

Chapter 35.101 RCW
TOURISM PROMOTION AREAS

RCW Sections

- 35.101.010 Definitions.
- 35.101.020 Establishment -- Petition.
- 35.101.030 Resolution of intention to establish area -- Hearing.
- 35.101.040 Limitations on area included -- Interlocal agreements.
- 35.101.050 Lodging charge -- Limitations.
- 35.101.052 Lodging charge -- Contract for administration and collection of by department of revenue.
- 35.101.055 Lodging charge -- Exemption for temporary medical housing.
- 35.101.060 Notice of hearing.
- 35.101.070 Conduct of hearing -- Termination of proceedings.
- 35.101.080 Establishment of area -- Ordinance.
- 35.101.090 Administration, collection of lodging charge.
- 35.101.100 Local tourism promotion account created.
- 35.101.110 Charges are in addition to special assessments.
- 35.101.120 Charges are not a tax on sale of lodging.
- 35.101.130 Legislative authority has sole discretion concerning use for tourism promotion -- Contracts for operation of area.
- 35.101.140 Disestablishment of area -- Hearing -- Resolution.

35.101.010
Definitions.

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Area" means a tourism promotion area.

(2) "Legislative authority" means the legislative authority of any county with a population greater than forty thousand, or of any city or town within such a county, including unclassified cities or towns operating under special charters. However, in any county with a population of one million or more, the legislative authority shall be comprised of two or more jurisdictions acting jointly as the legislative authority under an interlocal agreement created under chapter

39.34 RCW for the joint establishment and operation of a tourism promotion area.

(3) "Lodging business" means a person that furnishes lodging taxable by the state under chapter 82.08 RCW that has forty or more lodging units.

(4) "Tourism promotion" means activities and expenditures designed to increase tourism and convention business, including but not limited to advertising, publicizing, or otherwise distributing information for the purpose of attracting and welcoming tourists, and operating tourism destination marketing organizations.

[2009 c 442 § 1; 2003 c 148 § 1.]

35.101.020**Establishment — Petition.**

For the purpose of establishing a tourism promotion area, an initiation petition must be presented to the legislative authority having jurisdiction of the area in which the proposed tourism promotion area is to be located. The initiation petition must include the following:

- (1) A description of the boundaries of the proposed area;
- (2) The proposed uses and projects to which the proposed revenue from the charge shall be put and the total estimated costs;
- (3) The estimated rate for the charge with a proposed breakdown by class of lodging business if such classification is to be used; and
- (4) The signatures of the persons who operate lodging businesses in the proposed area who would pay sixty percent or more of the proposed charges.

[2003 c 148 § 2.]

35.101.030**Resolution of intention to establish area — Hearing.**

A legislative authority shall, after receiving a valid initiation petition under RCW

35.101.020, adopt a resolution of intention to establish an area. The resolution must state:

- (1) The time and place of a hearing to be held by the legislative authority to consider the establishment of an area;
- (2) A description of boundaries in the proposed area;
- (3) The proposed area uses and projects to which the proposed revenues from the charge shall be dedicated and the total estimated cost of projects; and
- (4) The estimated rate or rates of the charge with a proposed breakdown of classifications as described in RCW 35.101.050.

[2003 c 148 § 3.]

35.101.040**Limitations on area included — Interlocal agreements.**

(1) Except as provided in subsection (2) of this section, no legislative authority may establish a tourism promotion area that includes within the boundaries of the area:

- (a) Any portion of an incorporated city or town, if the legislative authority is that of the county; and
- (b) Any portion of the county outside of an incorporated city or town, if the legislative authority is that of the city or town.

(2) By interlocal agreement adopted pursuant to chapter

39.34 RCW, a county, city, or town may establish a tourism promotion area that includes within the boundaries of the area portions of its own jurisdiction and another jurisdiction, if the other jurisdiction is party to the agreement.

[2003 c 148 § 4.]

35.101.050**Lodging charge — Limitations.**

A legislative authority may impose a charge on the furnishing of lodging by a lodging business located in the area.

- (1) There shall not be more than six classifications upon which a charge can be imposed.
- (2) Classifications can be based upon the number of rooms, room revenue, or location within the area.
- (3) Each classification may have its own rate, which shall be expressed in terms of nights of stay.
- (4) In no case may the rate under this section be in excess of two dollars per night of stay.

[2003 c 148 § 5.]

35.101.052**Lodging charge — Contract for administration and collection of by department of revenue.**

(1) A legislative authority shall contract, prior to the effective date of an ordinance imposing a lodging charge under RCW

35.101.050, for the administration and collection of the charge by the state department of revenue. The department may deduct a percentage amount, as provided by contract, for the administration and collection expenses incurred by the department.

(2) This section only applies to a legislative authority consisting of a county with a population of one million or more or a city or town within such a county.

[2009 c 442 § 2.]

35.101.055**Lodging charge — Exemption for temporary medical housing.**

The lodging charge authorized in RCW

35.101.050 does not apply to temporary medical housing exempt under RCW 82.08.997.

[2008 c 137 § 6.]

Notes:

Effective date -- 2008 c 137: See note following RCW 82.08.997.

35.101.060**Notice of hearing.**

Notice of a hearing held under RCW

35.101.030 shall be given by:

(1) One publication of the resolution of intention in a newspaper of general circulation in the city or county in which the area is to be established; and

(2) Mailing a complete copy of the resolution of intention to each lodging business in the proposed area.

Publication and mailing shall be completed at least ten days prior to the date and time of the hearing.

[2003 c 148 § 6.]

35.101.070**Conduct of hearing — Termination of proceedings.**

Whenever a hearing is held under RCW

35.101.030, the legislative authority shall hear all protests and receive evidence for or against the proposed action. The legislative authority may continue the hearing from time to time. Proceedings shall terminate if protest is made by the lodging businesses in the area which would pay a majority of the proposed charges.

[2003 c 148 § 7.]

35.101.080**Establishment of area — Ordinance.**

Only after an initiation petition has been presented to the legislative authority under RCW

35.101.020 and only after the legislative authority has conducted a hearing under RCW 35.101.030, may the legislative authority adopt an ordinance to establish an area. If the legislative authority adopts an ordinance to establish an area, the ordinance shall contain the following information:

(1) The number, date, and title of the resolution of intention pursuant to which it was adopted;

(2) The time and place the hearing was held concerning the formation of the area;

(3) The description of the boundaries of the area;

(4) The initial or additional rate of charges to be imposed with a breakdown by classification, if such classification is used;

(5) A statement that an area has been established; and

(6) The uses to which the charge revenue shall be put. Uses shall conform to the uses declared in the initiation petition under RCW 35.101.020.

[2003 c 148 § 8.]

35.101.090**Administration, collection of lodging charge.**

(1) The charge authorized by this chapter shall be administered by the department of revenue and shall be collected by lodging businesses from those persons who are taxable by the state under chapter

82.08 RCW. Chapter 82.32 RCW applies to the charge imposed under this chapter.

(2) At least seventy-five days prior to the effective date of the resolution or ordinance imposing the charge, the legislative authority shall contract for the administration and collection by the department of revenue.

(3) The charges authorized by this chapter that are collected by the department of revenue shall be deposited by the department in the local tourism promotion account created in RCW 35.101.100.

[2003 c 148 § 9.]

35.101.100**Local tourism promotion account created.**

The local tourism promotion account is created in the custody of the state treasurer. All receipts from the charges for tourism promotion must be deposited into this account. Expenditures from the account may only be used for tourism promotion. The state treasurer shall distribute the money in the account on a monthly basis to the legislative authority on whose behalf the money was collected.

[2003 c 148 § 10.]

35.101.110**Charges are in addition to special assessments.**

The charges imposed under this chapter are in addition to the special assessments that may be levied under chapter

35.87A RCW.

[2003 c 148 § 11.]

35.101.120**Charges are not a tax on sale of lodging.**

The charges imposed under this chapter are not a tax on the "sale of lodging" for the purposes of RCW

82.14.410.

[2003 c 148 § 12.]

35.101.130**Legislative authority has sole discretion concerning use for tourism promotion — Contracts for operation of area.**

(1) The legislative authority imposing the charge shall have sole discretion as to how the revenue derived from the charge is to be used to promote tourism. However, the legislative authority may appoint existing advisory boards or commissions to make recommendations as to its use, or the legislative authority may create a new advisory board or commission for the [that] purpose.

(2) The legislative authority may contract with tourism destination marketing organizations or other similar organizations to administer the operation of the area, so long as the administration complies with all applicable provisions of law, including this chapter, and with all county, city, or town resolutions and ordinances, and with all regulations lawfully imposed by the state auditor or other state agencies.

[2003 c 148 § 13.]

35.101.140**Disestablishment of area — Hearing — Resolution.**

The legislative authority may disestablish an area by ordinance after a hearing before the legislative authority. The legislative authority shall adopt a resolution of intention to disestablish the area at least fifteen days prior to the hearing required by this section. The resolution shall give the time and place of the hearing.

[2003 c 148 § 14.]