

Referendum Bill No. 48

1 AN ACT Relating to a mechanism for financing stadium and exhibition
2 centers and education technology grants; amending RCW 82.29A.130,
3 67.70.240, 67.70.042, 39.42.060, 43.79A.040, 36.38.010, 36.32.235,
4 39.04.010, 39.10.120, 67.28.180, and 82.14.049; reenacting and amending
5 RCW 42.17.310; adding a new section to chapter 82.08 RCW; adding a new
6 section to chapter 82.14 RCW; adding new sections to chapter 67.70 RCW;
7 adding new sections to chapter 43.330 RCW; adding a new section to
8 chapter 36.38 RCW; adding a new section to chapter 39.30 RCW; adding a
9 new chapter to Title 36 RCW; adding a new chapter to Title 43 RCW;
10 creating new sections; providing a contingent expiration date;
11 providing for the submission of certain sections of this act to a vote
12 of the people; and declaring an emergency.

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

14 **PART I**
15 **AUTHORITY CREATION AND POWERS**

16 NEW SECTION. **Sec. 101.** The definitions in this section apply
17 throughout this chapter unless the context clearly requires otherwise.
18 (1) "Design" includes architectural, engineering, and other related
19 professional services.

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

4 (3) "Permanent seat license" means a transferable license sold to
5 a third party that, subject to certain conditions, restrictions, and
6 limitations, entitles the third party to purchase a season ticket to
7 professional football games of the professional football team played in
8 the stadium and exhibition center for so long as the team plays its
9 games in that facility.

10 (4) "Preconstruction" includes negotiations, including negotiations
11 with any team affiliate, planning, studies, design, and other
12 activities reasonably necessary before constructing a stadium and
13 exhibition center.

14 (5) "Professional football team" means a team that is a member of
15 the national football league or similar professional football
16 association.

17 (6) "Public stadium authority operation" means the formation and
18 ongoing operation of the public stadium authority, including the hiring
19 of employees, agents, attorneys, and other contractors, and the
20 acquisition and operation of office facilities.

21 (7) "Site acquisition" means the purchase or other acquisition of
22 any interest in real property including fee simple interests and
23 easements, which property interests constitute the site for a stadium
24 and exhibition center.

25 (8) "Site preparation" includes demolition of existing
26 improvements, environmental remediation, site excavation, shoring, and
27 construction and maintenance of temporary traffic and pedestrian
28 routing.

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

33 (10) "Team affiliate" means a professional football team that will
34 use the stadium and exhibition center, and any affiliate of the team
35 designated by the team. An "affiliate of the team" means any person or
36 entity that controls, is controlled by, or is under common control with
37 the team.

38 NEW SECTION. **Sec. 102.** (1) A public stadium authority may be
39 created in any county that has entered into a letter of intent relating
40 to the development of a stadium and exhibition center under chapter

1 . . . , Laws of 1997 (this act) with a team affiliate or an entity that
2 has a contractual right to become a team affiliate.

3 (2) A public stadium authority shall be created upon adoption of a
4 resolution providing for the creation of such an authority by the
5 county legislative authority in which the proposed authority is
6 located.

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

13 (4) The legislative authority of the county in which the public
14 stadium authority is located, or the council of any city located in
15 that county, may transfer property to the public stadium authority
16 created under this chapter. Property encumbered by debt may be
17 transferred by a county legislative authority or a city council to a
18 public stadium authority created to develop a stadium and exhibition
19 center under section 105 of this act, but obligation for payment of the
20 debt may not be transferred.

21 NEW SECTION. **Sec. 103.** (1) A public stadium authority shall be
22 governed by a board of directors consisting of seven members appointed
23 by the governor. The speaker of the house of representatives, the
24 minority leader of the house of representatives, the majority leader of
25 the senate, and the minority leader of the senate shall each recommend
26 to the governor a person to be appointed to the board.

27 (2) Members of the board of directors shall serve four-year terms
28 of office, except that three of the initial seven board members shall
29 serve two-year terms of office. The governor shall designate the
30 initial terms of office for the initial members who are appointed.

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

35 (4) A director appointed by the governor may be removed from office
36 by the governor.

37 NEW SECTION. **Sec. 104.** (1) There is created a public stadium
38 authority advisory committee comprised of five members. The advisory
39 committee consists of: The director of the office of financial

1 management, who shall serve as chair; two members appointed by the
2 house of representatives, one each appointed by the speaker of the
3 house of representatives and the minority leader of the house of
4 representatives; and two members appointed by the senate, one each
5 appointed by the majority leader of the senate and the minority leader
6 of the senate.

7 (2) The advisory committee, prior to the final approval of any
8 lease with the master tenant or sale of stadium naming rights, shall
9 review and comment on the proposed lease agreement or sale of stadium
10 naming rights.

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

15 (2) The public stadium authority may enter into agreements under
16 chapter 39.34 RCW for the joint provision and operation of a stadium
17 and exhibition center and may enter into contracts under chapter 39.34
18 RCW where any party to the contract provides and operates the stadium
19 and exhibition center for the other party or parties to the contract.

20 (3) Any employees of the public stadium authority shall be
21 unclassified employees not subject to the provisions of chapter 41.06
22 RCW and a public stadium authority may contract with a public or
23 private entity for the operation or management of the stadium and
24 exhibition center.

25 (4) The public stadium authority is authorized to use the
26 alternative supplemental public works contracting procedures set forth
27 in chapter 39.10 RCW in connection with the design, construction,
28 reconstruction, remodel, or alteration of a stadium and exhibition
29 center.

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

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

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

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

4 (2) The public stadium authority, in consultation with the team
5 affiliate, shall have the authority to establish the overall scope of
6 the stadium and exhibition center project, including, but not limited
7 to, stadium and exhibition center itself, associated exhibition
8 facilities, associated parking facilities, associated retail and office
9 development that are part of the stadium and exhibition center, and
10 ancillary services and facilities;

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

14 (4) The public stadium authority shall have the authority to
15 contract with a team affiliate for the provision of architectural,
16 engineering, environmental, and other professional services related to
17 the stadium and exhibition center site, design options, required
18 environmental studies, and necessary permits for the stadium and
19 exhibition center;

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

23 (6) The public stadium authority, in consultation with the team
24 affiliate, shall have the authority to make recommendations to the
25 state finance committee regarding the structure of the financing of the
26 stadium and exhibition center project;

27 (7) The public stadium authority shall have the authority to enter
28 into a development agreement with a team affiliate whereby the team
29 affiliate may control the development of the stadium and exhibition
30 center project, consistent with subsections (1) through (6) of this
31 section, in consideration of which the team affiliate assumes the risk
32 of costs of development that are in excess of the project budget
33 established under subsection (5) of this section. Under the
34 development agreement, the team affiliate shall determine bidding
35 specifications and requirements, and other aspects of development.
36 Under the development agreement, the team affiliate shall determine
37 procurement procedures and other aspects of development, and shall
38 select and engage an architect or architects and a contractor or
39 contractors for the stadium and exhibition center project, provided
40 that the construction, alterations, repairs, or improvements of the
41 stadium and exhibition center shall be subject to the prevailing wage

1 requirements of chapter 39.12 RCW and all phases of the development
2 shall be subject to the goals established for women and minority-
3 business participation for the county where the stadium and exhibition
4 center is located. The team affiliate shall, to the extent feasible,
5 hire local residents and in particular residents from the areas
6 immediately surrounding the stadium and exhibition center during the
7 construction and ongoing operation of the stadium and exhibition
8 center;

9 (8) The public stadium authority shall have the authority to enter
10 into a long-term lease agreement with a team affiliate whereby, in
11 consideration of the payment of fair rent and assumption of operating
12 and maintenance responsibilities, risk, legal liability, and costs
13 associated with the stadium and exhibition center, the team affiliate
14 becomes the sole master tenant of the stadium and exhibition center.
15 The master tenant lease agreement must require the team affiliate to
16 publicly disclose, on an annual basis, an audited profit and loss
17 financial statement. The team affiliate shall provide a guarantee,
18 security, or a letter of credit from a person or entity with a net
19 worth in excess of one hundred million dollars that guarantees a
20 maximum of ten years' payments of fair rent under the lease in the
21 event of the bankruptcy or insolvency of the team affiliate. The
22 master tenant shall have the power to sublease and enter into use,
23 license, and concession agreements with various users of the stadium
24 and exhibition center including the professional football team, and the
25 master tenant has the right to name the stadium and exhibition center,
26 subject to section 107 of this act. The master tenant shall meet
27 goals, established by the county where the stadium and exhibition
28 center is located, for women and minority employment for the operation
29 of the stadium and exhibition center. Except as provided in subsection
30 (10) of this section, the master tenant shall have the right to retain
31 revenues derived from the operation of the stadium and exhibition
32 center, including revenues from the sublease and uses, license and
33 concession agreements, revenues from suite licenses, concessions,
34 advertising, long-term naming rights subject to section 107 of this
35 act, and parking revenue. If federal law permits interest on bonds
36 issued to finance the stadium and exhibition center to be treated as
37 tax exempt for federal income tax purposes, the public stadium
38 authority and the team affiliate shall endeavor to structure and limit
39 the amounts, sources, and uses of any payments received by the state,
40 the county, the public stadium authority, or any related governmental
41 entity for the use or in respect to the stadium and exhibition center

1 in such a manner as to permit the interest on those bonds to be tax
2 exempt. As used in this subsection, "fair rent" is solely intended to
3 cover the reasonable operating expenses of the public stadium authority
4 and shall be not less than eight hundred fifty thousand dollars per
5 year with annual increases based on the consumer price index;

6 (9) Subject to section 210(2)(b)(ix) of this act, the public
7 stadium authority may reserve the right to discuss profit sharing from
8 the stadium and exhibition center from sources that have not been
9 identified at the time the long-term lease agreement is executed;

10 (10) The master tenant may retain an amount to cover the actual
11 cost of preparing the stadium and exhibition center for activities
12 involving the Olympic Games and world cup soccer. Revenues derived
13 from the operation of the stadium and exhibition center for activities
14 identified in this subsection that exceed the master tenant's actual
15 costs of preparing, operating, and restoring the stadium and exhibition
16 center must be deposited into the tourism development and promotion
17 account created in section 223 of this act;

18 (11) The public stadium authority, in consultation with a public
19 facilities district that is located within the county, shall work to
20 eliminate the use of the stadium and exhibition center for events
21 during the same time as events are held in the baseball stadium as
22 defined in RCW 82.14.0485;

23 (12) The public stadium authority, in consultation with the team
24 affiliate, must work to secure the hosting of a Super Bowl, if the
25 hosting requirements are changed by the national football league or
26 similar professional football association;

27 (13) The public stadium authority shall work with surrounding areas
28 to mitigate the impact of the construction and operation of the stadium
29 and exhibition center;

30 (14) The public stadium authority, in consultation with the office
31 of financial management, shall negotiate filming rights of the
32 demolition of the existing domed stadium on the stadium and exhibition
33 center site. All revenues derived from the filming of the demolition
34 of the existing domed stadium shall be deposited into the film and
35 video promotion account created in section 222 of this act; and

36 (15) The public stadium authority shall have the authority, upon
37 the agreement of the team affiliate, to sell permanent seat licenses,
38 and the team affiliate may act as the sales agent for this purpose.

39 NEW SECTION. **Sec. 107.** Revenues from the sales of naming rights
40 of a stadium and exhibition center developed under section 105 of this

1 act may only be used for costs associated with capital improvements
2 associated with modernization and maintenance of the stadium and
3 exhibition center. The sales of naming rights are subject to the
4 reasonable approval of the public stadium authority.

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

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

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

15 (b) Expedited environmental review processing;

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

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

21 (2) The county shall assemble such real property and associated
22 personal property as the public stadium authority and the county
23 mutually determine to be necessary as a site for the stadium and
24 exhibition center. Property that is necessary for this purpose that is
25 owned by the county on or after the effective date of this section
26 shall be contributed to the authority, and property that is necessary
27 for this purpose that is acquired by the county on or after the
28 effective date of this section shall be conveyed to the authority.
29 Property that is encumbered by debt may be transferred by the county to
30 the authority, but obligation for payment of the debt may not be
31 transferred.

32 (3) A new exhibition facility of at least three hundred twenty-five
33 thousand square feet, with adequate on-site parking, shall be
34 constructed and operational before any domed stadium in the county is
35 demolished or rendered unusable. Demolition of any existing structure
36 and construction of the stadium and exhibition center shall be
37 reasonably executed in a manner that minimizes impacts, including
38 access and parking, upon existing facilities, users, and neighborhoods.
39 No county or city may exercise authority under any landmarks

1 preservation statute or ordinance in order to prevent or delay the
2 demolition of any existing domed stadium at the site of the stadium and
3 exhibition center.

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

7 NEW SECTION. **Sec. 111.** (1) The board of directors of the public
8 stadium authority shall adopt a resolution that may be amended from
9 time to time that shall establish the basic requirements governing
10 methods and amounts of reimbursement payable to such authority and
11 employees for travel and other business expenses incurred on behalf of
12 the authority. The resolution shall, among other things, establish
13 procedures for approving such expenses; the form of the travel and
14 expense voucher; and requirements governing the use of credit cards
15 issued in the name of the authority. The resolution may also establish
16 procedures for payment of per diem to board members. The state auditor
17 shall, as provided by general law, cooperate with the public stadium
18 authority in establishing adequate procedures for regulating and
19 auditing the reimbursement of all such expenses.

20 (2) The board of directors shall transmit a copy of the adopted
21 annual operating budget of the public stadium authority to the governor
22 and the majority leader and minority leader of the house of
23 representatives and the senate. The budget information shall include,
24 but is not limited to a statement of income and expenses of the public
25 stadium authority.

26 NEW SECTION. **Sec. 112.** The board of directors of the public
27 stadium authority may authorize payment of actual and necessary
28 expenses of officers and employees for lodging, meals, and travel-
29 related costs incurred in attending meetings or conferences on behalf
30 of the public stadium authority and strictly in the public interest and
31 for public purposes. Officers and employees may be advanced sufficient
32 sums to cover their anticipated expenses in accordance with rules
33 adopted by the state auditor, which shall substantially conform to the
34 procedures provided in RCW 43.03.150 through 43.03.210.

35 NEW SECTION. **Sec. 113.** Each member of the board of directors of
36 the public stadium authority may receive compensation of fifty dollars
37 per day for attending meetings or conferences on behalf of the

1 authority, not to exceed three thousand dollars per year. A director
2 may waive all or a portion of his or her compensation under this
3 section as to a month or months during his or her term of office, by a
4 written waiver filed with the public stadium authority. The
5 compensation provided in this section is in addition to reimbursement
6 for expenses paid to the directors by the public stadium authority.

7 NEW SECTION. **Sec. 114.** The board of directors of the public
8 stadium authority may purchase liability insurance with such limits as
9 the directors may deem reasonable for the purpose of protecting and
10 holding personally harmless authority officers and employees against
11 liability for personal or bodily injuries and property damage arising
12 from their acts or omissions while performing or in good faith
13 purporting to perform their official duties.

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

26 NEW SECTION. **Sec. 116.** The board of directors of the public
27 stadium authority shall have authority to authorize the expenditure of
28 funds for the public purposes of preparing and distributing information
29 to the general public about the stadium and exhibition center.

30 NEW SECTION. **Sec. 117.** The public stadium authority shall have
31 authority to create and fill positions, fix wages and salaries, pay
32 costs involved in securing or arranging to secure employees, and
33 establish benefits for employees, including holiday pay, vacations or
34 vacation pay, retirement benefits, medical, life, accident, or health
35 disability insurance, as approved by the board. Public stadium
36 authority board members, at their own expense, shall be entitled to
37 medical, life, accident, or health disability insurance. Insurance for

1 employees and board members shall not be considered compensation.
2 Authority coverage for the board is not to exceed that provided public
3 stadium authority employees.

4 NEW SECTION. **Sec. 118.** The public stadium authority may secure
5 services by means of an agreement with a service provider. The public
6 stadium authority shall publish notice, establish criteria, receive and
7 evaluate proposals, and negotiate with respondents under requirements
8 set forth by authority resolution.

9 NEW SECTION. **Sec. 119.** The public stadium authority may refuse to
10 disclose financial information on the master tenant, concessioners, the
11 team affiliate, or subleasee under RCW 42.17.310.

12 **Sec. 120.** RCW 42.17.310 and 1996 c 305 s 2, 1996 c 253 s 302, 1996
13 c 191 s 88, and 1996 c 80 s 1 are each reenacted and amended to read as
14 follows:

15 (1) The following are exempt from public inspection and copying:

16 (a) Personal information in any files maintained for students in
17 public schools, patients or clients of public institutions or public
18 health agencies, or welfare recipients.

19 (b) Personal information in files maintained for employees,
20 appointees, or elected officials of any public agency to the extent
21 that disclosure would violate their right to privacy.

22 (c) Information required of any taxpayer in connection with the
23 assessment or collection of any tax if the disclosure of the
24 information to other persons would (i) be prohibited to such persons by
25 RCW 82.32.330 or (ii) violate the taxpayer's right to privacy or result
26 in unfair competitive disadvantage to the taxpayer.

27 (d) Specific intelligence information and specific investigative
28 records compiled by investigative, law enforcement, and penology
29 agencies, and state agencies vested with the responsibility to
30 discipline members of any profession, the nondisclosure of which is
31 essential to effective law enforcement or for the protection of any
32 person's right to privacy.

33 (e) Information revealing the identity of persons who are witnesses
34 to or victims of crime or who file complaints with investigative, law
35 enforcement, or penology agencies, other than the public disclosure
36 commission, if disclosure would endanger any person's life, physical
37 safety, or property. If at the time a complaint is filed the
38 complainant, victim or witness indicates a desire for disclosure or

1 nondisclosure, such desire shall govern. However, all complaints filed
2 with the public disclosure commission about any elected official or
3 candidate for public office must be made in writing and signed by the
4 complainant under oath.

5 (f) Test questions, scoring keys, and other examination data used
6 to administer a license, employment, or academic examination.

7 (g) Except as provided by chapter 8.26 RCW, the contents of real
8 estate appraisals, made for or by any agency relative to the
9 acquisition or sale of property, until the project or prospective sale
10 is abandoned or until such time as all of the property has been
11 acquired or the property to which the sale appraisal relates is sold,
12 but in no event shall disclosure be denied for more than three years
13 after the appraisal.

14 (h) Valuable formulae, designs, drawings, and research data
15 obtained by any agency within five years of the request for disclosure
16 when disclosure would produce private gain and public loss.

17 (i) Preliminary drafts, notes, recommendations, and intra-agency
18 memorandums in which opinions are expressed or policies formulated or
19 recommended except that a specific record shall not be exempt when
20 publicly cited by an agency in connection with any agency action.

21 (j) Records which are relevant to a controversy to which an agency
22 is a party but which records would not be available to another party
23 under the rules of pretrial discovery for causes pending in the
24 superior courts.

25 (k) Records, maps, or other information identifying the location of
26 archaeological sites in order to avoid the looting or depredation of
27 such sites.

28 (l) Any library record, the primary purpose of which is to maintain
29 control of library materials, or to gain access to information, which
30 discloses or could be used to disclose the identity of a library user.

31 (m) Financial information supplied by or on behalf of a person,
32 firm, or corporation for the purpose of qualifying to submit a bid or
33 proposal for (i) a ferry system construction or repair contract as
34 required by RCW 47.60.680 through 47.60.750 or (ii) highway
35 construction or improvement as required by RCW 47.28.070.

36 (n) Railroad company contracts filed prior to July 28, 1991, with
37 the utilities and transportation commission under RCW 81.34.070, except
38 that the summaries of the contracts are open to public inspection and
39 copying as otherwise provided by this chapter.

40 (o) Financial and commercial information and records supplied by
41 private persons pertaining to export services provided pursuant to

1 chapter 43.163 RCW and chapter 53.31 RCW, and by persons pertaining to
2 export projects pursuant to RCW 43.23.035.

3 (p) Financial disclosures filed by private vocational schools under
4 chapters 28B.85 and 28C.10 RCW.

5 (q) Records filed with the utilities and transportation commission
6 or attorney general under RCW 80.04.095 that a court has determined are
7 confidential under RCW 80.04.095.

8 (r) Financial and commercial information and records supplied by
9 businesses or individuals during application for loans or program
10 services provided by chapters 43.163, 43.160, 43.330, and 43.168 RCW,
11 or during application for economic development loans or program
12 services provided by any local agency.

13 (s) Membership lists or lists of members or owners of interests of
14 units in timeshare projects, subdivisions, camping resorts,
15 condominiums, land developments, or common-interest communities
16 affiliated with such projects, regulated by the department of
17 licensing, in the files or possession of the department.

18 (t) All applications for public employment, including the names of
19 applicants, resumes, and other related materials submitted with respect
20 to an applicant.

21 (u) The residential addresses and residential telephone numbers of
22 employees or volunteers of a public agency which are held by the agency
23 in personnel records, employment or volunteer rosters, or mailing lists
24 of employees or volunteers.

25 (v) The residential addresses and residential telephone numbers of
26 the customers of a public utility contained in the records or lists
27 held by the public utility of which they are customers.

28 (w)(i) The federal social security number of individuals governed
29 under chapter 18.130 RCW maintained in the files of the department of
30 health, except this exemption does not apply to requests made directly
31 to the department from federal, state, and local agencies of
32 government, and national and state licensing, credentialing,
33 investigatory, disciplinary, and examination organizations; (ii) the
34 current residential address and current residential telephone number of
35 a health care provider governed under chapter 18.130 RCW maintained in
36 the files of the department, if the provider requests that this
37 information be withheld from public inspection and copying, and
38 provides to the department an accurate alternate or business address
39 and business telephone number. On or after January 1, 1995, the
40 current residential address and residential telephone number of a
41 health care provider governed under RCW 18.130.140 maintained in the

1 files of the department shall automatically be withheld from public
2 inspection and copying unless the provider specifically requests the
3 information be released, and except as provided for under RCW
4 42.17.260(9).

5 (x) Information obtained by the board of pharmacy as provided in
6 RCW 69.45.090.

7 (y) Information obtained by the board of pharmacy or the department
8 of health and its representatives as provided in RCW 69.41.044,
9 69.41.280, and 18.64.420.

10 (z) Financial information, business plans, examination reports, and
11 any information produced or obtained in evaluating or examining a
12 business and industrial development corporation organized or seeking
13 certification under chapter 31.24 RCW.

14 (aa) Financial and commercial information supplied to the state
15 investment board by any person when the information relates to the
16 investment of public trust or retirement funds and when disclosure
17 would result in loss to such funds or in private loss to the providers
18 of this information.

19 (bb) Financial and valuable trade information under RCW 51.36.120.

20 (cc) Client records maintained by an agency that is a domestic
21 violence program as defined in RCW 70.123.020 or 70.123.075 or a rape
22 crisis center as defined in RCW 70.125.030.

23 (dd) Information that identifies a person who, while an agency
24 employee: (i) Seeks advice, under an informal process established by
25 the employing agency, in order to ascertain his or her rights in
26 connection with a possible unfair practice under chapter 49.60 RCW
27 against the person; and (ii) requests his or her identity or any
28 identifying information not be disclosed.

29 (ee) Investigative records compiled by an employing agency
30 conducting a current investigation of a possible unfair practice under
31 chapter 49.60 RCW or of a possible violation of other federal, state,
32 or local laws prohibiting discrimination in employment.

33 (ff) Business related information protected from public inspection
34 and copying under RCW 15.86.110.

35 (gg) Financial, commercial, operations, and technical and research
36 information and data submitted to or obtained by the clean Washington
37 center in applications for, or delivery of, program services under
38 chapter 70.95H RCW.

39 (hh) Information and documents created specifically for, and
40 collected and maintained by a quality improvement committee pursuant to

1 RCW 43.70.510, regardless of which agency is in possession of the
2 information and documents.

3 (ii) Personal information in files maintained in a data base
4 created under RCW 43.07.360.

5 (jj) Financial and commercial information requested by the public
6 stadium authority from any person or organization that leases or uses
7 the stadium and exhibition center as defined in section 101 of this
8 act.

9 (2) Except for information described in subsection (1)(c)(i) of
10 this section and confidential income data exempted from public
11 inspection pursuant to RCW 84.40.020, the exemptions of this section
12 are inapplicable to the extent that information, the disclosure of
13 which would violate personal privacy or vital governmental interests,
14 can be deleted from the specific records sought. No exemption may be
15 construed to permit the nondisclosure of statistical information not
16 descriptive of any readily identifiable person or persons.

17 (3) Inspection or copying of any specific records exempt under the
18 provisions of this section may be permitted if the superior court in
19 the county in which the record is maintained finds, after a hearing
20 with notice thereof to every person in interest and the agency, that
21 the exemption of such records is clearly unnecessary to protect any
22 individual's right of privacy or any vital governmental function.

23 (4) Agency responses refusing, in whole or in part, inspection of
24 any public record shall include a statement of the specific exemption
25 authorizing the withholding of the record (or part) and a brief
26 explanation of how the exemption applies to the record withheld.

27

PART II

28

FINANCING

29 NEW SECTION. **Sec. 201.** (1) The governing board of a public
30 stadium authority may apply for deferral of taxes on the construction
31 of buildings, site preparation, and the acquisition of related
32 machinery and equipment for a stadium and exhibition center.
33 Application shall be made to the department of revenue in a form and
34 manner prescribed by the department of revenue. The application shall
35 contain information regarding the location of the stadium and
36 exhibition center, estimated or actual costs, time schedules for
37 completion and operation, and other information required by the
38 department of revenue. The department of revenue shall approve the

1 application within sixty days if it meets the requirements of this
2 section.

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

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

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

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

21 (6) The repayment of deferred taxes and interest, if any, shall be
22 deposited into the stadium and exhibition center account created in
23 section 214 of this act and used to retire bonds issued under section
24 210 of this act to finance the construction of the stadium and
25 exhibition center.

26 (7) Applications and any other information received by the
27 department of revenue under this section are not confidential and are
28 subject to disclosure. Chapter 82.32 RCW applies to the administration
29 of this section.

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

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

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

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

1 (3) All leasehold interests of subsidized housing where the fee
2 ownership of such property is vested in the government of the United
3 States, or the state of Washington or any political subdivision thereof
4 but only if income qualification exists for such housing.

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

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

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

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

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

37 (9) All leasehold interests which give use or possession of the
38 leased property for a continuous period of less than thirty days:
39 PROVIDED, That for purposes of this subsection, successive leases or
40 lease renewals giving substantially continuous use of possession of the
41 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
40 other public usage, and any other personal property used for these

1 purposes. "Public or entertainment areas" does not include locker
2 rooms or private offices exclusively used by the lessee.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

23 (2) For purposes of making deposits into the reserve account
24 created by RCW 67.70.250 and into the lottery administrative account
25 created by RCW 67.70.260;

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

27 (4) ~~((for purposes of making deposits into the housing trust fund~~
28 ~~under the provisions of section 7 of this 1987 act; (5)))~~ For
29 distribution to a county for the purpose of paying the principal and
30 interest payments on bonds issued by the county to construct a baseball
31 stadium, as defined in RCW 82.14.0485, including reasonably necessary
32 preconstruction costs ~~((; (6) for the purchase and promotion of lottery~~
33 ~~games and game related services; and (7) for the payment of agent~~
34 ~~compensation))~~. Three million dollars shall be distributed under this
35 subsection ~~((5) of this section))~~ during calendar year 1996. During
36 subsequent years, such distributions shall equal the prior year's
37 distributions increased by four percent. Distributions under this
38 subsection ~~((5) of this section))~~ shall cease when the bonds issued

1 for the construction of the baseball stadium are retired, but not more
2 than twenty years after the tax under RCW 82.14.0485 is first imposed;

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

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

15 (7) For the payment of agent compensation.

16 The office of financial management shall require the allotment of
17 all expenses paid from the account and shall report to the ways and
18 means committees of the senate and house of representatives any changes
19 in the allotments.

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

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

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

28 The person or entity responsible for operating a stadium and
29 exhibition center as defined in section 101 of this act shall promote
30 the lottery with any combination of in-kind advertising, sponsorship,
31 or prize promotions, valued at one million dollars annually beginning
32 January 1998 and increased by four percent each year thereafter for the
33 purpose of increasing lottery sales of games authorized under section
34 205 of this act. The content and value of the advertising sponsorship
35 or prize promotions are subject to reasonable approval in advance by
36 the lottery commission. The obligation of this section shall cease
37 when the distributions under RCW 67.70.240(5) end, but not later than
38 December 31, 2020.

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

3 NEW SECTION. **Sec. 210.** (1) For the purpose of providing funds to
4 pay for operation of the public stadium authority created under section
5 102 of this act, to pay for the preconstruction, site acquisition,
6 design, site preparation, construction, owning, leasing, and equipping
7 of the stadium and exhibition center, and to reimburse the county or
8 the public stadium authority for its direct or indirect expenditures or
9 to repay other indebtedness incurred for these purposes, the state
10 finance committee is authorized to issue general obligation bonds of
11 the state of Washington in the sum of three hundred million dollars, or
12 so much thereof as may be required, for these purposes and all costs
13 incidental thereto. Bonds authorized in this section may be sold at
14 such price as the state finance committee shall determine.

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

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

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

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

28 (ii) The team affiliate shall raise at least one hundred million
29 dollars, less the amount, if any, raised by the public stadium
30 authority under section 106(15) of this act. The total one hundred
31 million dollars raised, which may include cash payments and in-kind
32 contributions, but does not include any interest earned on the escrow
33 account described in section 211 of this act, shall be applied toward
34 the reasonably necessary preconstruction, site acquisition, design,
35 site preparation, construction, and equipping of the stadium and
36 exhibition center, or to any associated public purpose separate from
37 bond-financed expenses. No part of the payment may be made without the
38 consent of the public stadium authority. In any event, all amounts to
39 be raised by the team affiliate under (b)(ii) of this subsection shall
40 be paid or expended before the completion of the construction of the

1 stadium and exhibition center. To the extent possible, contributions
2 shall be structured in a manner that would allow for the issuance of
3 bonds to construct the stadium and exhibition center that are exempt
4 from federal income taxes;

5 (iii) The team affiliate shall deposit at least ten million dollars
6 into the youth athletic facility grant account created in section 214
7 of this act upon execution of the lease and development agreements in
8 section 106 (7) and (8) of this act;

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

14 (v) One executive suite with a minimum of twenty seats must be made
15 available, on a lottery basis, as a free upgrade, at home games of the
16 professional football team, to purchasers of tickets that are not
17 located in executive suites or club seat areas;

18 (vi) A nonparticipatory interest in the professional football team
19 has been granted to the state beginning on the date on which bonds are
20 issued under this section which only entitles the state to receive ten
21 percent of the gross selling price of the interest in the team that is
22 sold if a majority interest or more of the professional football team
23 is sold within twenty-five years of the date on which bonds are issued
24 under the section. The ten percent shall apply to all preceding sales
25 of interests in the team which comprise the majority interest sold.
26 This provision shall apply only to the first sale of such a majority
27 interest. The ten percent must be deposited in the permanent common
28 school fund. If the debt is retired at the time of the sale, then the
29 ten percent may only be used for costs associated with capital
30 maintenance, capital improvements, renovations, reequipping,
31 replacement, and operations of the stadium and exhibition center;

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

34 (viii) The team affiliate, in consultation with the public stadium
35 authority, shall work with surrounding areas to mitigate the impact of
36 the construction and operation of the stadium and exhibition center
37 with a budget of at least ten million dollars dedicated to area
38 mitigation. For purposes of this subsection, "mitigation" includes,
39 but is not limited to, parking facilities and amenities, neighborhood
40 beautification projects and landscaping, financial grants for
41 neighborhood programs intended to mitigate adverse impacts caused by

1 the construction and operation of the stadium and exhibition center,
2 and mitigation measures identified in the environmental impact
3 statement required for the stadium and exhibition center under chapter
4 43.21C RCW; and

5 (ix) Twenty percent of the net profit from the operation of the
6 exhibition facility of the stadium and exhibition center shall be
7 deposited into the permanent common school fund. Profits shall be
8 verified by the public stadium authority.

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

16 The escrow agreement shall provide that the fifty million dollar
17 deposit shall be invested by the state treasurer and shall earn
18 interest. If the stadium and exhibition center project proceeds, then
19 the interest on amounts in the escrow account shall be for the benefit
20 of the state, and all amounts in the escrow account, including all
21 principal and interest, shall be distributed to the stadium and
22 exhibition center account. The escrow agreement shall provide for
23 appropriate adjustments based on amounts previously and subsequently
24 raised by the team affiliate under section 210(2)(b)(ii) of this act
25 and amounts previously and subsequently raised by the public stadium
26 authority under section 106(15) of this act. If the stadium and
27 exhibition center project does not proceed, all principal and the
28 interest in the escrow account shall be distributed to the team
29 affiliate or the entity that has an option to become a team affiliate.

30 NEW SECTION. **Sec. 212.** The proceeds from the sale of the bonds
31 authorized in section 210 of this act shall be deposited in the stadium
32 and exhibition center construction account, hereby created in the
33 custody of the state treasurer, and shall be used exclusively for the
34 purposes specified in section 210 of this act and for the payment of
35 expenses incurred in the issuance and sale of the bonds. These
36 proceeds shall be administered by the office of financial management.
37 Only the director of the office of financial management or the
38 director's designee may authorize expenditures from the account. The
39 account is subject to the allotment procedures under chapter 43.88 RCW,

1 but an appropriation is not required for expenditures. At the
2 direction of the office of financial management the state treasurer
3 shall transfer moneys from the stadium and exhibition center
4 construction account to the public stadium authority created in section
5 102 of this act as required by the public stadium authority.

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

9 The state finance committee shall, on or before June 30th of each
10 year, certify to the state treasurer the amount needed in the ensuing
11 twelve months to meet the bond retirement and interest requirements.
12 On each date on which any interest or principal and interest payment is
13 due, the state treasurer shall transfer from the stadium and exhibition
14 center account to the nondebt-limit reimbursable bond retirement
15 account an amount equal to the amount certified by the state finance
16 committee to be due on the payment date.

17 Bonds issued under section 210 of this act shall state that they
18 are a general obligation of the state of Washington, shall pledge the
19 full faith and credit of the state to the payment of the principal
20 thereof and the interest thereon, and shall contain an unconditional
21 promise to pay the principal and interest as the same shall become due.
22 If in any year the amount accumulated in the stadium and exhibition
23 center account is insufficient for payment of the principal and
24 interest on the bonds issued under section 210 of this act, the amount
25 of the insufficiency shall be a continuing obligation against the
26 stadium and exhibition center account until paid.

27 The owner and holder of each of the bonds or the trustee for the
28 owner and holder of any of the bonds may by mandamus or other
29 appropriate proceeding require the transfer and payment of funds as
30 directed in this section.

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

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

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

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

16 (b) An additional reserve amount not in excess of the expected
17 average annual principal and interest requirements of bonds issued
18 under section 210 of this act shall be accumulated and maintained in
19 the account, subject to withdrawal by the state treasurer at any time
20 if necessary to meet the requirements of (a) of this subsection, and,
21 following any withdrawal, reaccumulated from the first tax revenues and
22 other amounts deposited in the account after meeting the requirements
23 of (a) of this subsection; and

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

26 Any revenues derived from the taxes authorized by RCW 36.38.010(5)
27 and section 302 of this act or other amounts that if used as provided
28 under (a) and (b) of this subsection would cause the loss of any tax
29 exemption under federal law for interest on bonds issued under section
30 210 of this act shall be deposited in and used exclusively for the
31 purposes of the youth athletic facility grant account and shall not be
32 used, directly or indirectly, as a source of payment of principal of or
33 interest on bonds issued under section 210 of this act, or to replace
34 or reimburse other funds used for that purpose.

35 (4) Any moneys in the stadium and exhibition center account not
36 required or permitted to be used for the purposes described in
37 subsection (3)(a) and (b) of this section shall be deposited in the
38 youth athletic facility grant account hereby created in the state
39 treasury. Expenditures from the account may be used only for purposes
40 of grants to cities, counties, and qualified nonprofit organizations
41 for youth athletic facilities. Only the director of the interagency

1 committee for outdoor recreation or the director's designee may
2 authorize expenditures from the account. The account is subject to
3 allotment procedures under chapter 43.88 RCW, but an appropriation is
4 not required for expenditures. The athletic facility grants may be
5 used for acquiring, developing, equipping, maintaining, and improving
6 youth or community athletic facilities. Funds shall be divided equally
7 between the development of new athletic facilities, the improvement of
8 existing athletic facilities, and the maintenance of existing athletic
9 facilities. Cities, counties, and qualified nonprofit organizations
10 must submit proposals for grants from the account. To the extent that
11 funds are available, cities, counties, and qualified nonprofit
12 organizations must meet eligibility criteria as established by the
13 director of the interagency committee for outdoor recreation. The
14 grants shall be awarded on a competitive application process and the
15 amount of the grant shall be in proportion to the population of the
16 city or county for where the youth athletic facility is located.
17 Grants awarded in any one year need not be distributed in that year.
18 The director of the interagency committee for outdoor recreation may
19 expend up to one and one-half percent of the moneys deposited in the
20 account created in this subsection for administrative purposes.

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

24 (1) The professional football team that will use the stadium and
25 exhibition center is at least majority-owned and controlled by,
26 directly or indirectly, one or more persons who are each residents of
27 the state of Washington and who have been residents of the state of
28 Washington continuously since at least January 1, 1993;

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

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

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

1 NEW SECTION. **Sec. 216.** The legislature may provide additional
2 means for raising moneys for the payment of the principal of and
3 interest on the bonds authorized in section 210 of this act, and
4 section 213 of this act shall not be deemed to provide an exclusive
5 method for the payment.

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

9 NEW SECTION. **Sec. 218.** (1) The total public share of a stadium
10 and exhibition center shall not exceed three hundred million dollars.
11 For the purposes of this section, "total public share" means all state
12 and local funds expended for preconstruction and construction costs of
13 the stadium and exhibition center, including proceeds of any bonds
14 issued for the purposes of the stadium and exhibition center, tax
15 revenues, and interest earned on the escrow account described in
16 section 211 of this act and not including expenditures for deferred
17 sales taxes.

18 (2) Sections 201 through 207, chapter . . . , Laws of 1997 (sections
19 201 through 207 of this act) and this chapter constitute the entire
20 state contribution for a stadium and exhibition center. The state will
21 not make any additional contributions based on revised cost or revenue
22 estimates, cost overruns, unforeseen circumstances, or any other
23 reason.

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

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

29 No bonds, notes, or other evidences of indebtedness for borrowed
30 money shall be issued by the state which will cause the aggregate debt
31 contracted by the state to exceed that amount for which payments of
32 principal and interest in any fiscal year would require the state to
33 expend more than seven percent of the arithmetic mean of its general
34 state revenues, as defined in section 1(c) of Article VIII of the
35 Washington state Constitution for the three immediately preceding
36 fiscal years as certified by the treasurer in accordance with RCW
37 39.42.070. It shall be the duty of the state finance committee to

1 compute annually the amount required to pay principal of and interest
2 on outstanding debt. In making such computation, the state finance
3 committee shall include all borrowed money represented by bonds, notes,
4 or other evidences of indebtedness which are secured by the full faith
5 and credit of the state or are required to be paid, directly or
6 indirectly, from general state revenues and which are incurred by the
7 state, any department, authority, public corporation or quasi public
8 corporation of the state, any state university or college, or any other
9 public agency created by the state but not by counties, cities, towns,
10 school districts, or other municipal corporations, and shall include
11 debt incurred pursuant to section 3 of Article VIII of the Washington
12 state Constitution, but shall exclude the following:

13 (1) Obligations for the payment of current expenses of state
14 government;

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

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

17 (4) Any indebtedness which has been refunded;

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

19 (6) Indebtedness authorized or incurred before July 1, 1993,
20 pursuant to statute which requires that the state treasury be
21 reimbursed, in the amount of the principal of and the interest on such
22 indebtedness, from money other than general state revenues or from the
23 special excise tax imposed pursuant to chapter 67.40 RCW;

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

32 (8) Any agreement, promissory note, or other instrument entered
33 into by the state finance committee under RCW 39.42.030 in connection
34 with its acquisition of bond insurance, letters of credit, or other
35 credit support instruments for the purpose of guaranteeing the payment
36 or enhancing the marketability, or both, of any state bonds, notes, or
37 other evidence of indebtedness; and

38 (9) Indebtedness incurred for the purposes identified in section
39 210 of this act.

40 To the extent necessary because of the constitutional or statutory
41 debt limitation, priorities with respect to the issuance or

1 guaranteeing of bonds, notes, or other evidences of indebtedness by the
2 state shall be determined by the state finance committee.

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

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

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

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

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

23 (b) The following accounts and funds shall receive their
24 proportionate share of earnings based upon each account's or fund's
25 average daily balance for the period: The agricultural local fund, the
26 American Indian scholarship endowment fund, the Washington
27 international exchange scholarship endowment fund, the energy account,
28 the fair fund, the game farm alternative account, the grain inspection
29 revolving fund, the rural rehabilitation account, the stadium and
30 exhibition center account, the youth athletic facility grant account,
31 and the self-insurance revolving fund. However, the earnings to be
32 distributed shall first be reduced by the allocation to the state
33 treasurer's service fund pursuant to RCW 43.08.190.

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

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

4 NEW SECTION. **Sec. 222.** A new section is added to chapter 43.330
5 RCW to read as follows:

6 The film and video promotion account is created in the state
7 treasury. All receipts from section 106(14) of this act must be
8 deposited into the account. Moneys in the account may be spent only
9 after appropriation. Expenditures from the account may be used by the
10 department of community, trade, and economic development only for the
11 purposes of promotion of the film and video production industry in the
12 state of Washington.

13 NEW SECTION. **Sec. 223.** A new section is added to chapter 43.330
14 RCW to read as follows:

15 The tourism development and promotion account is created in the
16 state treasury. All receipts from section 106(10) of this act must be
17 deposited into the account. Moneys in the account may be spent only
18 after appropriation. Expenditures from the account may be used by the
19 department of community, trade, and economic development only for the
20 purposes of promotion of the tourism industry in the state of
21 Washington.

22 **PART III**

23 **LOCAL CONTRIBUTION**

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

26 (1) Any county may by ordinance enacted by its county legislative
27 authority, levy and fix a tax of not more than one cent on twenty cents
28 or fraction thereof to be paid for county purposes by persons who pay
29 an admission charge to any place, including a tax on persons who are
30 admitted free of charge or at reduced rates to any place for which
31 other persons pay a charge or a regular higher charge for the same or
32 similar privileges or accommodations; and require that one who receives
33 any admission charge to any place shall collect and remit the tax to
34 the county treasurer of the county: PROVIDED, No county shall impose
35 such tax on persons paying an admission to any activity of any
36 elementary or secondary school.

1 (2) As used in this chapter, the term "admission charge" includes
2 a charge made for season tickets or subscriptions, a cover charge, or
3 a charge made for use of seats and tables, reserved or otherwise, and
4 other similar accommodations; a charge made for food and refreshments
5 in any place where any free entertainment, recreation, or amusement is
6 provided; a charge made for rental or use of equipment or facilities
7 for purpose of recreation or amusement, and where the rental of the
8 equipment or facilities is necessary to the enjoyment of a privilege
9 for which a general admission is charged, the combined charges shall be
10 considered as the admission charge. It shall also include any
11 automobile parking charge where the amount of such charge is determined
12 according to the number of passengers in any automobile.

13 (3) Subject to subsections (4) and (5) of this section, the tax
14 herein authorized shall not be exclusive and shall not prevent any city
15 or town within the taxing county, when authorized by law, from imposing
16 within its corporate limits a tax of the same or similar kind:
17 PROVIDED, That whenever the same or similar kind of tax is imposed by
18 any such city or town, no such tax shall be levied within the corporate
19 limits of such city or town by the county(~~(, except that)~~).

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

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

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

1 (5) Notwithstanding subsection (3) of this section, the legislative
2 authority of a county that has created a public stadium authority to
3 develop a stadium and exhibition center under section 105 of this act
4 may levy and fix a tax on charges for admission to events in a stadium
5 and exhibition center, as defined in section 101 of this act,
6 constructed in the county on or after January 1, 1998, that is owned by
7 a public stadium authority under chapter 36.-- RCW (sections 101
8 through 119 and 201 of this act). The tax shall be exclusive and shall
9 preclude the city or town within which the stadium and exhibition
10 center is located from imposing a tax of the same or similar kind on
11 charges for admission to events in the stadium and exhibition center,
12 and shall preclude the imposition of a general county admissions tax on
13 charges for admission to events in the stadium and exhibition center.
14 For the purposes of this subsection, "charges for admission to events"
15 means only the actual admission charge, exclusive of taxes and service
16 charges and the value of any other benefit conferred by the admission.
17 The tax authorized under this subsection shall be at the rate of not
18 more than one cent on ten cents or fraction thereof. Revenues
19 collected under this subsection shall be deposited in the stadium and
20 exhibition center account under section 214 of this act until the bonds
21 issued under section 210 of this act for the construction of the
22 stadium and exhibition center are retired. After the bonds issued for
23 the construction of the stadium and exhibition center are retired, the
24 tax authorized under this section shall be used exclusively to fund
25 repair, reequipping, and capital improvement of the stadium and
26 exhibition center. The tax under this subsection may be levied upon
27 the first use of any part of the stadium and exhibition center but
28 shall not be collected at any facility already in operation as of the
29 effective date of this section.

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

32 The legislative authority of a county that has created a public
33 stadium authority to develop a stadium and exhibition center under
34 section 105 of this act may levy and fix a tax on any vehicle parking
35 charges imposed at any parking facility that is part of a stadium and
36 exhibition center, as defined in section 101 of this act. The tax
37 shall be exclusive and shall preclude the city or town within which the
38 stadium and exhibition center is located from imposing within its
39 corporate limits a tax of the same or similar kind on any vehicle
40 parking charges imposed at any parking facility that is part of a

1 stadium and exhibition center. For the purposes of this section,
2 "vehicle parking charges" means only the actual parking charges
3 exclusive of taxes and service charges and the value of any other
4 benefit conferred. The tax authorized under this section shall be at
5 the rate of not more than ten percent. Revenues collected under this
6 section shall be deposited in the stadium and exhibition center account
7 under section 214 of this act until the bonds issued under section 210
8 of this act for the construction of the stadium and exhibition center
9 are retired. After the bonds issued for the construction of the
10 stadium and exhibition center are retired, the tax authorized under
11 this section shall be used exclusively to fund repair, reequipping, and
12 capital improvement of the stadium and exhibition center. The tax
13 under this section may be levied upon the first use of any part of the
14 stadium and exhibition center but shall not be collected at any
15 facility already in operation as of the effective date of this section.

16 **PART IV**

17 **PUBLIC WORKS PROVISIONS**

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

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

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

30 (3) Except as otherwise specified in this chapter or in chapter
31 36.77 RCW, all counties subject to these provisions shall contract on
32 a competitive basis for all public works after bids have been submitted
33 to the county upon specifications therefor. Such specifications shall
34 be in writing and shall be filed with the clerk of the county
35 legislative authority for public inspection.

36 (4) An advertisement shall be published in the county official
37 newspaper stating the time and place where bids will be opened, the
38 time after which bids will not be received, the character of the work
39 to be done, the materials and equipment to be furnished, and that

1 specifications therefor may be seen at the office of the clerk of the
2 county legislative authority. An advertisement shall also be published
3 in a legal newspaper of general circulation in or as near as possible
4 to that part of the county in which such work is to be done. If the
5 county official newspaper is a newspaper of general circulation
6 covering at least forty percent of the residences in that part of the
7 county in which such public works are to be done, then the publication
8 of an advertisement of the applicable specifications in the county
9 official newspaper is sufficient. Such advertisements shall be
10 published at least once at least thirteen days prior to the last date
11 upon which bids will be received.

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

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

24 (7) If the bidder to whom the contract is awarded fails to enter
25 into the contract and furnish the contractor's bond as required within
26 ten days after notice of the award, exclusive of the day of notice, the
27 amount of the bid deposit shall be forfeited to the county and the
28 contract awarded to the next lowest and best bidder. The bid deposit
29 of all unsuccessful bidders shall be returned after the contract is
30 awarded and the required contractor's bond given by the successful
31 bidder is accepted by the county legislative authority. Immediately
32 after the award is made, the bid quotations obtained shall be recorded
33 and open to public inspection and shall be available by telephone
34 inquiry.

35 (8) As limited by subsection (10) of this section, a county subject
36 to these provisions may have public works performed by county employees
37 in any annual or biennial budget period equal to a dollar value not
38 exceeding ten percent of the public works construction budget,
39 including any amount in a supplemental public works construction
40 budget, over the budget period.

1 Whenever a county subject to these provisions has had public works
2 performed in any budget period up to the maximum permitted amount for
3 that budget period, all remaining public works except emergency work
4 under subsection (12) of this section within that budget period shall
5 be done by contract pursuant to public notice and call for competitive
6 bids as specified in subsection (3) of this section. The state auditor
7 shall report to the state treasurer any county subject to these
8 provisions that exceeds this amount and the extent to which the county
9 has or has not reduced the amount of public works it has performed by
10 public employees in subsequent years.

11 (9) If a county subject to these provisions has public works
12 performed by public employees in any budget period that are in excess
13 of this ten percent limitation, the amount in excess of the permitted
14 amount shall be reduced from the otherwise permitted amount of public
15 works that may be performed by public employees for that county in its
16 next budget period. Ten percent of the motor vehicle fuel tax
17 distributions to that county shall be withheld if two years after the
18 year in which the excess amount of work occurred, the county has failed
19 to so reduce the amount of public works that it has performed by public
20 employees. The amount withheld shall be distributed to the county when
21 it has demonstrated in its reports to the state auditor that the amount
22 of public works it has performed by public employees has been reduced
23 as required.

24 (10) In addition to the percentage limitation provided in
25 subsection (8) of this section, counties subject to these provisions
26 containing a population of one million or more shall not have public
27 employees perform a public works project in excess of seventy thousand
28 dollars if more than a single craft or trade is involved with the
29 public works project, or a public works project in excess of twenty-
30 five thousand dollars if only a single craft or trade is involved with
31 the public works project. A public works project means a complete
32 project. The restrictions in this subsection do not permit the
33 division of the project into units of work or classes of work to avoid
34 the restriction on work that may be performed by public employees on a
35 single project.

36 The cost of a separate public works project shall be the costs of
37 materials, supplies, equipment, and labor on the construction of that
38 project. The value of the public works budget shall be the value of
39 all the separate public works projects within the budget.

40 (11) In addition to the accounting and recordkeeping requirements
41 contained in chapter 39.04 RCW, any county which uses public employees

1 to perform public works projects under RCW 36.32.240(1) shall prepare
2 a year-end report to be submitted to the state auditor indicating the
3 total dollar amount of the county's public works construction budget
4 and the total dollar amount for public works projects performed by
5 public employees for that year.

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

9 (12) Notwithstanding any other provision in this section, counties
10 may use public employees without any limitation for emergency work
11 performed under an emergency declared pursuant to RCW 36.32.270, and
12 any such emergency work shall not be subject to the limitations of this
13 section. Publication of the description and estimate of costs relating
14 to correcting the emergency may be made within seven days after the
15 commencement of the work. Within two weeks of the finding that such an
16 emergency existed, the county legislative authority shall adopt a
17 resolution certifying the damage to public facilities and costs
18 incurred or anticipated relating to correcting the emergency.
19 Additionally this section shall not apply to architectural and
20 engineering or other technical or professional services performed by
21 public employees in connection with a public works project.

22 (13) In lieu of the procedures of subsections (3) through (11) of
23 this section, a county may use a small works roster process and award
24 contracts for public works projects with an estimated value of ten
25 thousand dollars up to one hundred thousand dollars as provided in RCW
26 39.04.155.

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

30 (14) The allocation of public works projects to be performed by
31 county employees shall not be subject to a collective bargaining
32 agreement.

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

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

39 (17) This section does not apply to contracts between the public
40 stadium authority and a team affiliate under section 106(4) of this
41 act, or development agreements between the public stadium authority and

1 a team affiliate under section 106(7) of this act or leases entered
2 into under section 106(8) of this act.

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

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

7 The term municipality shall include every city, county, town,
8 district or other public agency thereof which is authorized by law to
9 require the execution of public work, except drainage districts, diking
10 districts, diking and drainage improvement districts, drainage
11 improvement districts, diking improvement districts, consolidated
12 diking and drainage improvement districts, consolidated drainage
13 improvement districts, consolidated diking improvement districts,
14 irrigation districts or any such other districts as shall from time to
15 time be authorized by law for the reclamation or development of waste
16 or undeveloped lands.

17 The term public work shall include all work, construction,
18 alteration, repair, or improvement other than ordinary maintenance,
19 executed at the cost of the state or of any municipality, or which is
20 by law a lien or charge on any property therein. All public works,
21 including maintenance when performed by contract shall comply with the
22 provisions of RCW 39.12.020. The term does not include work,
23 construction, alteration, repair, or improvement performed under
24 contracts entered into under section 106(4) of this act or under
25 development agreements entered into under section 106(7) of this act or
26 leases entered into under section 106(8) of this act.

27 The term contract shall mean a contract in writing for the
28 execution of public work for a fixed or determinable amount duly
29 awarded after advertisement and competitive bid. However, a contract
30 which is awarded from a small works roster under the authority of RCW
31 39.04.150, 35.22.620, 28B.10.355, 35.82.075, and 57.08.050 need not be
32 advertised.

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

35 This chapter does not apply to contracts entered into under section
36 106(4) of this act or development agreements entered into under section
37 106(7) of this act.

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

3 (1) Except as provided in subsections (2) and (3) of this section,
4 the alternative public works contracting procedures authorized under
5 this chapter are limited to public works contracts signed before July
6 1, (~~(1997)~~) 2001. Methods of public works contracting authorized by
7 RCW 39.10.050 and 39.10.060 shall remain in full force and effect until
8 completion of contracts signed before July 1, (~~(1997)~~) 2001.

9 (2) For the purposes of a baseball stadium as defined in RCW
10 82.14.0485, the design-build contracting procedures under RCW 39.10.050
11 shall remain in full force and effect until completion of contracts
12 signed before December 31, 1997.

13 (3) For the purposes of a stadium and exhibition center, as defined
14 in section 101 of this act, the design-build contracting procedures
15 under RCW 39.10.050 shall remain in full force and effect until
16 completion of contracts signed before December 31, 2002.

17 **PART V**
18 **KINGDOME DEBT**

19 **Sec. 501.** RCW 67.28.180 and 1995 1st sp.s. c 14 s 10 are each
20 amended to read as follows:

21 (1) Subject to the conditions set forth in subsections (2) and (3)
22 of this section, the legislative body of any county or any city, is
23 authorized to levy and collect a special excise tax of not to exceed
24 two percent on the sale of or charge made for the furnishing of lodging
25 by a hotel, rooming house, tourist court, motel, trailer camp, and the
26 granting of any similar license to use real property, as distinguished
27 from the renting or leasing of real property: PROVIDED, That it shall
28 be presumed that the occupancy of real property for a continuous period
29 of one month or more constitutes a rental or lease of real property and
30 not a mere license to use or to enjoy the same.

31 (2) Any levy authorized by this section shall be subject to the
32 following:

33 (a) Any county ordinance or resolution adopted pursuant to this
34 section shall contain, in addition to all other provisions required to
35 conform to this chapter, a provision allowing a credit against the
36 county tax for the full amount of any city tax imposed pursuant to this
37 section upon the same taxable event.

38 (b) In the event that any county has levied the tax authorized by
39 this section and has, prior to June 26, 1975, either pledged the tax

1 revenues for payment of principal and interest on city revenue or
2 general obligation bonds authorized and issued pursuant to RCW
3 67.28.150 through 67.28.160 or has authorized and issued revenue or
4 general obligation bonds pursuant to the provisions of RCW 67.28.150
5 through 67.28.160, such county shall be exempt from the provisions of
6 (a) of this subsection, to the extent that the tax revenues are pledged
7 for payment of principal and interest on bonds issued at any time
8 pursuant to the provisions of RCW 67.28.150 through 67.28.160:
9 PROVIDED, That so much of such pledged tax revenues, together with any
10 investment earnings thereon, not immediately necessary for actual
11 payment of principal and interest on such bonds may be used: (i) In
12 any county with a population of one million or more, for repayment
13 either of limited tax levy general obligation bonds or of any county
14 fund or account from which a loan was made, the proceeds from the bonds
15 or loan being used to pay for constructing, installing, improving, and
16 equipping stadium capital improvement projects, and to pay for any
17 engineering, planning, financial, legal and professional services
18 incident to the development of such stadium capital improvement
19 projects, regardless of the date the debt for such capital improvement
20 projects was or may be incurred; (~~(e)~~) (ii) in any county with a
21 population of one million or more, for repayment or refinancing of
22 bonded indebtedness incurred prior to January 1, 1997, for any purpose
23 authorized by this section or relating to stadium repairs or
24 rehabilitation, including but not limited to the cost of settling legal
25 claims, reimbursing operating funds, interest payments on short-term
26 loans, and any other purpose for which such debt has been incurred if
27 the county has created a public stadium authority to develop a stadium
28 and exhibition center under section 103 of this act; or (iii) in other
29 counties, for county-owned facilities for agricultural promotion. A
30 county is exempt under this subsection in respect to city revenue or
31 general obligation bonds issued after April 1, 1991, only if such bonds
32 mature before January 1, 2013.

33 As used in this subsection (2)(b), "capital improvement projects"
34 may include, but not be limited to a stadium restaurant facility,
35 restroom facilities, artificial turf system, seating facilities,
36 parking facilities and scoreboard and information system adjacent to or
37 within a county owned stadium, together with equipment, utilities,
38 accessories and appurtenances necessary thereto. The stadium
39 restaurant authorized by this subsection (2)(b) shall be operated by a
40 private concessionaire under a contract with the county.

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

4 (ii) If bonds have been issued under section 210 of this act and
5 any necessary property transfers have been made under section 109 of
6 this act, no city within a county with a population of one million or
7 more may levy the tax authorized by this section before January 1,
8 2021.

9 (iii) However, in the event that any city in (~~such~~) a county
10 described in (i) or (ii) of this subsection (2)(c) has levied the tax
11 authorized by this section and has, prior to June 26, 1975, authorized
12 and issued revenue or general obligation bonds pursuant to the
13 provisions of RCW 67.28.150 through 67.28.160, such city may levy the
14 tax so long as the tax revenues are pledged for payment of principal
15 and interest on bonds issued at any time pursuant to the provisions of
16 RCW 67.28.150 through 67.28.160.

17 (3) Any levy authorized by this section by a county that has levied
18 the tax authorized by this section and has, prior to June 26, 1975,
19 either pledged the tax revenues for payment of principal and interest
20 on city revenue or general obligation bonds authorized and issued
21 pursuant to RCW 67.28.150 through 67.28.160 or has authorized and
22 issued revenue or general obligation bonds pursuant to the provisions
23 of RCW 67.28.150 through 67.28.160 shall be subject to the following:

24 (a) Taxes collected under this section in any calendar year before
25 2013 in excess of five million three hundred thousand dollars shall
26 only be used as follows:

27 (i) Seventy-five percent from January 1, 1992, through December 31,
28 2000, and seventy percent from January 1, 2001, through December 31,
29 2012, for art museums, cultural museums, heritage museums, the arts,
30 and the performing arts. Moneys spent under this subsection (3)(a)(i)
31 shall be used for the purposes of this subsection (3)(a)(i) in all
32 parts of the county.

33 (ii) Twenty-five percent from January 1, 1992, through December 31,
34 2000, and thirty percent from January 1, 2001, through December 31,
35 2012, for the following purposes and in a manner reflecting the
36 following order of priority: Stadium (~~capital improvements, as~~
37 ~~defined in~~) purposes as authorized under subsection (2)(b) of this
38 section; acquisition of open space lands; youth sports activities; and
39 tourism promotion. If all or part of the debt on the stadium is
40 refinanced, all revenues under this subsection (3)(a)(ii) shall be used
41 to retire the debt.

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

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

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

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

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

39 ((~~d~~)) (f) School districts and schools shall not receive revenues
40 distributed pursuant to (a)(i) of this subsection.

1 (~~(e)~~) (g) Moneys distributed to art museums, cultural museums,
2 heritage museums, the arts, and the performing arts, and moneys
3 distributed for tourism promotion shall be in addition to and may not
4 be used to replace or supplant any other funding by the legislative
5 body of the county.

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

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

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

26 (~~(i)~~) (k) If a substantial part of the operation and management
27 of a public stadium that is financed directly or indirectly by bonds to
28 which the tax is pledged is performed by a nonpublic entity or if a
29 public stadium is sold that is financed directly or indirectly by bonds
30 to which the tax is pledged, any bonds to which the tax is pledged
31 shall be retired. This subsection (3)(~~(i)~~) (k) does not apply in
32 respect to a public stadium under chapter 36.-- RCW (sections 101
33 through 119 and 201 of this act) transferred to, owned by, or
34 constructed by a public facilities district under chapter 36.100 RCW or
35 a stadium and exhibition center.

36 (~~(j)~~) (l) The county shall not lease a public stadium that is
37 financed directly or indirectly by bonds to which the tax is pledged
38 to, or authorize the use of the public stadium by, a professional major
39 league sports franchise unless the sports franchise gives the right of
40 first refusal to purchase the sports franchise, upon its sale, to local

1 government. This subsection (3)((+j)) (1) does not apply to contracts
2 in existence on April 1, 1986.

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

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

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

16 (1) Acquiring, constructing, maintaining, or operating public
17 sports stadium facilities;

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

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

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

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

26 **PART VI**
27 **MISCELLANEOUS**

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

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

34 NEW SECTION. **Sec. 603.** (1) Sections 101 through 119 and 201 of
35 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
36 state may establish different deadlines for the appointment of
37 committees to draft arguments for and against the referendum, for

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

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

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

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

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

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

Passed the House April 25, 1997.

Passed the Senate April 26, 1997.

Approved by the Governor April 26, 1997.

Filed in Office of Secretary of State April 26, 1997.