

BRIEFING REPORT: Impact of Tourism Marketing Authority

LEGISLATIVE AUDITOR'S CONCLUSION:

Washington's new Tourism Marketing Authority is developing a statewide marketing plan. Once it identifies specific marketing strategies, JLARC staff can identify options for evaluating the Authority's impact.

January 2020

In 2018, the Legislature created the Washington Tourism Marketing Authority (Authority) and directed it to promote statewide tourism (RCW 43.384.900). The Legislature also directed the Joint Legislative Audit and Review Committee (JLARC) to assess the impact of the Authority on the tourism industry and the state's economy by December 2023.

JLARC staff originally planned to provide the Legislature with study design options in this briefing report. However, the Authority is still developing its marketing plan and has not yet identified detailed strategies or metrics. These steps must be complete before JLARC staff can determine potential options for evaluating the Authority's impact.

Assuming the Authority has developed strategies and identified metrics by early 2020, JLARC staff will provide the Legislature with a second briefing report by December 2020 outlining study options, the amount of time needed to complete each, and estimated costs.

Washington's new Tourism Marketing Authority is funded with public and private dollars

The Washington Tourism Marketing Authority is a 13-member voluntary board made up of nine members from tourism-related industries and four legislators.

The Authority is funded with public and private dollars that can total \$4.5 million per fiscal year.

- \$1.5 million comes from sales tax revenue transferred from the state general fund. The Authority's ability to spend this public funding is contingent on its ability to secure matching funds.
- \$3 million comes from matching funds. For each state dollar spent, the Authority must receive two dollars in matching funds (e.g., cash, in-kind contributions).

Local tourism marketing is funded separately. Cities, towns, and counties reported spending \$21.5 million on tourism marketing in fiscal year 2018. Neighboring states report different approaches to funding and oversight across local and state marketing efforts, making comparisons between states difficult.

The Authority has contracted with the nonprofit Washington Tourism Alliance (WTA) to develop and implement a statewide marketing plan

The Legislature directed the Authority to address five focus areas: rural tourism-dependent counties, natural wonders and outdoor recreation opportunities, international travel, identification of local offerings for tourists, and areas adversely impacted by natural disasters.

The Authority contracted with the nonprofit Washington Tourism Alliance (WTA) to develop and execute a statewide marketing plan. The WTA's work began in January 2019.

- With the Authority's approval, the WTA set priorities and began initial planning for marketing the state. Efforts include identifying needs and gaps, working with regional marketing organizations, updating the state's tourism website, and hiring experts to develop a new brand for the state.
- It is too soon to know what specific marketing strategies the Authority and WTA will use to implement the plan.

Once the Authority identifies specific marketing strategies, JLARC staff can identify study options to determine the Authority's impact on the state's economy

In 2019, JLARC staff worked with an economist who specializes in travel and tourism to identify ways to measure the Authority's impact. Selecting an effective evaluation approach will ultimately depend on the strategies the Authority uses to implement its marketing plan.

REPORT DETAILS

1. Authority funded with public and private dollars

Washington's new Tourism Marketing Authority is funded with public and private dollars

The Legislature created the Washington Tourism Marketing Authority in 2018

Washington's state tourism office closed in 2011 after state funding was eliminated. The state operated without an official tourism agency until 2018, when the Legislature created a new Washington Tourism Marketing Authority (Authority).

The Authority is a 13-member volunteer board that is responsible for promoting statewide tourism. Statute requires the Authority to contract for marketing services and to manage its state and non-state resources. The board is made up of nine representatives from tourism-related industries and four legislators. The Department of Commerce (Commerce) provides legal and administrative support.

For each state dollar spent, the Authority must receive two dollars in matching funds

The Authority is funded with public and private dollars that can total \$4.5 million per fiscal year. This funding pays for marketing and administrative expenses, including the support from Commerce staff.

- \$1.5 million comes from sales tax collected on retail sales of lodging, car rentals, and restaurants. These funds are transferred from the state general fund to a dedicated tourism account. The Authority's ability to spend this public funding is contingent on its ability to secure matching funds.
- \$3 million comes from the Authority's matching funds (e.g., cash, in-kind contributions). For each state dollar spent, the Authority must receive two dollars in matching funds (e.g., cash, in-kind contributions). Commerce verifies the match before releasing state funds to the Authority. In 2019, over 99% of the match came from in-kind activities, such as the state tourism guide.

In Washington, local governments spend more on tourism marketing than the state spends on it

Cities, towns, and counties pay for local/regional tourism marketing with lodging tax revenue¹. The Authority does not receive any funding from this revenue source.

In calendar year 2018, local governments outside of King County² received \$57 million in lodging tax revenue and reported using \$21.5 million (38%) for tourism marketing. Some local governments spent the revenue directly and others awarded it to local or regional tourism marketing organizations. These organizations include:

- Local entities, such as chambers of commerce, theaters, and museums.
- Regional entities, such as visitor bureaus and destination marketing organizations, often referred to as DMOs (e.g., Visit San Juans and the Long Beach Peninsula Visitors Bureau).

Local governments reported spending the remainder of lodging tax revenue to promote specific events or pay for tourism-related facilities (see [2018 Lodging Tax Data](#)). King County currently uses its lodging tax revenue to pay the debt for stadiums.

Some cities and counties also have formed tourism promotion areas (TPAs) to generate additional revenue. Local governments with populations over 40,000 can form a TPA. This allows them to charge up to \$2 per room per night on certain lodging businesses. In 2018, TPAs generated over

¹Additional sales tax on short-term lodging stays.

²King County is exempt from the lodging tax reporting requirements. It may have undertaken tourism promotion efforts.

\$14 million for local and regional tourism promotion. This amount is in addition to the \$57 million noted above.

Neighboring states report different approaches to funding state and local/regional tourism marketing

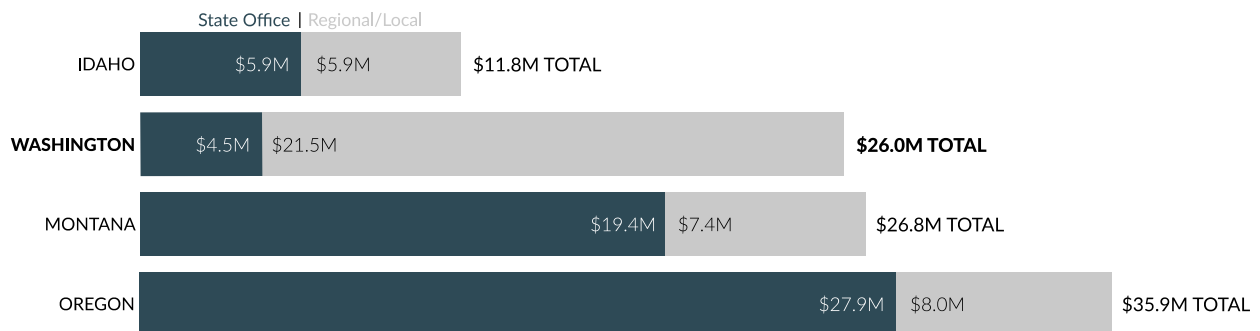
Oregon, Idaho, and Montana report using lodging tax revenue to fund their state tourism authorities. The revenue is shared between the state and regional or local organizations, and the state tourism authorities may oversee state, local, and regional spending. In contrast, Washington's lodging tax revenue funds only regional or local tourism marketing.

- Each state also has other revenue (e.g., tourism promotion areas, resort taxes) that may support state, regional, or local tourism marketing. These funds also may be used for non-marketing purposes such as events and tourism-related infrastructure. In Idaho, for example, a portion of the funds is used to support a regional airport.

The different funding approaches make comparisons across states challenging. However, it is possible to compare funding in Washington to how other states use lodging tax revenue:

- Washington allocates fewer tourism dollars to statewide tourism marketing efforts than it does to local/regional efforts.
- When factoring in the sales tax revenue that Washington's new Authority receives, the state's combined annual funding for state and local/regional tourism marketing in calendar year 2018 was \$26 million. This is similar to the combined amount spent in Montana. It is about \$10 million less than in Oregon and more than double the amount spent in Idaho.

Exhibit 1.1: In contrast to Washington, neighboring states distribute more funding to their statewide tourism marketing office than to local/regional entities



Source: Calendar year 2018 lodging tax data from each state and Washington's lodging tax, and state sales tax and matching fund data. Dollar figures for Oregon, Montana, and Idaho reflect lodging tax revenue only, which is distributed between the state and local/regional entities. Washington figures include lodging tax revenue for the local entities and sales tax and industry match for the state office (i.e., Washington's equivalent state revenue source).

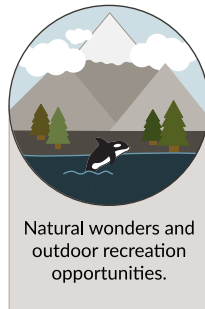
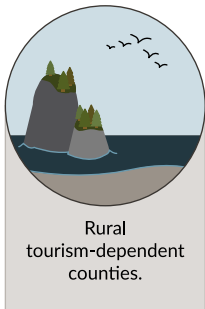
2. State is developing a marketing plan

The Authority has contracted with the non-profit Washington Tourism Alliance (WTA) to develop and implement a statewide marketing plan

Legislature specified five focus areas for statewide tourism marketing

The law³ creating the Washington Tourism Marketing Authority (Authority) requires it to focus on five key areas for tourism promotion.

RCW 43.384.050 specified these five focus areas for statewide tourism marketing:



Washington Tourism Alliance is developing a marketing plan

As required by statute, the Authority is under contract with a marketing nonprofit to develop and implement a marketing plan. In December 2018, the Authority selected the WTA to perform the work, noting that it was the only entity that met the statutory requirements.

WTA is building off of a statewide marketing plan that Commerce and WTA published in 2018. The goals of the plan are consistent with the five focus areas that the Legislature identified.

Authority and WTA have started their work, but have not yet identified specific marketing strategies

The Authority and WTA report that they are using the 2018 statewide marketing plan as guidance. They have identified key areas of emphasis, which are typical for statewide tourism offices:

What is the Washington Tourism Alliance (WTA)?

WTA is a 501 (c)(6) nonprofit organization whose mission is to market the state of Washington to tourists. Tourism industry stakeholders formed the organization in 2011 after the state tourism office closed.

Since then, the WTA has operated the state tourism website (www.experiencewa.com) and regularly updated and published the state tourism guide.

³RCW 43.384.050

- Travel trade development (e.g., trade shows, working with tour operators).
- Consumer marketing (e.g., visitor's guide).
- Travel publicity and communication (e.g., press kits).
- Destination development (e.g., marketing grants for rural areas).
- Crisis management (e.g., marketing assistance for areas affected by fire).

Within these areas, the Authority and WTA priorities include identifying needs and gaps in the current approaches, working with regional marketing organizations, updating the state's tourism website, and developing a new brand for the state. The Authority and WTA have not yet identified the specific marketing strategies that they will use to target and attract new visitors to the state.

3. Study approach depends on marketing strategies used

Once the Authority identifies specific marketing strategies and metrics, JLARC staff can design study options to evaluate the Authority's impact on tourism and the state's economy

The 2018 Legislature directed JLARC staff to evaluate the performance of the Tourism Marketing Authority (Authority) by December 2023. JLARC staff originally planned to provide the Legislature with study design options in this briefing report. However, because the Authority is still developing its detailed marketing strategies and has not identified metrics, we are not yet able to do so.

The Washington Tourism Alliance (WTA) must report to the Authority in March 2020 on the metrics it will use to assess its marketing strategies. Once these are identified, JLARC staff will work with our consulting economist to review the detailed marketing strategies and determine the most appropriate study options to evaluate the Authority's impact.

Assuming the Authority has completed these steps by early 2020, JLARC staff will provide the Legislature with a second briefing report by December 2020 outlining study options, the amount of time needed to complete each, and estimated costs.

Authority can use metrics to demonstrate its progress to the Legislature

WTA has indicated that it intends to use two types of metrics, both of which are commonly used by other states and by local/regional tourism promotion organizations in Washington. While WTA has discussed these general categories, neither the WTA nor the Authority has yet identified the specific metrics that they will use.

Program metrics track implementation and measure interactions with consumers or travelers

While these types of metrics do not directly measure the outcomes that will answer the Legislature's questions, they can indicate whether the Authority is meeting milestones (e.g., launching new website). They also measure steps toward increasing visitor arrivals and spending in the state (e.g., visits to the website).

Authority area of emphasis	Sample program metrics
Travel trade development	Number of visitors, exhibitors to booths, satisfaction. Tour operator participation from identified key market areas.
Consumer marketing	Website impressions (views), clicks, click through rate. Social media followers or interactions.
Travel publicity/communications	Public relations events, media events/conferences. Dollar value of earned media, total articles, unique visitors to earned media sites.
Destination development	Traveler awareness of Washington as a tourist destination. Intent to travel to rural and tourism-dependent areas.

Destination metrics convert the program metrics into outcomes such as visitor arrival and spending

It may take more than a year after marketing to see a change in destination metrics. Destination metrics should address the statutory goals (e.g., economic development) and areas of focus.

Indicator	Sample destination metrics
Visitor volume	Occupancy rates, use of campsites, second homes. Visitor arrivals (air, ferry, border crossings).
Visitor spending	Accommodation sales (revenue per room, average daily rate). Total visitor spending on all purchased goods in market.
Tax revenue	Lodging and sales tax.

Statewide marketing is one of many factors that may impact tourism

In preparation for the future JLARC study, JLARC staff have begun working with an economist who specializes in travel and tourism to identify potential evaluation approaches.

The study must measure the extent to which the Authority's marketing efforts:

- Address the five focus areas⁴ identified in statute.
- Increase demand for travel to Washington.
- Impact the tourism industry and economic development in the state.

While most state and local marketing organizations report on measures such as visitor spending or volume, few attempt to isolate the impact of specific marketing activities. To do so, the study must be designed to control for other factors that may affect travel and tourism spending. These include:

- Disposable income of travelers.
- Macroeconomic indicators⁵ at the travelers' location of origin.
- Transportation costs.
- Relative prices⁶.
- Exchange rates.
- Consumer preferences.

In addition to these factors, the study approach must account for the fact that the Authority is one of many entities that is focused on tourism marketing in Washington. For example:

- Local governments also promote tourism activities and reported spending approximately five times more than the Authority spent in 2018.
- The nonprofit destination marketing organizations also have private funds available for marketing.
- The WTA and other tourism industry representatives have been engaged in marketing efforts since the state's tourism office closed in 2011. These efforts will need to be addressed in any study that aims to isolate the impact of the Authority's new marketing plan.

Several study approaches could potentially measure the Authority's impact on tourism

Choosing an appropriate study approach will ultimately depend on the specific strategies and actions that the Authority chooses to use in its marketing plan.

The following two examples of study approaches highlight some differences in data needs and potential results.

1. Econometric studies use statistical methods to estimate quantitative relationships between different factors. For example, the study may estimate the relationship between number of visitors and marketing expenditures.

⁴Rural tourism-dependent counties, natural wonders and outdoor recreation opportunities, international travel, identification of local offerings for tourists, and areas adversely impacted by natural disasters.

⁵Includes consumer price index, unemployment rates, gross domestic product.

⁶Ratio of prices in WA to prices in the travelers' location of origin or alternative destinations.

- Data is typically collected from secondary sources such as organizational records or government agencies.
- Econometric modeling estimates the relationship between variables and does not prove causation.
- Econometric modelling often relies on regression-based analyses. These analyses can estimate quantitative relationships between a particular outcome (e.g., number of visitors) and multiple variables (e.g., marketing expenditures, travel costs). Researchers can use regression analysis to "control for," or take into consideration, other variables that may also impact the outcome (e.g., unemployment rates).

2. Conversion studies use surveys to determine whether identified travelers' behaviors are influenced by a particular marketing effort.

- Studies may take the form of a comparison between two groups of travelers: one exposed to the tourism marketing and one not exposed to the marketing. This approach can potentially estimate the degree to which the marketing influenced or caused traveling and spending decisions. It also may allow for regional analysis of travelers' behaviors.
- Results can be combined with economic impact studies to estimate how travelers' behaviors affect measures such as jobs and economic activity.
- Results of conversion studies are limited to the population from which the survey is drawn. Thus, they can be limited when the survey under-represents important groups. For example, a survey sample may be representative of the domestic U.S. population but may not capture international travelers.

Timing of the Authority's marketing plan will impact study approach

The timing of the Authority's new marketing plan will impact the amount of data available for an evaluation of its impact.

Washington had no state tourism office between 2011 and 2018. The soonest the Authority will begin active marketing is 2020, and there is likely to be a lag between the initial marketing expenditures and any potential changes in visitor arrivals or spending.

For example, in northern states like Washington, marketing to encourage summer visits typically takes place in the winter and spring. As a result, a study due in 2023 may only have two years of data to analyze. Data limitations can have different impacts on study results depending on the approach used:

- For an econometric study, limited data can mean that the results may have less explanatory value. If the relevant data for the study is reported monthly, two years may be sufficient time for analysis. On the other hand, if the data is collected quarterly, at least five years of data will be needed to ensure meaningful results.
- For a conversion study, there needs to be sufficient time to develop and implement survey tools. Achieving a suitable sample size likely will require data collection over 12 to 18 months.

The final study approach may use one of these methods, a combination of approaches, or an alternative not yet discussed. JLARC staff plan to issue a second briefing report by December 2020 that identifies study design options, time needed to conduct each, and estimated costs.

Appendix A: Applicable statutes

Tourism Marketing Authority established in Ch. 43.384 RCW

RCW 43.384.010

Definitions.

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

- (1) "Authority" means the Washington tourism marketing authority created in RCW 43.384.020.
- (2) "Board" means the Washington tourism marketing authority board of directors.
- (3) "Department" means the department of commerce.
- (4) "Director" means the director of the department of commerce.
- (5) "Statewide tourism marketing account" means the account created pursuant to RCW 43.384.040.

[2018 c 275 § 2.]

RCW 43.384.020

Established—Duties—Administrative assistance.

- (1) The Washington tourism marketing authority is established as a public body constituting an instrumentality of the state of Washington.
- (2) The authority is responsible for contracting for statewide tourism marketing services that promote tourism on behalf of the citizens of the state, and for managing the authority's financial resources.
- (3) The department provides administrative assistance to the authority and serves as the fiscal agent of the authority for moneys appropriated for purposes of the authority.
- (4) The authority must create a private local account to receive nonstate funds and state funds, other than general fund state funds, contributed to the authority for purposes of this chapter.

[2018 c 275 § 3.]

RCW 43.384.030

Board of directors—Membership—Advisory committee—Procedures.

- (1) The authority must be governed by a board of directors. The board of directors must consist of:

(a) Two members and two alternates from the house of representatives, with one member and one alternate appointed from each of the two major caucuses of the house of representatives by the speaker of the house of representatives;

(b) Two members and two alternates from the senate, with one member and one alternate appointed from each of the two major caucuses of the senate by the president of the senate; and

(c) Nine representatives with expertise in the tourism industry and related businesses including, but not limited to, hotel, restaurant, outdoor recreation, attractions, retail, and rental car businesses appointed by the governor.

(2) The initial membership of the authority must be appointed as follows:

(a) By May 1, 2018, the speaker of the house of representatives and the president of the senate must each submit to the governor a list of ten nominees who are not legislators or employees of the state or its political subdivisions, with no caucus submitting the same nominee;

(b) The nominations from the speaker of the house of representatives must include at least one representative from the restaurant industry; one representative from the rental car industry; and one representative from the retail industry;

(c) The nominations from the president of the senate must include at least one representative from the hotel industry; one representative from the attractions industry; and one representative from the outdoor recreation industry; and

(d) The remaining member appointed by the governor must have a demonstrated expertise in the tourism industry.

(3) By July 1, 2018, the governor must appoint four members from each list submitted by the speaker of the house of representatives and the president of the senate under subsection (2)(a) through (c) of this section and one member under subsection (2)(d) of this section. Appointments by the governor must reflect diversity in geography, size of business, gender, and ethnicity. No county may have more than two appointments and no city may have more than one appointment.

(4) There must be a nonvoting advisory committee to the board. The advisory committee must consist of:

(a) One ex officio representative from the department, state parks and recreation commission, department of transportation, and other state agencies as the authority deems appropriate; and

(b) One member from a federally recognized Indian tribe appointed by the director of the department.

(5) The initial appointments under subsections (1) and (2) of this section must be appointed by the governor to terms as follows: Four members for two-year terms; four members for three-year terms; and five members for four-year terms, which must include the chair. After the initial appointments, all appointments must be for four years.

(6) The board must select from its membership the chair of the board and such other officers as it deems appropriate. The chair of the board must be a member from the tourism industry or related businesses.

- (7) A majority of the board constitutes a quorum.
- (8) The board must create its own bylaws in accordance with the laws of the state of Washington.
- (9) Any member of the board may be removed for misfeasance, malfeasance, or willful neglect of duty after notice and a public hearing, unless the notice and hearing are expressly waived in writing by the affected member.
- (10) If a vacancy occurs on the board, a replacement must be appointed for the unexpired term.
- (11) The members of the board serve without compensation but are entitled to reimbursement, solely from the funds of the authority, for expenses incurred in the discharge of their duties.
- (12) The board must meet at least quarterly.
- (13) No board member of the authority may serve on the board of an organization that could be considered for a contract authorized under RCW 43.384.050.

[2018 c 275 § 4.]

RCW 43.384.040

Statewide tourism marketing account—Matching funds.

The statewide tourism marketing account is created in the state treasury. All receipts from tax revenues under RCW 82.08.225 must be deposited into the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for expenditures of the department that are related to implementation of a statewide tourism marketing program and operation of the authority. A two-to-one nonstate or state fund, other than general fund state, match must be provided for all expenditures from the account. A match may consist of nonstate or state fund, other than general fund state, cash contributions deposited in the private local account created under RCW 43.384.020(4), the value of an advertising equivalency contribution, or an in-kind contribution. The board must determine criteria for what qualifies as an in-kind contribution.

[2018 c 275 § 5.]

RCW 43.384.050

Use of funds.

(1) From amounts appropriated to the department for the authority and from other moneys available to it, the authority may incur expenditures for any purpose specifically authorized by this chapter including:

(a) Entering into a contract for a multiple year statewide tourism marketing plan with a statewide nonprofit organization existing on June 7, 2018, whose sole purpose is marketing Washington to tourists. The marketing plan must include, but is not limited to, focuses on rural tourism-dependent counties, natural wonders and outdoor recreation opportunities of the state, including sustainable whale watching, attraction of international tourists, identification of local offerings for tourists, and assistance for tourism areas adversely impacted by natural disasters. In the event that no such

organization exists on June 7, 2018, or the initial contractor ceases to exist, the authority may determine criteria for a contractor to carry out a statewide marketing program;

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

(c) Paying for administrative expenses of the authority, which may not exceed two percent of the state portion of funds collected in any fiscal year.

(2) All nonstate moneys received by the authority under RCW 43.384.060 or otherwise provided to the authority for purposes of matching funding must be deposited in the authority's private local account created under RCW 43.384.020(4) and are held in trust for uses authorized solely by this chapter.

(3) "Sustainable whale watching" means an experience that includes whale watching from land or aboard a vessel that reduces the impact on whales, provides a recreational and educational experience, and motivates participants to care about marine mammals, the sea, and marine conservation.

[2019 c 291 § 5; 2018 c 275 § 6.]

RCW 43.384.060

Receipt of gifts, grants authorized.

The board may receive gifts, grants, or endowments from public or private sources that are made from time to time, in trust or otherwise, for the use and benefit of the purposes of the authority and spend gift, grants, or endowments or income from public or private sources according to their terms, unless the receipt of gifts, grants, or endowments violates RCW 42.17A.560.

[2018 c 275 § 7.]

RCW 43.384.800

Evaluation by joint legislative audit and review committee.

The joint legislative audit and review committee must conduct an evaluation of the performance of the authority created in chapter 43.384 RCW and report its findings and recommendations, in compliance with RCW 43.01.036, to the governor and the economic development committees of the senate and house of representatives by December 1, 2023. The purpose of the evaluation is to determine the extent to which the authority has contributed to the growth of the tourism industry and economic development of the state. An interim report by the authority, submitted in compliance with RCW 43.01.036, is due to the governor and economic development committees of the house of representatives and senate by December 1, 2021. The report must provide an update on the authority's progress in implementing a statewide tourism marketing program.

[2018 c 275 § 11.]

RCW 43.384.900

Findings—Purpose—2018 c 275.

(1) The legislature finds that the tourism industry is the fourth largest economic sector in the state of Washington and provides general economic benefit to the state. Since 2011 there have been minimal general funds committed to statewide tourism marketing and Washington is the only state without a state-funded tourism marketing program. Before 2011, the amount of funds appropriated to statewide tourism marketing was not significant and, in fact, Washington ranked forty-eighth in state tourism funding. Washington has significant attractions and activities for tourists, including many natural outdoor assets that draw visitors to mountains, waterways, parks, and open spaces. There should be a program to publicize these assets and activities to potential out-of-state visitors that is implemented in an expeditious manner by tourism professionals in the private sector.

(2) The purpose of chapter 275, Laws of 2018 is to establish the framework and funding for a statewide tourism marketing program. The program needs to have a structure that includes significant, stable, long-term funding, and it should be implemented and managed by the tourism industry. The source of funds should be from major sectors of the tourism industry with government assistance in collecting these funds and providing accountability for their expenditure. The dedicated sales tax authorized for contributions made in this chapter will bring direct benefits to those making contributions by bringing more tourists into the state who will patronize the participating businesses and create economic benefit for the state.

[2018 c 275 § 1.]

RCW 43.384.901

Short title.

This chapter may be known and cited as the statewide tourism marketing act.

[2018 c 275 § 8.]

RCW 82.08.225

Taxes on lodging, car rentals, and restaurants—Deposit into statewide tourism marketing account.

(1) Beginning July 1, 2018, 0.2 percent of taxes collected pursuant to RCW 82.08.020(1) on retail sales of lodging, car rentals, and restaurants must be deposited into the statewide tourism marketing account created in RCW 43.384.040. Except as provided otherwise for fiscal year 2019 in subsection (2) of this section, future revenue collections under this section may be up to three million dollars per biennium and must be deposited into the statewide tourism marketing account created in RCW 43.384.040. The deposit under this subsection to the statewide tourism marketing account may only occur if the legislature authorizes the deposit in the biennial omnibus appropriations act.

(2) For fiscal year 2019, up to a maximum of one million five hundred thousand dollars must be deposited in the statewide tourism marketing account created in RCW 43.384.040. The deposit under this subsection to the statewide tourism marketing account may only occur if the legislature authorizes the deposit in the biennial omnibus appropriations act.

[2018 c 275 § 9.]

MORE ABOUT THIS REVIEW

Audit Authority

The Joint Legislative Audit and Review Committee (JLARC) works to make state government operations more efficient and effective. The Committee is comprised of an equal number of House members and Senators, Democrats and Republicans.

JLARC's non-partisan staff auditors, under the direction of the Legislative Auditor, conduct performance audits, program evaluations, sunset reviews, and other analyses assigned by the Legislature and the Committee.

The statutory authority for JLARC, established in [Chapter 44.28 RCW](#), requires the Legislative Auditor to ensure that JLARC studies are conducted in accordance with Generally Accepted Government Auditing Standards, as applicable to the scope of the audit. This study was conducted in accordance with those applicable standards. Those standards require auditors to plan and perform audits to obtain sufficient, appropriate evidence to provide a reasonable basis for findings and conclusions based on the audit objectives. The evidence obtained for this JLARC report provides a reasonable basis for the enclosed findings and conclusions, and any exceptions to the application of audit standards have been explicitly disclosed in the body of this report.

Methodology

The methodology JLARC staff use when conducting analyses is tailored to the scope of each study, but generally includes the following:

- **Interviews** with stakeholders, agency representatives, and other relevant organizations or individuals.
- **Site visits** to entities that are under review.
- **Document reviews**, including applicable laws and regulations, agency policies and procedures pertaining to study objectives, and published reports, audits or studies on relevant topics.
- **Data analysis**, which may include data collected by agencies and/or data compiled by JLARC staff. Data collection sometimes involves surveys or focus groups.
- **Consultation with experts** when warranted. JLARC staff consult with technical experts when necessary to plan our work, to obtain specialized analysis from experts in the field, and to verify results.

The methods used in this study were conducted in accordance with Generally Accepted Government Auditing Standards.

More details about specific methods related to individual study objectives are described in the body of the report under the report details tab or in technical appendices.

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