

2192-S

Sponsor(s): House Committee on Trade & Economic Development (originally sponsored by Representatives Van Luven and Wolfe; by request of Governor Locke)

Brief Title: Stating benefits of and setting requirements for a stadium and exhibition center.

**HB 2192-S.E - DIGEST**

(DIGEST AS ENACTED)

Creates a new Public Stadium Authority and a financing package is provided for the construction of a multi-use stadium and exhibition facility.

Authorizes a new Public Stadium Authority in any county that has an agreement with a professional football team to develop a stadium and exhibition center.

Exempts the Public Stadium Authority from the public works laws except it must comply with prevailing wage statutes and county women and minority business participation goals. The Public Stadium Authority is also exempt from public disclosure of any financial information it obtains of users of the stadium.

Declares that the construction of the new football stadium and exhibition center (projected to cost \$425 million) is financed by a combination of state, local and private sources.

Authorizes the county to impose a sales and use tax at a rate of .016 percent. This tax is credited against the state sales and use tax; therefore, consumers will not see an increase in tax.

Directs the lottery commission to conduct new games and distribute \$6 million in 1998 to the stadium and exhibition center account. The amount of the distribution increases by 4 percent each year. The operator of the stadium must promote the lottery with in-kind advertising, sponsorship or prize promotions valued at \$1 million annually.

Provides a retail sales tax deferral on the costs of constructing the facility. The deferral applies to labor and services, material and supplies, rental of equipment, and other retail transactions. The sales tax must be repaid over a ten year period and the payments will be deposited into the stadium and exhibition center account.

Provides a leasehold excise tax exemption for public or entertainment areas in the facility. The exemption does not apply to the private offices or locker rooms.

Declares that the state sales tax does not apply to vehicle parking fees charged at the stadium and exhibition center.

Authorizes King County to impose a 10 percent tax on the admissions to events in the new stadium and exhibition center and a 10 percent tax on vehicle parking at the new facility.

Extends King county's share of the 2 percent hotel-motel tax an additional five years to 2020 and the revenues are deposited into the stadium and exhibition center account to repay the bonds issued for the new stadium and exhibition center.

Requires the team to contribute \$100 million, \$50 million by

August 1, 1997 and \$50 million prior to completion of the stadium, for the construction of the stadium and exhibition center. In addition the team must contribute \$10 million for youth athletic facilities.

Authorizes the state to issue \$300 million general obligation bonds for the construction of the new stadium and exhibition center and the principal and interest on those bonds will be paid from the state and local revenue sources.

Establishes requirements prior to issuance of the bonds.

Limits the total public share of the stadium and exhibition center to \$300 million and the bonds issued for the stadium and exhibition center are exempt from the state 7 percent debt limit.

Refers the entire stadium and exhibition center proposal to a vote of the people at a special election to be held on or before June 20, 1997. The proposal is null and void unless the team agrees to pay the full cost of the election.