2013 c 88 s 1 are  
33 each reenacted and amended to read as follows:

34       (1) Money in the treasurer's trust fund may be deposited,  
35 invested, and reinvested by the state treasurer in accordance with  
36 RCW 43.84.080 in the same manner and to the same extent as if the

1 money were in the state treasury, and may be commingled with moneys  
2 in the state treasury for cash management and cash balance purposes.

3 (2) All income received from investment of the treasurer's trust  
4 fund must be set aside in an account in the treasury trust fund to be  
5 known as the investment income account.

6 (3) The investment income account may be utilized for the payment  
7 of purchased banking services on behalf of treasurer's trust funds  
8 including, but not limited to, depository, safekeeping, and  
9 disbursement functions for the state treasurer or affected state  
10 agencies. The investment income account is subject in all respects to  
11 chapter 43.88 RCW, but no appropriation is required for payments to  
12 financial institutions. Payments must occur prior to distribution of  
13 earnings set forth in subsection (4) of this section.

14 (4)(a) Monthly, the state treasurer must distribute the earnings  
15 credited to the investment income account to the state general fund  
16 except under (b), (c), and (d) of this subsection.

17 (b) The following accounts and funds must receive their  
18 proportionate share of earnings based upon each account's or fund's  
19 average daily balance for the period: The Washington promise  
20 scholarship account, the Washington advanced college tuition payment  
21 program account, the accessible communities account, the community  
22 and technical college innovation account, the agricultural local  
23 fund, the American Indian scholarship endowment fund, the foster care  
24 scholarship endowment fund, the foster care endowed scholarship trust  
25 fund, the contract harvesting revolving account, the Washington state  
26 combined fund drive account, the commemorative works account, the  
27 county enhanced 911 excise tax account, the toll collection account,  
28 the developmental disabilities endowment trust fund, the energy  
29 account, the fair fund, the family leave insurance account, the food  
30 animal veterinarian conditional scholarship account, the fruit and  
31 vegetable inspection account, the future teachers conditional  
32 scholarship account, the game farm alternative account, the GET ready  
33 for math and science scholarship account, the Washington global  
34 health technologies and product development account, the grain  
35 inspection revolving fund, the industrial insurance rainy day fund,  
36 the juvenile accountability incentive account, the law enforcement  
37 officers' and firefighters' plan 2 expense fund, the local tourism  
38 promotion account, the multiagency permitting team account, the  
39 pilotage account, the produce railcar pool account, the regional  
40 transportation investment district account, the rural rehabilitation

1 account, the statewide tourism marketing account, the stadium and  
2 exhibition center account, the youth athletic facility account, the  
3 self-insurance revolving fund, the children's trust fund, the  
4 Washington horse racing commission Washington bred owners' bonus fund  
5 and breeder awards account, the Washington horse racing commission  
6 class C purse fund account, the individual development account  
7 program account, the Washington horse racing commission operating  
8 account, the life sciences discovery fund, the Washington state  
9 heritage center account, the reduced cigarette ignition propensity  
10 account, the center for childhood deafness and hearing loss account,  
11 the school for the blind account, the Millersylvania park trust fund,  
12 the public employees' and retirees' insurance reserve fund, and the  
13 radiation perpetual maintenance fund.

14 (c) The following accounts and funds must receive eighty percent  
15 of their proportionate share of earnings based upon each account's or  
16 fund's average daily balance for the period: The advanced right-of-  
17 way revolving fund, the advanced environmental mitigation revolving  
18 account, the federal narcotics asset forfeitures account, the high  
19 occupancy vehicle account, the local rail service assistance account,  
20 and the miscellaneous transportation programs account.

21 (d) Any state agency that has independent authority over accounts  
22 or funds not statutorily required to be held in the custody of the  
23 state treasurer that deposits funds into a fund or account in the  
24 custody of the state treasurer pursuant to an agreement with the  
25 office of the state treasurer shall receive its proportionate share  
26 of earnings based upon each account's or fund's average daily balance  
27 for the period.

28 (5) In conformance with Article II, section 37 of the state  
29 Constitution, no trust accounts or funds shall be allocated earnings  
30 without the specific affirmative directive of this section.

31 NEW SECTION. **Sec. 15.** A new section is added to chapter 82.04  
32 RCW to read as follows:

33 This chapter does not apply to amounts received by a nonprofit  
34 organization from the Washington tourism marketing authority pursuant  
35 to a contract authorized under section 8(1)(a) of this act.

36 NEW SECTION. **Sec. 16.** A new section is added to chapter 44.28  
37 RCW to read as follows:

1 (1) In addition to the findings and legislative intent in section  
2 1, chapter . . ., Laws of 2015 (section 1 of this act), it is the  
3 legislature's specific public policy objective to increase tourism in  
4 the state through the statewide tourism marketing program authorized  
5 in chapter 43.--- RCW (the new chapter created in section 17 of this  
6 act). It is the legislature's intent to that the statewide tourism  
7 marketing program will induce more tourists to Washington who will  
8 spend their disposable income in this state, thereby increasing the  
9 state's economy and revenue to state and local governments.  
10 Additionally, the statewide tourism marketing program may increase  
11 spending by Washington residents through greater awareness and  
12 participation in festivals, activities, and events occurring outside  
13 their communities.

14 (2) The joint legislative audit and review committee shall  
15 conduct the study of the statewide tourism marketing program  
16 authorized in chapter 43.--- RCW (the new chapter created in section  
17 17 of this act) and report on the effectiveness of the program in  
18 achieving these outcomes and the state's return on investment from  
19 the fees and charges authorized under sections 6 and 11 of this act.

20 (3) The report is due no later than December 1, 2022.

21 NEW SECTION. **Sec. 17.** Sections 1 through 9 of this act  
22 constitute a new chapter in Title 43 RCW.

23 NEW SECTION. **Sec. 18.** Sections 10 through 13 of this act  
24 constitute a new chapter in Title 82 RCW.

25 NEW SECTION. **Sec. 19.** Sections 1 through 13 and 15 of this act  
26 expire January 1, 2024.

27 NEW SECTION. **Sec. 20.** This act is necessary for the immediate  
28 preservation of the public peace, health, or safety, or support of  
29 the state government and its existing public institutions, and takes  
30 effect July 1, 2015.

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