HOUSE BILL REPORT

HB 1302

As Reported By House Committee on: Trade & Economic Development

Title: An act relating to capital appropriations for a community and 1994 World Cup soccer facility.

Brief Description: Appropriating funds for grants for a sports facility for the Washington state soccer community and the World Cup Soccer tournament.

Sponsor(s): Representatives Jacobsen, Pruitt, Ferguson,
Heavey, Winsley, Sprenkle, G. Fisher, Cooper, Betrozoff,
Wineberry and Basich.

Brief History:

Reported by House Committee on: Trade & Economic Development, March 1, 1991, DPS.

HOUSE COMMITTEE ON TRADE & ECONOMIC DEVELOPMENT

Majority Report: That Substitute House Bill No. 1302 be substituted therefor, and the substitute bill do pass. Signed by 9 members: Representatives Cantwell, Chair; Sheldon, Vice Chair; Forner, Ranking Minority Member; Betrozoff, Assistant Ranking Minority Member; Ferguson; Ludwig; Moyer; Rasmussen; and Roland.

Minority Report: Without recommendation. Signed by 2 members: Representatives Kremen and Riley.

Staff: Bill Watterson (786-7349).

Background: In 1988, the United States was selected as the host country for the 1994 FIFA World Cup, the tournament for the world championship of soccer. FIFA is soccer's world governing body. The World Cup '94 Organizing Committee is responsible for selecting the sites at which games will be played. The organizing committee is currently evaluating prospective host communities throughout the United States. A minimum of eight and a maximum of 12 sports facilities will be selected as sites for tournament games. Each site selected will host a minimum of three tournament games.

Summary of Substitute Bill: Grants are provided for the construction and renovation of sports facilities. Grants

may also be awarded to a public corporation, commission, facility authority, or institution of higher education for the operation and management of sports facilities used for the 1994 World Cup Soccer Games. Grants may not exceed 50 percent of either the construction and renovation or operation and management costs of sports facilities used for the 1994 World Cup Soccer Games.

Prior to receiving a grant, the applicant must demonstrate the ability to complete the construction or renovation of a sports facility. Grants may only be awarded after the Department of Community Development (DCD) conducts a costbenefit analysis of Washington State hosting 1994 World Cup soccer matches, and the long term economic impact of any related new soccer facility, based on DCD's Sports Economic Impact Model. The Office of Financial Management (OFM) must determine that the analysis demonstrates that any grant will result in a positive public return to the state prior to a grant being awarded.

Substitute Bill Compared to Original Bill: The substitute limits grants awarded to pay operation and management costs of sports facilities to 50 percent of total costs, rather than no limit. The substitute requires DCD to conduct a cost-benefit analysis of Washington State hosting 1994 World Cup soccer matches, and the long term economic impact of any related new soccer facility, based on DCD's Sports Economic Impact Model. The substitute also requires OFM to determine that the analysis demonstrates that a grant will result in a positive public return to the state prior to a grant being awarded.

Fiscal Note: Available.

Appropriation: Yes.

Effective Date of Substitute Bill: The bill contains an emergency clause and takes effect July 1, 1991.

Testimony For: The bill will benefit Washington State in the short term through global television exposure of Washington during the 1994 World Cup soccer matches and in the long term by establishing a permanent soccer facility for the use of the Washington State soccer community.

Testimony Against: None.

Witnesses: Representative Ken Jacobsen, prime sponsor; Cliff McCrath, Seattle Pacific University (in favor of bill); Keith Phillips, Seattle Pacific University (in favor of bill); Dick Angell, Pacific Northwest-Seattle '94 Host

Committee (in favor of bill); and Gerald Larson, Washington State Youth Soccer Association (in favor of bill).