

4

5 Strike everything after the enacting clause and insert the
6 following:

7

"PART I

8

AUTHORITY CREATION AND POWERS

9 NEW SECTION. **Sec. 101.** The definitions in this section apply
10 throughout this chapter unless the context clearly requires otherwise.

11 (1) "Design" includes architectural, engineering, and other related
12 professional services.

13 (2) "Develop" means, generally, the process of planning, designing,
14 financing, constructing, owning, operating, and leasing a project such
15 as a stadium and exhibition center.

16 (3) "Permanent seat license" means a transferable license sold to
17 a third party that, subject to certain conditions, restrictions, and
18 limitations, entitles the third party to purchase a season ticket to
19 professional football games of the professional football team played in
20 the stadium and exhibition center for so long as the team plays its
21 games in that facility.

22 (4) "Preconstruction" includes negotiations, including negotiations
23 with any team affiliate, planning, studies, design, and other
24 activities reasonably necessary before constructing a stadium and
25 exhibition center.

26 (5) "Professional football team" means a team that is a member of
27 the national football league or similar professional football
28 association.

29 (6) "Public stadium authority operation" means the formation and
30 ongoing operation of the public stadium authority, including the hiring
31 of employees, agents, attorneys, and other contractors, and the
32 acquisition and operation of office facilities.

33 (7) "Site acquisition" means the purchase or other acquisition of
34 any interest in real property including fee simple interests and

1 easements, which property interests constitute the site for a stadium
2 and exhibition center.

3 (8) "Site preparation" includes demolition of existing
4 improvements, environmental remediation, site excavation, shoring, and
5 construction and maintenance of temporary traffic and pedestrian
6 routing.

7 (9) "Stadium and exhibition center" means an open-air stadium
8 suitable for national football league football and for Olympic and
9 world cup soccer, with adjacent exhibition facilities, together with
10 associated parking facilities and other ancillary facilities.

11 (10) "Team affiliate" means a professional football team that will
12 use the stadium and exhibition center, and any affiliate of the team
13 designated by the team. An "affiliate of the team" means any person or
14 entity that controls, is controlled by, or is under common control with
15 the team.

16 NEW SECTION. **Sec. 102.** (1) A public stadium authority may be
17 created in any county that has entered into a letter of intent relating
18 to the development of a stadium and exhibition center under chapter
19 . . . , Laws of 1997 (this act) with a team affiliate or an entity that
20 has a contractual right to become a team affiliate.

21 (2) A public stadium authority shall be created upon adoption of a
22 resolution providing for the creation of such an authority by the
23 county legislative authority in which the proposed authority is
24 located.

25 (3) A public stadium authority shall constitute a body corporate
26 and shall possess all the usual powers of a corporation for public
27 purposes as well as all other powers that may now or hereafter be
28 specifically conferred by statute, including, but not limited to, the
29 authority to hire employees, staff, and services, to enter into
30 contracts, and to sue and be sued.

31 (4) The legislative authority of the county in which the public
32 stadium authority is located, or the council of any city located in
33 that county, may transfer property to the public stadium authority
34 created under this chapter. Property encumbered by debt may be
35 transferred by a county legislative authority or a city council to a
36 public stadium authority created to develop a stadium and exhibition
37 center under section 105 of this act, but obligation for payment of the
38 debt may not be transferred.

1 NEW SECTION. **Sec. 103.** (1) A public stadium authority shall be
2 governed by a board of directors consisting of seven members appointed
3 by the governor. The speaker of the house of representatives, the
4 minority leader of the house of representatives, the majority leader of
5 the senate, and the minority leader of the senate shall each recommend
6 to the governor a person to be appointed to the board.

7 (2) Members of the board of directors shall serve four-year terms
8 of office, except that three of the initial seven board members shall
9 serve two-year terms of office. The governor shall designate the
10 initial terms of office for the initial members who are appointed.

11 (3) A vacancy shall be filled in the same manner as the original
12 appointment was made and the person appointed to fill a vacancy shall
13 serve for the remainder of the unexpired term of the office for the
14 position to which he or she was appointed.

15 (4) A director appointed by the governor may be removed from office
16 by the governor.

17 NEW SECTION. **Sec. 104.** (1) There is created a public stadium
18 authority advisory committee comprised of five members. The advisory
19 committee consists of: The director of the office of financial
20 management, who shall serve as chair; two members appointed by the
21 house of representatives, one each appointed by the speaker of the
22 house of representatives and the minority leader of the house of
23 representatives; and two members appointed by the senate, one each
24 appointed by the majority leader of the senate and the minority leader
25 of the senate.

26 (2) The advisory committee, prior to the final approval of any
27 lease with the master tenant or sale of stadium naming rights, shall
28 review and comment on the proposed lease agreement or sale of stadium
29 naming rights.

30 NEW SECTION. **Sec. 105.** (1) The public stadium authority is
31 authorized to acquire, construct, own, remodel, maintain, equip,
32 reequip, repair, and operate a stadium and exhibition center as defined
33 in section 101 of this act.

34 (2) The public stadium authority may enter into agreements under
35 chapter 39.34 RCW for the joint provision and operation of a stadium
36 and exhibition center and may enter into contracts under chapter 39.34

1 RCW where any party to the contract provides and operates the stadium
2 and exhibition center for the other party or parties to the contract.

3 (3) Any employees of the public stadium authority shall be
4 unclassified employees not subject to the provisions of chapter 41.06
5 RCW and a public stadium authority may contract with a public or
6 private entity for the operation or management of the stadium and
7 exhibition center.

8 (4) The public stadium authority is authorized to use the
9 alternative supplemental public works contracting procedures set forth
10 in chapter 39.10 RCW in connection with the design, construction,
11 reconstruction, remodel, or alteration of a stadium and exhibition
12 center.

13 (5) The public stadium authority may impose charges and fees for
14 the use of the stadium and exhibition center, and may accept and expend
15 or use gifts, grants, and donations.

16 (6) The public stadium authority shall comply with the prevailing
17 wage requirements of chapter 39.12 RCW and goals established for women
18 and minority-business participation for the county.

19 NEW SECTION. **Sec. 106.** In addition to other powers and
20 restrictions on a public stadium authority, the following apply to a
21 public stadium authority created to develop a stadium and exhibition
22 center under section 105 of this act:

23 (1) The public stadium authority, in consultation with the team
24 affiliate, shall have the authority to determine the stadium and
25 exhibition center site;

26 (2) The public stadium authority, in consultation with the team
27 affiliate, shall have the authority to establish the overall scope of
28 the stadium and exhibition center project, including, but not limited
29 to, stadium and exhibition center itself, associated exhibition
30 facilities, associated parking facilities, associated retail and office
31 development that are part of the stadium and exhibition center, and
32 ancillary services and facilities;

33 (3) The public stadium authority, in consultation with the team
34 affiliate, shall have the authority to make the final determination of
35 the stadium and exhibition center overall design and specification;

36 (4) The public stadium authority shall have the authority to
37 contract with a team affiliate for the provision of architectural,
38 engineering, environmental, and other professional services related to

1 the stadium and exhibition center site, design options, required
2 environmental studies, and necessary permits for the stadium and
3 exhibition center;

4 (5) The public stadium authority, in consultation with the team
5 affiliate, shall have the authority to establish the project budget on
6 the stadium and exhibition center project;

7 (6) The public stadium authority, in consultation with the team
8 affiliate, shall have the authority to make recommendations to the
9 state finance committee regarding the structure of the financing of the
10 stadium and exhibition center project;

11 (7) The public stadium authority shall have the authority to enter
12 into a development agreement with a team affiliate whereby the team
13 affiliate may control the development of the stadium and exhibition
14 center project, consistent with subsections (1) through (6) of this
15 section, in consideration of which the team affiliate assumes the risk
16 of costs of development that are in excess of the project budget
17 established under subsection (5) of this section. Under the
18 development agreement, the team affiliate shall determine bidding
19 specifications and requirements, and other aspects of development.
20 Under the development agreement, the team affiliate shall determine
21 procurement procedures and other aspects of development, and shall
22 select and engage an architect or architects and a contractor or
23 contractors for the stadium and exhibition center project, provided
24 that the construction, alterations, repairs, or improvements of the
25 stadium and exhibition center shall be subject to the prevailing wage
26 requirements of chapter 39.12 RCW and all phases of the development
27 shall be subject to the goals established for women and minority-
28 business participation for the county where the stadium and exhibition
29 center is located. The team affiliate shall, to the extent feasible,
30 hire local residents and in particular residents from the areas
31 immediately surrounding the stadium and exhibition center during the
32 construction and ongoing operation of the stadium and exhibition
33 center;

34 (8) The public stadium authority shall have the authority to enter
35 into a long-term lease agreement with a team affiliate whereby, in
36 consideration of the payment of fair rent that is solely intended to
37 cover the reasonable operating expenses of the public stadium authority
38 and assumption of operating and maintenance responsibilities, risk,
39 legal liability, and costs associated with the stadium and exhibition

1 center, the team affiliate becomes the sole master tenant of the
2 stadium and exhibition center. The team affiliate shall provide a
3 guarantee, security, or a letter of credit from a person or entity with
4 a net worth in excess of one hundred million dollars that guarantees a
5 maximum of ten years' payments of fair rent under the lease in the
6 event of the bankruptcy or insolvency of the team affiliate. The
7 master tenant shall have the power to sublease and enter into use,
8 license, and concession agreements with various users of the stadium
9 and exhibition center including the professional football team, and the
10 master tenant has the right to name the stadium and exhibition center,
11 subject to section 107 of this act. The master tenant shall meet
12 goals, established by the county where the stadium and exhibition
13 center is located, for women and minority employment for the operation
14 of the stadium and exhibition center. The master tenant shall have the
15 right to retain revenues derived from the operation of the stadium and
16 exhibition center, including revenues from the sublease and uses,
17 license and concession agreements, revenues from suite licenses,
18 concessions, advertising, long-term naming rights subject to section
19 107 of this act, and parking revenue. If federal law permits interest
20 on bonds issued to finance the stadium and exhibition center to be
21 treated as tax exempt for federal income tax purposes, the public
22 stadium authority and the team affiliate shall endeavor to structure
23 and limit the amounts, sources, and uses of any payments received by
24 the state, the county, the public stadium authority, or any related
25 governmental entity for the use or in respect to the stadium and
26 exhibition center in such a manner as to permit the interest on those
27 bonds to be tax exempt;

28 (9) The public stadium authority may reserve the right to discuss
29 profit sharing from the stadium and exhibition center from sources that
30 have not been identified at the time the long-term lease agreement is
31 executed;

32 (10) The public stadium authority, in consultation with the team
33 affiliate, must work to secure the hosting of a Super Bowl, if the
34 hosting requirements are changed by the national football league or
35 similar professional football association;

36 (11) The public stadium authority shall work with surrounding areas
37 to mitigate the impact of the construction and operation of the stadium
38 and exhibition center;

1 (12) The public stadium authority, in consultation with the office
2 of financial management, shall negotiate filming rights of the
3 demolition of the existing domed stadium on the stadium and exhibition
4 center site. All revenues derived from the filming of the demolition
5 of the existing domed stadium shall be deposited into the film and
6 video promotion account created in section 222 of this act; and

7 (13) The public stadium authority shall have the authority, upon
8 the agreement of the team affiliate, to sell permanent seat licenses,
9 and the team affiliate may act as the sales agent for this purpose.

10 NEW SECTION. **Sec. 107.** Revenues from the sales of naming rights
11 of a stadium and exhibition center developed under section 105 of this
12 act may only be used for costs associated with capital improvements
13 associated with modernization and maintenance of the stadium and
14 exhibition center. The sales of naming rights are subject to the
15 reasonable approval of the public stadium authority.

16 NEW SECTION. **Sec. 108.** A public stadium authority may accept and
17 expend moneys that may be donated for the purpose of a stadium and
18 exhibition center.

19 NEW SECTION. **Sec. 109.** (1) The public stadium authority, the
20 county, and the city, if any, in which the stadium and exhibition
21 center is to be located shall enter into one or more agreements
22 regarding the construction of a stadium and exhibition center. The
23 agreements shall address, but not be limited to:

24 (a) Expedited permit processing for the design and construction of
25 the stadium and exhibition center project;

26 (b) Expedited environmental review processing;

27 (c) Expedited processing of requests for street, right of way, or
28 easement vacations necessary for the construction of the stadium and
29 exhibition center project; and

30 (d) Other items deemed necessary for the design and construction of
31 the stadium and exhibition center project.

32 (2) The county shall assemble such real property and associated
33 personal property as the public stadium authority determines to be
34 necessary as a site for the stadium and exhibition center. Property
35 that is necessary for this purpose that is owned by the county on or
36 after the effective date of this section shall be contributed to the

1 authority, and property that is necessary for this purpose that is
2 acquired by the county on or after the effective date of this section
3 shall be conveyed to the authority. Property that is encumbered by
4 debt may be transferred by the county to the authority, but obligation
5 for payment of the debt may not be transferred.

6 (3) A new exhibition facility of at least three hundred twenty-five
7 thousand square feet, with adequate on-site parking, shall be
8 constructed and operational before any domed stadium in the county is
9 demolished or rendered unusable. Demolition of any existing structure
10 and construction of the stadium and exhibition center shall be
11 reasonably executed in a manner that minimizes impacts, including
12 access and parking, upon existing facilities, users, and neighborhoods.
13 No county or city may exercise authority under any landmarks
14 preservation statute or ordinance in order to prevent or delay the
15 demolition of any existing domed stadium at the site of the stadium and
16 exhibition center.

17 NEW SECTION. **Sec. 110.** A public stadium authority may acquire and
18 transfer real and personal property by lease, sublease, purchase, or
19 sale.

20 NEW SECTION. **Sec. 111.** The board of directors of the public
21 stadium authority shall adopt a resolution that may be amended from
22 time to time that shall establish the basic requirements governing
23 methods and amounts of reimbursement payable to such authority and
24 employees for travel and other business expenses incurred on behalf of
25 the authority. The resolution shall, among other things, establish
26 procedures for approving such expenses; the form of the travel and
27 expense voucher; and requirements governing the use of credit cards
28 issued in the name of the authority. The resolution may also establish
29 procedures for payment of per diem to board members. The state auditor
30 shall, as provided by general law, cooperate with the public stadium
31 authority in establishing adequate procedures for regulating and
32 auditing the reimbursement of all such expenses.

33 NEW SECTION. **Sec. 112.** The board of directors of the public
34 stadium authority may authorize payment of actual and necessary
35 expenses of officers and employees for lodging, meals, and travel-
36 related costs incurred in attending meetings or conferences on behalf

1 of the public stadium authority and strictly in the public interest and
2 for public purposes. Officers and employees may be advanced sufficient
3 sums to cover their anticipated expenses in accordance with rules
4 adopted by the state auditor, which shall substantially conform to the
5 procedures provided in RCW 43.03.150 through 43.03.210.

6 NEW SECTION. **Sec. 113.** Each member of the board of directors of
7 the public stadium authority may receive compensation of fifty dollars
8 per day for attending meetings or conferences on behalf of the
9 authority, not to exceed three thousand dollars per year. A director
10 may waive all or a portion of his or her compensation under this
11 section as to a month or months during his or her term of office, by a
12 written waiver filed with the public stadium authority. The
13 compensation provided in this section is in addition to reimbursement
14 for expenses paid to the directors by the public stadium authority.

15 NEW SECTION. **Sec. 114.** The board of directors of the public
16 stadium authority may purchase liability insurance with such limits as
17 the directors may deem reasonable for the purpose of protecting and
18 holding personally harmless authority officers and employees against
19 liability for personal or bodily injuries and property damage arising
20 from their acts or omissions while performing or in good faith
21 purporting to perform their official duties.

22 NEW SECTION. **Sec. 115.** Whenever an action, claim, or proceeding
23 is instituted against a person who is or was an officer or employee of
24 the public stadium authority arising out of the performance of duties
25 for or employment with the authority, the public stadium authority may
26 grant a request by the person that the attorney of the authority's
27 choosing be authorized to defend the claim, suit, or proceeding, and
28 the costs of defense, attorneys' fees, and obligation for payments
29 arising from the action may be paid from the authority's funds. Costs
30 of defense or judgment or settlement against the person shall not be
31 paid in a case where the court has found that the person was not acting
32 in good faith or within the scope of employment with or duties for the
33 public stadium authority.

34 NEW SECTION. **Sec. 116.** The board of directors of the public
35 stadium authority shall have authority to authorize the expenditure of

1 funds for the public purposes of preparing and distributing information
2 to the general public about the stadium and exhibition center.

3 NEW SECTION. **Sec. 117.** The public stadium authority shall have
4 authority to create and fill positions, fix wages and salaries, pay
5 costs involved in securing or arranging to secure employees, and
6 establish benefits for employees, including holiday pay, vacations or
7 vacation pay, retirement benefits, medical, life, accident, or health
8 disability insurance, as approved by the board. Public stadium
9 authority board members, at their own expense, shall be entitled to
10 medical, life, accident, or health disability insurance. Insurance for
11 employees and board members shall not be considered compensation.
12 Authority coverage for the board is not to exceed that provided public
13 stadium authority employees.

14 NEW SECTION. **Sec. 118.** The public stadium authority may secure
15 services by means of an agreement with a service provider. The public
16 stadium authority shall publish notice, establish criteria, receive and
17 evaluate proposals, and negotiate with respondents under requirements
18 set forth by authority resolution.

19 **PART II**
20 **FINANCING**

21 NEW SECTION. **Sec. 201.** (1) The governing board of a public
22 stadium authority may apply for deferral of taxes on the construction
23 of buildings, site preparation, and the acquisition of related
24 machinery and equipment for a stadium and exhibition center.
25 Application shall be made to the department of revenue in a form and
26 manner prescribed by the department of revenue. The application shall
27 contain information regarding the location of the stadium and
28 exhibition center, estimated or actual costs, time schedules for
29 completion and operation, and other information required by the
30 department of revenue. The department of revenue shall approve the
31 application within sixty days if it meets the requirements of this
32 section.

33 (2) The department of revenue shall issue a sales and use tax
34 deferral certificate for state and local sales and use taxes due under
35 chapters 82.08, 82.12, and 82.14 RCW on the public facility.

1 (3) The public stadium authority shall begin paying the deferred
2 taxes in the fifth year after the date certified by the department of
3 revenue as the date on which the stadium and exhibition center is
4 operationally complete. The first payment is due on December 31st of
5 the fifth calendar year after such certified date, with subsequent
6 annual payments due on December 31st of the following nine years. Each
7 payment shall equal ten percent of the deferred tax.

8 (4) The department of revenue may authorize an accelerated
9 repayment schedule upon request of the public stadium authority.

10 (5) Interest shall not be charged on any taxes deferred under this
11 section for the period of deferral, although all other penalties and
12 interest applicable to delinquent excise taxes may be assessed and
13 imposed for delinquent payments under this section. The debt for
14 deferred taxes is not extinguished by insolvency or other failure of
15 the public stadium authority.

16 (6) The repayment of deferred taxes and interest, if any, shall be
17 deposited into the stadium and exhibition center account created in
18 section 214 of this act and used to retire bonds issued under section
19 210 of this act to finance the construction of the stadium and
20 exhibition center.

21 (7) Applications and any other information received by the
22 department of revenue under this section are not confidential and are
23 subject to disclosure. Chapter 82.32 RCW applies to the administration
24 of this section.

25 **Sec. 202.** RCW 82.29A.130 and 1995 3rd sp.s. c 1 s 307 are each
26 amended to read as follows:

27 The following leasehold interests shall be exempt from taxes
28 imposed pursuant to RCW 82.29A.030 and 82.29A.040:

29 (1) All leasehold interests constituting a part of the operating
30 properties of any public utility which is assessed and taxed as a
31 public utility pursuant to chapter 84.12 RCW.

32 (2) All leasehold interests in facilities owned or used by a
33 school, college or university which leasehold provides housing for
34 students and which is otherwise exempt from taxation under provisions
35 of RCW 84.36.010 and 84.36.050.

36 (3) All leasehold interests of subsidized housing where the fee
37 ownership of such property is vested in the government of the United

1 States, or the state of Washington or any political subdivision thereof
2 but only if income qualification exists for such housing.

3 (4) All leasehold interests used for fair purposes of a nonprofit
4 fair association that sponsors or conducts a fair or fairs which
5 receive support from revenues collected pursuant to RCW 67.16.100 and
6 allocated by the director of the department of agriculture where the
7 fee ownership of such property is vested in the government of the
8 United States, the state of Washington or any of its political
9 subdivisions: PROVIDED, That this exemption shall not apply to the
10 leasehold interest of any sublessee of such nonprofit fair association
11 if such leasehold interest would be taxable if it were the primary
12 lease.

13 (5) All leasehold interests in any property of any public entity
14 used as a residence by an employee of that public entity who is
15 required as a condition of employment to live in the publicly owned
16 property.

17 (6) All leasehold interests held by enrolled Indians of lands owned
18 or held by any Indian or Indian tribe where the fee ownership of such
19 property is vested in or held in trust by the United States and which
20 are not subleased to other than to a lessee which would qualify
21 pursuant to this chapter, RCW 84.36.451 and 84.40.175.

22 (7) All leasehold interests in any real property of any Indian or
23 Indian tribe, band, or community that is held in trust by the United
24 States or is subject to a restriction against alienation imposed by the
25 United States: PROVIDED, That this exemption shall apply only where it
26 is determined that contract rent paid is greater than or equal to
27 ninety percent of fair market rental, to be determined by the
28 department of revenue using the same criteria used to establish taxable
29 rent in RCW 82.29A.020(2)(b).

30 (8) All leasehold interests for which annual taxable rent is less
31 than two hundred fifty dollars per year. For purposes of this
32 subsection leasehold interests held by the same lessee in contiguous
33 properties owned by the same lessor shall be deemed a single leasehold
34 interest.

35 (9) All leasehold interests which give use or possession of the
36 leased property for a continuous period of less than thirty days:
37 PROVIDED, That for purposes of this subsection, successive leases or
38 lease renewals giving substantially continuous use of possession of the
39 same property to the same lessee shall be deemed a single leasehold

1 interest: PROVIDED FURTHER, That no leasehold interest shall be deemed
2 to give use or possession for a period of less than thirty days solely
3 by virtue of the reservation by the public lessor of the right to use
4 the property or to allow third parties to use the property on an
5 occasional, temporary basis.

6 (10) All leasehold interests under month-to-month leases in
7 residential units rented for residential purposes of the lessee pending
8 destruction or removal for the purpose of constructing a public highway
9 or building.

10 (11) All leasehold interests in any publicly owned real or personal
11 property to the extent such leasehold interests arises solely by virtue
12 of a contract for public improvements or work executed under the public
13 works statutes of this state or of the United States between the public
14 owner of the property and a contractor.

15 (12) All leasehold interests that give use or possession of state
16 adult correctional facilities for the purposes of operating
17 correctional industries under RCW 72.09.100.

18 (13) All leasehold interests used to provide organized and
19 supervised recreational activities for disabled persons of all ages in
20 a camp facility and for public recreational purposes by a nonprofit
21 organization, association, or corporation that would be exempt from
22 property tax under RCW 84.36.030(1) if it owned the property. If the
23 publicly owned property is used for any taxable purpose, the leasehold
24 excise taxes set forth in RCW 82.29A.030 and 82.29A.040 shall be
25 imposed and shall be apportioned accordingly.

26 (14) All leasehold interests in the public or entertainment areas
27 of a baseball stadium with natural turf and a retractable roof or
28 canopy that is in a county with a population of over one million, that
29 has a seating capacity of over forty thousand, and that is constructed
30 on or after January 1, 1995. "Public or entertainment areas" include
31 ticket sales areas, ramps and stairs, lobbies and concourses, parking
32 areas, concession areas, restaurants, hospitality and stadium club
33 areas, kitchens or other work areas primarily servicing other public or
34 entertainment areas, public rest room areas, press and media areas,
35 control booths, broadcast and production areas, retail sales areas,
36 museum and exhibit areas, scoreboards or other public displays, storage
37 areas, loading, staging, and servicing areas, seating areas and suites,
38 the playing field, and any other areas to which the public has access
39 or which are used for the production of the entertainment event or

1 other public usage, and any other personal property used for these
2 purposes. "Public or entertainment areas" does not include locker
3 rooms or private offices exclusively used by the lessee.

4 (15) All leasehold interests in the public or entertainment areas
5 of a stadium and exhibition center, as defined in section 101 of this
6 act, that is constructed on or after January 1, 1998. For the purposes
7 of this subsection, "public or entertainment areas" has the same
8 meaning as in subsection (14) of this section, and includes exhibition
9 areas.

10 NEW SECTION. Sec. 203. A new section is added to chapter 82.08
11 RCW to read as follows:

12 The tax levied by RCW 82.08.020 does not apply to vehicle parking
13 charges that are subject to tax under section 302 of this act.

14 NEW SECTION. Sec. 204. A new section is added to chapter 82.14
15 RCW to read as follows:

16 (1) The legislative authority of a county that has created a public
17 stadium authority to develop a stadium and exhibition center under
18 section 105 of this act may impose a sales and use tax in accordance
19 with this chapter. The tax is in addition to other taxes authorized by
20 law and shall be collected from those persons who are taxable by the
21 state under chapters 82.08 and 82.12 RCW upon the occurrence of any
22 taxable event within the county. The rate of tax shall be 0.016
23 percent of the selling price in the case of a sales tax or value of the
24 article used in the case of a use tax.

25 (2) The tax imposed under subsection (1) of this section shall be
26 deducted from the amount of tax otherwise required to be collected or
27 paid over to the department of revenue under chapter 82.08 or 82.12
28 RCW. The department of revenue shall perform the collection of such
29 taxes on behalf of the county at no cost to the county.

30 (3) Before the issuance of bonds in section 210 of this act, all
31 revenues collected on behalf of the county under this section shall be
32 transferred to the public stadium authority. After bonds are issued
33 under section 210 of this act, all revenues collected on behalf of the
34 county under this section shall be deposited in the stadium and
35 exhibition center account under section 214 of this act.

36 (4) The definitions in section 101 of this act apply to this
37 section.

1 (5) This section expires on the earliest of the following dates:

2 (a) December 31, 1999, if the conditions for issuance of bonds
3 under section 210 of this act have not been met before that date;

4 (b) The date on which all bonds issued under section 210 of this
5 act have been retired; or

6 (c) Twenty-three years after the date the tax under this section is
7 first imposed.

8 NEW SECTION. **Sec. 205.** A new section is added to chapter 67.70
9 RCW to read as follows:

10 The lottery commission shall conduct new games that are in addition
11 to any games conducted under RCW 67.70.042 and are intended to generate
12 additional moneys sufficient to cover the distributions under RCW
13 67.70.240(5). No game may be conducted under this section before
14 January 1, 1998. No game may be conducted under this section after
15 December 31, 1999, unless the conditions for issuance of the bonds
16 under section 210(2) of this act are met, and no game is required to be
17 conducted after the distributions cease under RCW 67.70.240(5).

18 For the purposes of this section, the lottery may accept and market
19 prize promotions provided in conjunction with private-sector marketing
20 efforts.

21 **Sec. 206.** RCW 67.70.240 and 1995 3rd sp.s. c 1 s 105 are each
22 amended to read as follows:

23 The moneys in the state lottery account shall be used only:

24 (1) For the payment of prizes to the holders of winning lottery
25 tickets or shares;

26 (2) For purposes of making deposits into the reserve account
27 created by RCW 67.70.250 and into the lottery administrative account
28 created by RCW 67.70.260;

29 (3) For purposes of making deposits into the state's general fund;

30 (4) (~~for purposes of making deposits into the housing trust fund~~
31 ~~under the provisions of section 7 of this 1987 act; (5)) For~~
32 distribution to a county for the purpose of paying the principal and
33 interest payments on bonds issued by the county to construct a baseball
34 stadium, as defined in RCW 82.14.0485, including reasonably necessary
35 preconstruction costs(~~(; (6) for the purchase and promotion of lottery~~
36 ~~games and game-related services; and (7) for the payment of agent~~
37 ~~compensation)). Three million dollars shall be distributed under this~~

1 subsection (~~((5) of this section)~~) during calendar year 1996. During
2 subsequent years, such distributions shall equal the prior year's
3 distributions increased by four percent. Distributions under this
4 subsection (~~((5) of this section)~~) shall cease when the bonds issued
5 for the construction of the baseball stadium are retired, but not more
6 than twenty years after the tax under RCW 82.14.0485 is first imposed;

7 (5) For distribution to the stadium and exhibition center account,
8 created in section 214 of this act. Subject to the conditions of
9 section 215 of this act, six million dollars shall be distributed under
10 this subsection during the calendar year 1998. During subsequent
11 years, such distribution shall equal the prior year's distributions
12 increased by four percent. No distribution may be made under this
13 subsection after December 31, 1999, unless the conditions for issuance
14 of the bonds under section 210(2) of this act are met. Distributions
15 under this subsection shall cease when the bonds are retired, but not
16 later than December 31, 2020;

17 (6) For the purchase and promotion of lottery games and game-
18 related services; and

19 (7) For the payment of agent compensation.

20 The office of financial management shall require the allotment of
21 all expenses paid from the account and shall report to the ways and
22 means committees of the senate and house of representatives any changes
23 in the allotments.

24 **Sec. 207.** RCW 67.70.042 and 1995 3rd sp.s. c 1 s 104 are each
25 amended to read as follows:

26 The lottery commission shall conduct at least two but not more than
27 four scratch games with sports themes per year. These games are
28 intended to generate additional moneys sufficient to cover the
29 distributions under RCW 67.70.240(~~((5))~~) (4).

30 NEW SECTION. **Sec. 208.** A new section is added to chapter 67.70
31 RCW to read as follows:

32 The person or entity responsible for operating a stadium and
33 exhibition center as defined in section 101 of this act shall promote
34 the lottery with any combination of in-kind advertising, sponsorship,
35 or prize promotions, valued at one million dollars annually beginning
36 January 1998 and increased by four percent each year thereafter for the
37 purpose of increasing lottery sales of games authorized under section

1 205 of this act. The content and value of the advertising sponsorship
2 or prize promotions are subject to reasonable approval in advance by
3 the lottery commission. The obligation of this section shall cease
4 when the distributions under RCW 67.70.240(5) end, but not later than
5 December 31, 2020.

6 NEW SECTION. **Sec. 209.** The definitions in section 101 of this act
7 apply to this chapter.

8 NEW SECTION. **Sec. 210.** (1) For the purpose of providing funds to
9 pay for operation of the public stadium authority created under section
10 102 of this act, to pay for the preconstruction, site acquisition,
11 design, site preparation, construction, owning, leasing, and equipping
12 of the stadium and exhibition center, and to reimburse the county or
13 the public stadium authority for its direct or indirect expenditures or
14 to repay other indebtedness incurred for these purposes, the state
15 finance committee is authorized to issue general obligation bonds of
16 the state of Washington in the sum of three hundred million dollars, or
17 so much thereof as may be required, for these purposes and all costs
18 incidental thereto. Bonds authorized in this section may be sold at
19 such price as the state finance committee shall determine.

20 (2) Bonds shall not be issued under this section unless the public
21 stadium authority has certified to the director of financial management
22 that:

23 (a) A professional football team has made a binding and legally
24 enforceable contractual commitment to play all of its regular season
25 and playoff home games in the stadium and exhibition center, other than
26 games scheduled elsewhere by the league, for a period of time not
27 shorter than the term of the bonds issued or to be issued to finance
28 the initial construction of the stadium and exhibition center;

29 (b) A team affiliate has entered into one or more binding and
30 legally enforceable contractual commitments with a public stadium
31 authority under section 105 of this act that provide that:

32 (i) The team affiliate assumes the risks of cost overruns;

33 (ii) The team affiliate shall raise at least one hundred million
34 dollars, less the amount, if any, raised by the public stadium
35 authority under section 106(13) of this act. The total one hundred
36 million dollars raised, which may include cash payments and in-kind
37 contributions, but does not include any interest earned on the escrow

1 account described in section 211 of this act, shall be applied toward
2 the reasonably necessary preconstruction, site acquisition, design,
3 site preparation, construction, and equipping of the stadium and
4 exhibition center, or to any associated public purpose separate from
5 bond-financed expenses. No part of the payment may be made without the
6 consent of the public stadium authority. In any event, all amounts to
7 be raised by the team affiliate under (b)(ii) of this subsection shall
8 be paid or expended before the completion of the construction of the
9 stadium and exhibition center. To the extent possible, contributions
10 shall be structured in a manner that would allow for the issuance of
11 bonds to construct the stadium and exhibition center that are exempt
12 from federal income taxes;

13 (iii) The team affiliate shall raise at least six million dollars
14 which shall be deposited into the youth athletic facility grant account
15 created in section 214 of this act upon execution of the lease and
16 development agreements in section 106 (7) and (8) of this act;

17 (iv) At least ten percent of the seats in the stadium for home
18 games of the professional football team shall be for sale at an
19 affordable price. For the purposes of this subsection, "affordable
20 price" means that the price is the average of the lowest ticket prices
21 charged by all other national football league teams;

22 (v) One executive suite with a minimum of twenty seats must be made
23 available, on a lottery basis, as a free upgrade, at home games of the
24 professional football team, to purchasers of nonexecutive suite and
25 club seat tickets;

26 (vi) A nonparticipatory interest in the professional football team
27 has been granted to the state beginning on the date on which bonds are
28 issued under this section which only entitles the state to receive ten
29 percent of the gross selling price of the interest in the team that is
30 sold if a majority interest or more of the professional football team
31 is sold within twenty-five years of the date on which bonds are issued
32 under the section. The ten percent shall apply to all preceding sales
33 of interests in the team which comprise the majority interest sold.
34 This provision shall apply only to the first sale of such a majority
35 interest. The ten percent must be used to retire the public debt of
36 the stadium and exhibition center. If the debt is retired at the time
37 of the sale, then the ten percent may only be used for costs associated
38 with capital maintenance, capital improvements, renovations,

1 reequipping, replacement, and operations of the stadium and exhibition
2 center;

3 (vii) The team affiliate must provide reasonable office space to
4 the public stadium authority without charge;

5 (viii) The team affiliate, in consultation with the public stadium
6 authority, shall work with surrounding areas to mitigate the impact of
7 the construction and operation of the stadium and exhibition center
8 with a budget of at least ten million dollars dedicated to area
9 mitigation. For purposes of this subsection, "mitigation" includes,
10 but is not limited to, parking facilities and amenities, neighborhood
11 beautification projects and landscaping, financial grants for
12 neighborhood programs intended to mitigate adverse impacts caused by
13 the construction and operation of the stadium and exhibition center,
14 and mitigation measures identified in the environmental impact
15 statement required for the stadium and exhibition center under chapter
16 43.21C RCW; and

17 (ix) Twenty percent of the net profit from the operation of the
18 exhibition facility of the stadium and exhibition center shall be
19 deposited into the permanent common school fund. Profits shall be
20 verified by the public stadium authority.

21 NEW SECTION. **Sec. 211.** On or before August 1, 1997: (1) The state
22 treasurer and a team affiliate or an entity that has an option to
23 become a team affiliate shall enter into an escrow agreement creating
24 an escrow account; and (2) the team affiliate or the entity that has an
25 option to become a team affiliate shall deposit the sum of fifty
26 million dollars into the escrow account as a credit against the
27 obligation of the team affiliate in section 210(2)(b)(ii) of this act.

28 The escrow agreement shall provide that the fifty million dollar
29 deposit shall be invested by the state treasurer and shall earn
30 interest. If the stadium and exhibition center project proceeds, then
31 the interest on amounts in the escrow account shall be for the benefit
32 of the state, and all amounts in the escrow account, including all
33 principal and interest, shall be distributed to the stadium and
34 exhibition center account. The escrow agreement shall provide for
35 appropriate adjustments based on amounts previously and subsequently
36 raised by the team affiliate under section 210(2)(b)(ii) of this act
37 and amounts previously and subsequently raised by the public stadium
38 authority under section 106(13) of this act. If the stadium and

1 exhibition center project does not proceed, all principal and the
2 interest in the escrow account shall be distributed to the team
3 affiliate or the entity that has an option to become a team affiliate.

4 NEW SECTION. **Sec. 212.** The proceeds from the sale of the bonds
5 authorized in section 210 of this act shall be deposited in the stadium
6 and exhibition center construction account, hereby created in the
7 custody of the state treasurer, and shall be used exclusively for the
8 purposes specified in section 210 of this act and for the payment of
9 expenses incurred in the issuance and sale of the bonds. These
10 proceeds shall be administered by the office of financial management.
11 Only the director of the office of financial management or the
12 director's designee may authorize expenditures from the account. The
13 account is subject to the allotment procedures under chapter 43.88 RCW,
14 but an appropriation is not required for expenditures. At the
15 direction of the office of financial management the state treasurer
16 shall transfer moneys from the stadium and exhibition center
17 construction account to the public stadium authority created in section
18 102 of this act as required by the public stadium authority.

19 NEW SECTION. **Sec. 213.** The nondebt-limit reimbursable bond
20 retirement account shall be used for the payment of the principal of
21 and interest on the bonds authorized in section 210 of this act.

22 The state finance committee shall, on or before June 30th of each
23 year, certify to the state treasurer the amount needed in the ensuing
24 twelve months to meet the bond retirement and interest requirements.
25 On each date on which any interest or principal and interest payment is
26 due, the state treasurer shall transfer from the stadium and exhibition
27 center account to the nondebt-limit reimbursable bond retirement
28 account an amount equal to the amount certified by the state finance
29 committee to be due on the payment date.

30 Bonds issued under section 210 of this act shall state that they
31 are a general obligation of the state of Washington, shall pledge the
32 full faith and credit of the state to the payment of the principal
33 thereof and the interest thereon, and shall contain an unconditional
34 promise to pay the principal and interest as the same shall become due.
35 If in any year the amount accumulated in the stadium and exhibition
36 center account is insufficient for payment of the principal and
37 interest on the bonds issued under section 210 of this act, the amount

1 of the insufficiency shall be a continuing obligation against the
2 stadium and exhibition center account until paid.

3 The owner and holder of each of the bonds or the trustee for the
4 owner and holder of any of the bonds may by mandamus or other
5 appropriate proceeding require the transfer and payment of funds as
6 directed in this section.

7 NEW SECTION. **Sec. 214.** (1) The stadium and exhibition center
8 account is created in the custody of the state treasurer. All receipts
9 from the taxes imposed under section 204 of this act and distributions
10 under RCW 67.70.240(5) shall be deposited into the account. Only the
11 director of the office of financial management or the director's
12 designee may authorize expenditures from the account. The account is
13 subject to allotment procedures under chapter 43.88 RCW. An
14 appropriation is not required for expenditures from this account.

15 (2) Until bonds are issued under section 210 of this act, up to
16 five million dollars per year beginning January 1, 1999, shall be used
17 for the purposes of subsection (3)(b) of this section, all remaining
18 moneys in the account shall be transferred to the public stadium
19 authority, created under section 102 of this act, to be used for public
20 stadium authority operations and development of the stadium and
21 exhibition center.

22 (3) After bonds are issued under section 210 of this act, all
23 moneys in the stadium and exhibition center account shall be used
24 exclusively for the following purposes in the following priority:

25 (a) On or before June 30th of each year, the office of financial
26 management shall accumulate in the stadium and exhibition center
27 account an amount at least equal to the amount required in the next
28 succeeding twelve months for the payment of principal of and interest
29 on the bonds issued under section 210 of this act;

30 (b) An additional reserve amount not in excess of the expected
31 average annual principal and interest requirements of bonds issued
32 under section 210 of this act shall be accumulated and maintained in
33 the account, subject to withdrawal by the state treasurer at any time
34 if necessary to meet the requirements of (a) of this subsection, and,
35 following any withdrawal, reaccumulated from the first tax revenues and
36 other amounts deposited in the account after meeting the requirements
37 of (a) of this subsection; and

1 (c) The balance, if any, shall be transferred to the youth athletic
2 facility grant account under subsection (4) of this section.

3 Any revenues derived from the taxes authorized by RCW 36.38.010(5)
4 and section 302 of this act or other amounts that if used as provided
5 under (a) and (b) of this subsection would cause the loss of any tax
6 exemption under federal law for interest on bonds issued under section
7 210 of this act shall be deposited in and used exclusively for the
8 purposes of the youth athletic facility grant account and shall not be
9 used, directly or indirectly, as a source of payment of principal or
10 interest on bonds issued under section 210 of this act, or to replace
11 or reimburse other funds used for that purpose.

12 (4) Any moneys in the stadium and exhibition center account not
13 required or permitted to be used for the purposes described in
14 subsection (3)(a) and (b) of this section shall be deposited in the
15 youth athletic facility grant account hereby created in the state
16 treasury. Moneys in the account may be spent only after appropriation.
17 Expenditures from the account may be used only for purposes of grants
18 to cities, counties, and qualified nonprofit organizations for youth
19 athletic facilities. The athletic facility grants may be used for
20 acquiring, developing, equipping, maintaining, and improving youth
21 athletic facilities. Funds shall be divided equally between the
22 development of new athletic facilities, the improvement of existing
23 athletic facilities, and the maintenance of existing athletic
24 facilities. Cities, counties, and qualified nonprofit organizations
25 must submit proposals for grants from the account. To the extent that
26 funds are available, cities, counties, and qualified nonprofit
27 organizations must meet eligibility criteria as established by the
28 director of the interagency committee for outdoor recreation. The
29 grants shall be awarded on a competitive application process and the
30 amount of the grant shall be in proportion to the population of the
31 city or county for where the youth athletic facility is located.
32 Grants awarded in any one year need not be distributed in that year.

33 NEW SECTION. **Sec. 215.** Unless the office of financial management
34 certifies by December 31, 1997, that the following conditions have been
35 met, sections 201 through 208 of this act are null and void:

36 (1) The professional football team that will use the stadium and
37 exhibition center is at least majority-owned and controlled by,
38 directly or indirectly, one or more persons who are each residents of

1 the state of Washington and who have been residents of the state of
2 Washington continuously since at least January 1, 1993;

3 (2) The county in which the stadium and exhibition center is to be
4 constructed has created a public stadium authority under this chapter
5 to acquire property, construct, own, remodel, maintain, equip, reequip,
6 repair, and operate a stadium and exhibition center;

7 (3) The county in which the stadium and exhibition center is to be
8 constructed has enacted the taxes authorized in RCW 36.38.010(5) and
9 section 302 of this act; and

10 (4) The county in which the stadium and exhibition center is to be
11 constructed pledges to maintain and continue the taxes authorized in
12 RCW 36.38.010(5), 67.28.180, and section 302 of this act until the
13 bonds authorized in section 210 of this act are fully redeemed, both
14 principal and interest.

15 NEW SECTION. **Sec. 216.** The legislature may provide additional
16 means for raising moneys for the payment of the principal of and
17 interest on the bonds authorized in section 210 of this act, and
18 section 213 of this act shall not be deemed to provide an exclusive
19 method for the payment.

20 NEW SECTION. **Sec. 217.** The bonds authorized in section 210 of
21 this act shall be a legal investment for all state funds or funds under
22 state control and for all funds of any other public body.

23 NEW SECTION. **Sec. 218.** (1) The total public share of a stadium
24 and exhibition center shall not exceed three hundred million dollars.
25 For the purposes of this section, "total public share" means all state
26 and local funds expended for preconstruction and construction costs of
27 the stadium and exhibition center, including proceeds of any bonds
28 issued for the purposes of the stadium and exhibition center, tax
29 revenues, and interest earned on the escrow account described in
30 section 211 of this act and not including expenditures for deferred
31 sales taxes.

32 (2) Sections 201 through 207, chapter . . ., Laws of 1997 (sections
33 201 through 207 of this act) and this chapter constitute the entire
34 state contribution for a stadium and exhibition center. The state will
35 not make any additional contributions based on revised cost or revenue

1 estimates, cost overruns, unforeseen circumstances, or any other
2 reason.

3 NEW SECTION. **Sec. 219.** The bonds authorized for the purposes
4 identified in section 210 of this act are exempt from the statutory
5 limitations of indebtedness under RCW 39.42.060.

6 **Sec. 220.** RCW 39.42.060 and 1993 c 52 s 1 are each amended to read
7 as follows:

8 No bonds, notes, or other evidences of indebtedness for borrowed
9 money shall be issued by the state which will cause the aggregate debt
10 contracted by the state to exceed that amount for which payments of
11 principal and interest in any fiscal year would require the state to
12 expend more than seven percent of the arithmetic mean of its general
13 state revenues, as defined in section 1(c) of Article VIII of the
14 Washington state Constitution for the three immediately preceding
15 fiscal years as certified by the treasurer in accordance with RCW
16 39.42.070. It shall be the duty of the state finance committee to
17 compute annually the amount required to pay principal of and interest
18 on outstanding debt. In making such computation, the state finance
19 committee shall include all borrowed money represented by bonds, notes,
20 or other evidences of indebtedness which are secured by the full faith
21 and credit of the state or are required to be paid, directly or
22 indirectly, from general state revenues and which are incurred by the
23 state, any department, authority, public corporation or quasi public
24 corporation of the state, any state university or college, or any other
25 public agency created by the state but not by counties, cities, towns,
26 school districts, or other municipal corporations, and shall include
27 debt incurred pursuant to section 3 of Article VIII of the Washington
28 state Constitution, but shall exclude the following:

29 (1) Obligations for the payment of current expenses of state
30 government;

31 (2) Indebtedness incurred pursuant to RCW 39.42.080 or 39.42.090;

32 (3) Principal of and interest on bond anticipation notes;

33 (4) Any indebtedness which has been refunded;

34 (5) Financing contracts entered into under chapter 39.94 RCW;

35 (6) Indebtedness authorized or incurred before July 1, 1993,
36 pursuant to statute which requires that the state treasury be
37 reimbursed, in the amount of the principal of and the interest on such

1 indebtedness, from money other than general state revenues or from the
2 special excise tax imposed pursuant to chapter 67.40 RCW;

3 (7) Indebtedness authorized and incurred after July 1, 1993,
4 pursuant to statute that requires that the state treasury be
5 reimbursed, in the amount of the principal of and the interest on such
6 indebtedness, from (a) moneys outside the state treasury, except higher
7 education operating fees, (b) higher education building fees, (c)
8 indirect costs recovered from federal grants and contracts, and (d)
9 fees and charges associated with hospitals operated or managed by
10 institutions of higher education; (~~and~~)

11 (8) Any agreement, promissory note, or other instrument entered
12 into by the state finance committee under RCW 39.42.030 in connection
13 with its acquisition of bond insurance, letters of credit, or other
14 credit support instruments for the purpose of guaranteeing the payment
15 or enhancing the marketability, or both, of any state bonds, notes, or
16 other evidence of indebtedness; and

17 (9) Indebtedness incurred for the purposes identified in section
18 210 of this act.

19 To the extent necessary because of the constitutional or statutory
20 debt limitation, priorities with respect to the issuance or
21 guaranteeing of bonds, notes, or other evidences of indebtedness by the
22 state shall be determined by the state finance committee.

23 **Sec. 221.** RCW 43.79A.040 and 1996 c 253 s 409 are each amended to
24 read as follows:

25 (1) Money in the treasurer's trust fund may be deposited, invested
26 and reinvested by the state treasurer in accordance with RCW 43.84.080
27 in the same manner and to the same extent as if the money were in the
28 state treasury.

29 (2) All income received from investment of the treasurer's trust
30 fund shall be set aside in an account in the treasury trust fund to be
31 known as the investment income account.

32 (3) The investment income account may be utilized for the payment
33 of purchased banking services on behalf of treasurer's trust funds
34 including, but not limited to, depository, safekeeping, and
35 disbursement functions for the state treasurer or affected state
36 agencies. The investment income account is subject in all respects to
37 chapter 43.88 RCW, but no appropriation is required for payments to

1 financial institutions. Payments shall occur prior to distribution of
2 earnings set forth in subsection (4) of this section.

3 (4)(a) Monthly, the state treasurer shall distribute the earnings
4 credited to the investment income account to the state general fund
5 except under (b) and (c) of this subsection.

6 (b) The following accounts and funds shall receive their
7 proportionate share of earnings based upon each account's or fund's
8 average daily balance for the period: The agricultural local fund, the
9 American Indian scholarship endowment fund, the Washington
10 international exchange scholarship endowment fund, the energy account,
11 the fair fund, the game farm alternative account, the grain inspection
12 revolving fund, the rural rehabilitation account, the stadium and
13 exhibition center account, the youth athletic facility grant account,
14 and the self-insurance revolving fund. However, the earnings to be
15 distributed shall first be reduced by the allocation to the state
16 treasurer's service fund pursuant to RCW 43.08.190.

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

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

26 NEW SECTION. Sec. 222. A new section is added to chapter 43.330
27 RCW to read as follows:

28 The film and video promotion account is created in the state
29 treasury. All receipts from section 106(12) of this act must be
30 deposited into the account. Moneys in the account may be spent only
31 after appropriation. Expenditures from the account may be used by the
32 department of community, trade, and economic development only for the
33 purposes of promotion of the film and video production industry in the
34 state of Washington.

35 **PART III**
36 **LOCAL CONTRIBUTION**

1 **Sec. 301.** RCW 36.38.010 and 1995 3rd sp.s. c 1 s 203 are each
2 amended to read as follows:

3 (1) Any county may by ordinance enacted by its county legislative
4 authority, levy and fix a tax of not more than one cent on twenty cents
5 or fraction thereof to be paid for county purposes by persons who pay
6 an admission charge to any place, including a tax on persons who are
7 admitted free of charge or at reduced rates to any place for which
8 other persons pay a charge or a regular higher charge for the same or
9 similar privileges or accommodations; and require that one who receives
10 any admission charge to any place shall collect and remit the tax to
11 the county treasurer of the county: PROVIDED, No county shall impose
12 such tax on persons paying an admission to any activity of any
13 elementary or secondary school.

14 (2) As used in this chapter, the term "admission charge" includes
15 a charge made for season tickets or subscriptions, a cover charge, or
16 a charge made for use of seats and tables, reserved or otherwise, and
17 other similar accommodations; a charge made for food and refreshments
18 in any place where any free entertainment, recreation, or amusement is
19 provided; a charge made for rental or use of equipment or facilities
20 for purpose of recreation or amusement, and where the rental of the
21 equipment or facilities is necessary to the enjoyment of a privilege
22 for which a general admission is charged, the combined charges shall be
23 considered as the admission charge. It shall also include any
24 automobile parking charge where the amount of such charge is determined
25 according to the number of passengers in any automobile.

26 (3) Subject to subsections (4) and (5) of this section, the tax
27 herein authorized shall not be exclusive and shall not prevent any city
28 or town within the taxing county, when authorized by law, from imposing
29 within its corporate limits a tax of the same or similar kind:
30 PROVIDED, That whenever the same or similar kind of tax is imposed by
31 any such city or town, no such tax shall be levied within the corporate
32 limits of such city or town by the county(~~(, except that)~~).

33 (4) Notwithstanding subsection (3) of this section, the legislative
34 authority of a county with a population of one million or more may
35 exclusively levy taxes on events in baseball stadiums constructed on or
36 after January 1, 1995, that are owned by a public facilities district
37 under chapter 36.100 RCW and that have seating capacities over forty
38 thousand at the rates of:

1 (a) Not more than one cent on twenty cents or fraction thereof, to
2 be used for the purpose of paying the principal and interest payments
3 on bonds issued by a county to construct a baseball stadium as defined
4 in RCW 82.14.0485. If the revenue from the tax exceeds the amount
5 needed for that purpose, the excess shall be placed in a contingency
6 fund which may only be used to pay unanticipated capital costs on the
7 baseball stadium, excluding any cost overruns on initial construction;
8 and

9 (b) Not more than one cent on twenty cents or fraction thereof, to
10 be used for the purpose of paying the principal and interest payments
11 on bonds issued by a county to construct a baseball stadium as defined
12 in RCW 82.14.0485. The tax imposed under this subsection (~~((+3))~~)
13 (4)(b) shall expire when the bonds issued for the construction of the
14 baseball stadium are retired, but not later than twenty years after the
15 tax is first collected.

16 (5) Notwithstanding subsection (3) of this section, the legislative
17 authority of a county that has created a public stadium authority to
18 develop a stadium and exhibition center under section 105 of this act
19 may levy and fix a tax on charges for admission to events in a stadium
20 and exhibition center, as defined in section 101 of this act,
21 constructed in the county on or after January 1, 1998, that is owned by
22 a public stadium authority under chapter 36.-- RCW (sections 101
23 through 118 and 201 of this act). The tax shall be exclusive and shall
24 preclude the city or town within which the stadium and exhibition
25 center is located from imposing a tax of the same or similar kind on
26 charges for admission to events in the stadium and exhibition center,
27 and shall preclude the imposition of a general county admissions tax on
28 charges for admission to events in the stadium and exhibition center.
29 For the purposes of this subsection, "charges for admission to events"
30 means only the actual admission charge, exclusive of taxes and service
31 charges and the value of any other benefit conferred by the admission.
32 The tax authorized under this subsection shall be at the rate of not
33 more than one cent on ten cents or fraction thereof. Revenues
34 collected under this subsection shall be deposited in the stadium and
35 exhibition center account under section 214 of this act until the bonds
36 issued under section 210 of this act for the construction of the
37 stadium and exhibition center are retired. After the bonds issued for
38 the construction of the stadium and exhibition center are retired, the
39 tax authorized under this section shall be used exclusively to fund

1 repair, reequipping, and capital improvement of the stadium and
2 exhibition center. The tax under this subsection may be levied upon
3 the first use of any part of the stadium and exhibition center but
4 shall not be collected at any facility already in operation as of the
5 effective date of this section.

6 NEW SECTION. Sec. 302. A new section is added to chapter 36.38
7 RCW to read as follows:

8 The legislative authority of a county that has created a public
9 stadium authority to develop a stadium and exhibition center under
10 section 105 of this act may levy and fix a tax on any vehicle parking
11 charges imposed at any parking facility that is part of a stadium and
12 exhibition center, as defined in section 101 of this act. The tax
13 shall be exclusive and shall preclude the city or town within which the
14 stadium and exhibition center is located from imposing within its
15 corporate limits a tax of the same or similar kind on any vehicle
16 parking charges imposed at any parking facility that is part of a
17 stadium and exhibition center. For the purposes of this section,
18 "vehicle parking charges" means only the actual parking charges
19 exclusive of taxes and service charges and the value of any other
20 benefit conferred. The tax authorized under this section shall be at
21 the rate of not more than ten percent. Revenues collected under this
22 section shall be deposited in the stadium and exhibition center account
23 under section 214 of this act until the bonds issued under section 210
24 of this act for the construction of the stadium and exhibition center
25 are retired. After the bonds issued for the construction of the
26 stadium and exhibition center are retired, the tax authorized under
27 this section shall be used exclusively to fund repair, reequipping, and
28 capital improvement of the stadium and exhibition center. The tax
29 under this section may be levied upon the first use of any part of the
30 stadium and exhibition center but shall not be collected at any
31 facility already in operation as of the effective date of this section.

32 **PART IV**

33 **PUBLIC WORKS PROVISIONS**

34 **Sec. 401.** RCW 36.32.235 and 1996 c 219 s 2 are each amended to
35 read as follows:

1 (1) In each county with a population of one million or more which
2 by resolution establishes a county purchasing department, the
3 purchasing department shall enter into leases of personal property on
4 a competitive basis and purchase all supplies, materials, and equipment
5 on a competitive basis, for all departments of the county, as provided
6 in this chapter and chapter 39.04 RCW, except that the county
7 purchasing department is not required to make purchases that are paid
8 from the county road fund or equipment rental and revolving fund.

9 (2) As used in this section, "public works" has the same definition
10 as in RCW 39.04.010.

11 (3) Except as otherwise specified in this chapter or in chapter
12 36.77 RCW, all counties subject to these provisions shall contract on
13 a competitive basis for all public works after bids have been submitted
14 to the county upon specifications therefor. Such specifications shall
15 be in writing and shall be filed with the clerk of the county
16 legislative authority for public inspection.

17 (4) An advertisement shall be published in the county official
18 newspaper stating the time and place where bids will be opened, the
19 time after which bids will not be received, the character of the work
20 to be done, the materials and equipment to be furnished, and that
21 specifications therefor may be seen at the office of the clerk of the
22 county legislative authority. An advertisement shall also be published
23 in a legal newspaper of general circulation in or as near as possible
24 to that part of the county in which such work is to be done. If the
25 county official newspaper is a newspaper of general circulation
26 covering at least forty percent of the residences in that part of the
27 county in which such public works are to be done, then the publication
28 of an advertisement of the applicable specifications in the county
29 official newspaper is sufficient. Such advertisements shall be
30 published at least once at least thirteen days prior to the last date
31 upon which bids will be received.

32 (5) The bids shall be in writing, shall be filed with the clerk,
33 shall be opened and read in public at the time and place named therefor
34 in the advertisements, and after being opened, shall be filed for
35 public inspection. No bid may be considered for public work unless it
36 is accompanied by a bid deposit in the form of a surety bond, postal
37 money order, cash, cashier's check, or certified check in an amount
38 equal to five percent of the amount of the bid proposed.

1 (6) The contract for the public work shall be awarded to the lowest
2 responsible bidder. Any or all bids may be rejected for good cause.
3 The county legislative authority shall require from the successful
4 bidder for such public work a contractor's bond in the amount and with
5 the conditions imposed by law.

6 (7) If the bidder to whom the contract is awarded fails to enter
7 into the contract and furnish the contractor's bond as required within
8 ten days after notice of the award, exclusive of the day of notice, the
9 amount of the bid deposit shall be forfeited to the county and the
10 contract awarded to the next lowest and best bidder. The bid deposit
11 of all unsuccessful bidders shall be returned after the contract is
12 awarded and the required contractor's bond given by the successful
13 bidder is accepted by the county legislative authority. Immediately
14 after the award is made, the bid quotations obtained shall be recorded
15 and open to public inspection and shall be available by telephone
16 inquiry.

17 (8) As limited by subsection (10) of this section, a county subject
18 to these provisions may have public works performed by county employees
19 in any annual or biennial budget period equal to a dollar value not
20 exceeding ten percent of the public works construction budget,
21 including any amount in a supplemental public works construction
22 budget, over the budget period.

23 Whenever a county subject to these provisions has had public works
24 performed in any budget period up to the maximum permitted amount for
25 that budget period, all remaining public works except emergency work
26 under subsection (12) of this section within that budget period shall
27 be done by contract pursuant to public notice and call for competitive
28 bids as specified in subsection (3) of this section. The state auditor
29 shall report to the state treasurer any county subject to these
30 provisions that exceeds this amount and the extent to which the county
31 has or has not reduced the amount of public works it has performed by
32 public employees in subsequent years.

33 (9) If a county subject to these provisions has public works
34 performed by public employees in any budget period that are in excess
35 of this ten percent limitation, the amount in excess of the permitted
36 amount shall be reduced from the otherwise permitted amount of public
37 works that may be performed by public employees for that county in its
38 next budget period. Ten percent of the motor vehicle fuel tax
39 distributions to that county shall be withheld if two years after the

1 year in which the excess amount of work occurred, the county has failed
2 to so reduce the amount of public works that it has performed by public
3 employees. The amount withheld shall be distributed to the county when
4 it has demonstrated in its reports to the state auditor that the amount
5 of public works it has performed by public employees has been reduced
6 as required.

7 (10) In addition to the percentage limitation provided in
8 subsection (8) of this section, counties subject to these provisions
9 containing a population of one million or more shall not have public
10 employees perform a public works project in excess of seventy thousand
11 dollars if more than a single craft or trade is involved with the
12 public works project, or a public works project in excess of twenty-
13 five thousand dollars if only a single craft or trade is involved with
14 the public works project. A public works project means a complete
15 project. The restrictions in this subsection do not permit the
16 division of the project into units of work or classes of work to avoid
17 the restriction on work that may be performed by public employees on a
18 single project.

19 The cost of a separate public works project shall be the costs of
20 materials, supplies, equipment, and labor on the construction of that
21 project. The value of the public works budget shall be the value of
22 all the separate public works projects within the budget.

23 (11) In addition to the accounting and recordkeeping requirements
24 contained in chapter 39.04 RCW, any county which uses public employees
25 to perform public works projects under RCW 36.32.240(1) shall prepare
26 a year-end report to be submitted to the state auditor indicating the
27 total dollar amount of the county's public works construction budget
28 and the total dollar amount for public works projects performed by
29 public employees for that year.

30 The year-end report submitted pursuant to this subsection to the
31 state auditor shall be in accordance with the standard form required by
32 RCW 43.09.205.

33 (12) Notwithstanding any other provision in this section, counties
34 may use public employees without any limitation for emergency work
35 performed under an emergency declared pursuant to RCW 36.32.270, and
36 any such emergency work shall not be subject to the limitations of this
37 section. Publication of the description and estimate of costs relating
38 to correcting the emergency may be made within seven days after the
39 commencement of the work. Within two weeks of the finding that such an

1 emergency existed, the county legislative authority shall adopt a
2 resolution certifying the damage to public facilities and costs
3 incurred or anticipated relating to correcting the emergency.
4 Additionally this section shall not apply to architectural and
5 engineering or other technical or professional services performed by
6 public employees in connection with a public works project.

7 (13) In lieu of the procedures of subsections (3) through (11) of
8 this section, a county may use a small works roster process and award
9 contracts for public works projects with an estimated value of ten
10 thousand dollars up to one hundred thousand dollars as provided in RCW
11 39.04.155.

12 Whenever possible, the county shall invite at least one proposal
13 from a minority or woman contractor who shall otherwise qualify under
14 this section.

15 (14) The allocation of public works projects to be performed by
16 county employees shall not be subject to a collective bargaining
17 agreement.

18 (15) This section does not apply to performance-based contracts, as
19 defined in RCW 39.35A.020(3), that are negotiated under chapter 39.35A
20 RCW.

21 (16) Nothing in this section prohibits any county from allowing for
22 preferential purchase of products made from recycled materials or
23 products that may be recycled or reused.

24 (17) This section does not apply to contracts between the public
25 stadium authority and a team affiliate under section 106(4) of this
26 act, or development agreements between the public stadium authority and
27 a team affiliate under section 106(7) of this act or leases entered
28 into under section 106(8) of this act.

29 **Sec. 402.** RCW 39.04.010 and 1993 c 174 s 1 are each amended to
30 read as follows:

31 The term state shall include the state of Washington and all
32 departments, supervisors, commissioners and agencies thereof.

33 The term municipality shall include every city, county, town,
34 district or other public agency thereof which is authorized by law to
35 require the execution of public work, except drainage districts, diking
36 districts, diking and drainage improvement districts, drainage
37 improvement districts, diking improvement districts, consolidated
38 diking and drainage improvement districts, consolidated drainage

1 improvement districts, consolidated diking improvement districts,
2 irrigation districts or any such other districts as shall from time to
3 time be authorized by law for the reclamation or development of waste
4 or undeveloped lands.

5 The term public work shall include all work, construction,
6 alteration, repair, or improvement other than ordinary maintenance,
7 executed at the cost of the state or of any municipality, or which is
8 by law a lien or charge on any property therein. All public works,
9 including maintenance when performed by contract shall comply with the
10 provisions of RCW 39.12.020. The term does not include work,
11 construction, alteration, repair, or improvement performed under
12 contracts entered into under section 106(4) of this act or under
13 development agreements entered into under section 106(7) of this act or
14 leases entered into under section 106(8) of this act.

15 The term contract shall mean a contract in writing for the
16 execution of public work for a fixed or determinable amount duly
17 awarded after advertisement and competitive bid. However, a contract
18 which is awarded from a small works roster under the authority of RCW
19 39.04.150, 35.22.620, 28B.10.355, 35.82.075, and 57.08.050 need not be
20 advertised.

21 NEW SECTION. **Sec. 403.** A new section is added to chapter 39.30
22 RCW to read as follows:

23 This chapter does not apply to contracts entered into under section
24 106(4) of this act or development agreements entered into under section
25 106(7) of this act.

26 **Sec. 404.** RCW 39.10.120 and 1995 3rd sp.s. c 1 s 305 are each
27 amended to read as follows:

28 (1) Except as provided in subsections (2) and (3) of this section,
29 the alternative public works contracting procedures authorized under
30 this chapter are limited to public works contracts signed before July
31 1, ((1997)) 2001. Methods of public works contracting authorized by
32 RCW 39.10.050 and 39.10.060 shall remain in full force and effect until
33 completion of contracts signed before July 1, ((1997)) 2001.

34 (2) For the purposes of a baseball stadium as defined in RCW
35 82.14.0485, the design-build contracting procedures under RCW 39.10.050
36 shall remain in full force and effect until completion of contracts
37 signed before December 31, 1997.

1 payment of principal and interest on such bonds may be used: (i) In
2 any county with a population of one million or more, for repayment
3 either of limited tax levy general obligation bonds or of any county
4 fund or account from which a loan was made, the proceeds from the bonds
5 or loan being used to pay for constructing, installing, improving, and
6 equipping stadium capital improvement projects, and to pay for any
7 engineering, planning, financial, legal and professional services
8 incident to the development of such stadium capital improvement
9 projects, regardless of the date the debt for such capital improvement
10 projects was or may be incurred; ~~((or))~~ (ii) in any county with a
11 population of one million or more, for repayment or refinancing of
12 bonded indebtedness incurred prior to January 1, 1997, for any purpose
13 authorized by this section or relating to stadium repairs or
14 rehabilitation, including but not limited to the cost of settling legal
15 claims, reimbursing operating funds, interest payments on short-term
16 loans, and any other purpose for which such debt has been incurred if
17 the county has created a public stadium authority to develop a stadium
18 and exhibition center under section 103 of this act; or (iii) in other
19 counties, for county-owned facilities for agricultural promotion. A
20 county is exempt under this subsection in respect to city revenue or
21 general obligation bonds issued after April 1, 1991, only if such bonds
22 mature before January 1, 2013.

23 As used in this subsection (2)(b), "capital improvement projects"
24 may include, but not be limited to a stadium restaurant facility,
25 restroom facilities, artificial turf system, seating facilities,
26 parking facilities and scoreboard and information system adjacent to or
27 within a county owned stadium, together with equipment, utilities,
28 accessories and appurtenances necessary thereto. The stadium
29 restaurant authorized by this subsection (2)(b) shall be operated by a
30 private concessionaire under a contract with the county.

31 (c)(i) No city within a county exempt under subsection (2)(b) of
32 this section may levy the tax authorized by this section so long as
33 said county is so exempt(~~(:—PROVIDED, That))~~).

34 (ii) If bonds have been issued under section 210 of this act and
35 any necessary property transfers have been made under section 109 of
36 this act, no city within a county with a population of one million or
37 more may levy the tax authorized by this section before January 1,
38 2021.

1 (iii) However, in the event that any city in ((such)) a county
2 described in (i) or (ii) of this subsection (2)(c) has levied the tax
3 authorized by this section and has, prior to June 26, 1975, authorized
4 and issued revenue or general obligation bonds pursuant to the
5 provisions of RCW 67.28.150 through 67.28.160, such city may levy the
6 tax so long as the tax revenues are pledged for payment of principal
7 and interest on bonds issued at any time pursuant to the provisions of
8 RCW 67.28.150 through 67.28.160.

9 (3) Any levy authorized by this section by a county that has levied
10 the tax authorized by this section and has, prior to June 26, 1975,
11 either pledged the tax revenues for payment of principal and interest
12 on city revenue or general obligation bonds authorized and issued
13 pursuant to RCW 67.28.150 through 67.28.160 or has authorized and
14 issued revenue or general obligation bonds pursuant to the provisions
15 of RCW 67.28.150 through 67.28.160 shall be subject to the following:

16 (a) Taxes collected under this section in any calendar year before
17 2013 in excess of five million three hundred thousand dollars shall
18 only be used as follows:

19 (i) Seventy-five percent from January 1, 1992, through December 31,
20 2000, and seventy percent from January 1, 2001, through December 31,
21 2012, for art museums, cultural museums, heritage museums, the arts,
22 and the performing arts. Moneys spent under this subsection (3)(a)(i)
23 shall be used for the purposes of this subsection (3)(a)(i) in all
24 parts of the county.

25 (ii) Twenty-five percent from January 1, 1992, through December 31,
26 2000, and thirty percent from January 1, 2001, through December 31,
27 2012, for the following purposes and in a manner reflecting the
28 following order of priority: Stadium ~~((capital improvements, as~~
29 ~~defined in)) purposes as authorized under subsection (2)(b) of this
30 section; acquisition of open space lands; youth sports activities; and
31 tourism promotion. If all or part of the debt on the stadium is
32 refinanced, all revenues under this subsection (3)(a)(ii) shall be used
33 to retire the debt.~~

34 (b) From January 1, 2013, through December 31, 2015, in a county
35 with a population of one million or more, all revenues under this
36 section shall be used to retire the debt on the stadium, or deposited
37 in the stadium and exhibition center account under section 214 of this
38 act after the debt on the stadium is retired.

1 (c) From January 1, 2016, through December 31, 2020, in a county
2 with a population of one million or more, all revenues under this
3 section shall be deposited in the stadium and exhibition center account
4 under section 214 of this act.

5 (d) At least seventy percent of moneys spent under (a)(i) of this
6 subsection for the period January 1, 1992, through December 31, 2000,
7 shall be used only for the purchase, design, construction, and
8 remodeling of performing arts, visual arts, heritage, and cultural
9 facilities, and for the purchase of fixed assets that will benefit art,
10 heritage, and cultural organizations. For purposes of this subsection,
11 fixed assets are tangible objects such as machinery and other equipment
12 intended to be held or used for ten years or more. Moneys received
13 under this subsection (3)((+b+)) (d) may be used for payment of
14 principal and interest on bonds issued for capital projects.
15 Qualifying organizations receiving moneys under this subsection
16 (3)((+b+)) (d) must be financially stable and have at least the
17 following:

- 18 (i) A legally constituted and working board of directors;
- 19 (ii) A record of artistic, heritage, or cultural accomplishments;
- 20 (iii) Been in existence and operating for at least two years;
- 21 (iv) Demonstrated ability to maintain net current liabilities at
22 less than thirty percent of general operating expenses;
- 23 (v) Demonstrated ability to sustain operational capacity subsequent
24 to completion of projects or purchase of machinery and equipment; and
- 25 (vi) Evidence that there has been independent financial review of
26 the organization.

27 ((+e+)) (e) At least forty percent of the revenues distributed
28 pursuant to (a)(i) of this subsection for the period January 1, 2001,
29 through December 31, 2012, shall be deposited in an account and shall
30 be used to establish an endowment. Principal in the account shall
31 remain permanent and irreducible. The earnings from investments of
32 balances in the account may only be used for the purposes of (a)(i) of
33 this subsection.

34 ((+d+)) (f) School districts and schools shall not receive revenues
35 distributed pursuant to (a)(i) of this subsection.

36 ((+e+)) (g) Moneys distributed to art museums, cultural museums,
37 heritage museums, the arts, and the performing arts, and moneys
38 distributed for tourism promotion shall be in addition to and may not

1 be used to replace or supplant any other funding by the legislative
2 body of the county.

3 ~~((f))~~ (h) As used in this section, "tourism promotion" includes
4 activities intended to attract visitors for overnight stays, arts,
5 heritage, and cultural events, and recreational, professional, and
6 amateur sports events. Moneys allocated to tourism promotion in a
7 class AA county shall be allocated to nonprofit organizations formed
8 for the express purpose of tourism promotion in the county. Such
9 organizations shall use moneys from the taxes to promote events in all
10 parts of the class AA county.

11 ~~((g))~~ (i) No taxes collected under this section may be used for
12 the operation or maintenance of a public stadium that is financed
13 directly or indirectly by bonds to which the tax is pledged.
14 Expenditures for operation or maintenance include all expenditures
15 other than expenditures that directly result in new fixed assets or
16 that directly increase the capacity, life span, or operating economy of
17 existing fixed assets.

18 ~~((h))~~ (j) No ad valorem property taxes may be used for debt
19 service on bonds issued for a public stadium that is financed by bonds
20 to which the tax is pledged, unless the taxes collected under this
21 section are or are projected to be insufficient to meet debt service
22 requirements on such bonds.

23 ~~((i))~~ (k) If a substantial part of the operation and management
24 of a public stadium that is financed directly or indirectly by bonds to
25 which the tax is pledged is performed by a nonpublic entity or if a
26 public stadium is sold that is financed directly or indirectly by bonds
27 to which the tax is pledged, any bonds to which the tax is pledged
28 shall be retired. This subsection (3)~~((i))~~ (k) does not apply in
29 respect to a public stadium under chapter 36.-- RCW (sections 101
30 through 118 and 201 of this act) transferred to, owned by, or
31 constructed by a public facilities district under chapter 36.100 RCW or
32 a stadium and exhibition center.

33 ~~((j))~~ (l) The county shall not lease a public stadium that is
34 financed directly or indirectly by bonds to which the tax is pledged
35 to, or authorize the use of the public stadium by, a professional major
36 league sports franchise unless the sports franchise gives the right of
37 first refusal to purchase the sports franchise, upon its sale, to local
38 government. This subsection (3)~~((j))~~ (l) does not apply to contracts
39 in existence on April 1, 1986.

1 If a court of competent jurisdiction declares any provision of this
2 subsection (3) invalid, then that invalid provision shall be null and
3 void and the remainder of this section is not affected.

4 **Sec. 502.** RCW 82.14.049 and 1992 c 194 s 3 are each amended to
5 read as follows:

6 The legislative authority of any county may impose a sales and use
7 tax, in addition to the tax authorized by RCW 82.14.030, upon retail
8 car rentals within the county that are taxable by the state under
9 chapters 82.08 and 82.12 RCW. The rate of tax shall be one percent of
10 the selling price in the case of a sales tax or rental value of the
11 vehicle in the case of a use tax. Proceeds of the tax shall not be
12 used to subsidize any professional sports team and shall be used solely
13 for the following purposes:

14 (1) Acquiring, constructing, maintaining, or operating public
15 sports stadium facilities;

16 (2) Engineering, planning, financial, legal, or professional
17 services incidental to public sports stadium facilities; ~~((or))~~

18 (3) Youth or amateur sport activities or facilities; or

19 (4) Debt or refinancing debt issued for the purposes of subsection
20 (1) of this section.

21 At least seventy-five percent of the tax imposed under this section
22 shall be used for the purposes of subsections (1), (2), and (4) of this
23 section.

24 **PART VI**
25 **MISCELLANEOUS**

26 NEW SECTION. **Sec. 601.** Part headings used in this act are not any
27 part of the law.

28 NEW SECTION. **Sec. 602.** If any provision of this act or its
29 application to any person or circumstance is held invalid, the
30 remainder of the act or the application of the provision to other
31 persons or circumstances is not affected.

32 NEW SECTION. **Sec. 603.** (1) Sections 101 through 118 and 201 of
33 this act constitute a new chapter in Title 36 RCW.

1 (2) Sections 209 through 219 of this act constitute a new chapter
2 in Title 43 RCW.

3 NEW SECTION. **Sec. 604.** The referendum on this act is the only
4 measure authorizing, levying, or imposing taxes for a stadium and
5 exhibition center that may be put to a public vote. Should the act
6 fail to be approved at the special election on or before June 20, 1997,
7 the legislature shall not pass other legislation to build or finance a
8 stadium and exhibition center, as defined in section 101 of this act,
9 for the team affiliate.

10 NEW SECTION. **Sec. 605.** The legislature neither affirms nor
11 refutes the value of this proposal, and by this legislation simply
12 expresses its intent to provide the voter of the state of Washington
13 an opportunity to express the voter's decision. It is also expressed
14 that many legislators might personally vote against this proposal at
15 the polls, or they might not.

16 NEW SECTION. **Sec. 606.** Notwithstanding any other provision of
17 this act, this act shall be null and void in its entirety unless the
18 team affiliate as defined in section 101 of this act enters into an
19 agreement with the secretary of state to reimburse the state and the
20 counties for the full cost of the special election to be held on or
21 before June 20, 1997.

22 NEW SECTION. **Sec. 607.** (1) The secretary of state shall submit
23 sections 101 through 604 of this act to the people for their adoption
24 and ratification, or rejection, at a special election to be held in
25 this state on or before June 20, 1997, in accordance with Article II,
26 section 1 of the state Constitution and the laws adopted to facilitate
27 its operation. The special election shall be limited to submission of
28 this act to the people.

29 (2) The attorney general shall prepare the explanatory statement
30 required by RCW 29.81.020 and transmit that statement regarding the
31 referendum to the secretary of state no later than the last Monday of
32 April before the special election.

33 (3) The secretary of state shall prepare and distribute a voters'
34 pamphlet addressing this referendum measure following the procedures
35 and requirements of chapter 29.81 RCW, except that the secretary of

1 state may establish different deadlines for the appointment of
2 committees to draft arguments for and against the referendum, for
3 submitting arguments for and against the referendum, and for submitting
4 rebuttal statements of arguments for and against the referendum. The
5 voters' pamphlet description of the referendum measure may include
6 information to inform the public that ownership of the KingDome will be
7 transferred to the public stadium authority and that the KingDome may
8 be demolished in order to accommodate the new football stadium.

9 (4) A county auditor may conduct the voting at this special
10 election in all precincts of the county by mail using the procedures
11 set forth in RCW 29.36.121 through 29.36.139.

12 (5) Notwithstanding the provisions of RCW 29.62.020, the county
13 canvassing board in each county shall canvass and certify the votes
14 cast at this special election in that county to the secretary of state
15 no later than the seventh day following the election. Notwithstanding
16 the provisions of RCW 29.62.120, the secretary of state shall canvass
17 and certify the returns from the counties no later than the ninth day
18 following the special election.

19 (6) The secretary of state shall reimburse each county for the cost
20 of conducting the special election in that county in the same manner as
21 state primary and general election costs are reimbursed under RCW
22 29.13.047 (1) and (3).

23 (7) No other state, county, or local election shall be required or
24 held on any proposition related to or affecting the stadium and
25 exhibition center defined in section 101 of this act.

26 NEW SECTION. **Sec. 608.** Sections 606 and 607 of this act are
27 necessary for the immediate preservation of the public peace, health,
28 or safety, or support of the state government and its existing public
29 institutions, and take effect immediately."

30 Correct the title.

--- END ---