

2 **2SSB 5452** - H COMM AMD **ADOPTED 04/14/99**

3 By Committee on Finance

4

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

7 "NEW SECTION. **Sec. 1.** (1) The legislative authority of any town
8 or city located in a county with a population of less than one million
9 may create a public facilities district. The legislative authorities
10 of any contiguous group of towns or cities located in a county or
11 counties each with a population of less than one million may enter an
12 agreement under chapter 39.34 RCW for the creation and joint operation
13 of a public facilities district.

14 (2) A public facilities district shall be coextensive with the
15 boundaries of the city or town or contiguous group of cities or towns
16 that created the district.

17 (3)(a) A public facilities district created by a single city or
18 town shall be governed by a board of directors consisting of five
19 members selected as follows: (i) Two members appointed by the
20 legislative authority of the city or town; and (ii) three members
21 appointed by legislative authority based on recommendations from local
22 organizations. The members appointed under (a)(i) of this subsection,
23 shall not be members of the legislative authority of the city or town.
24 The members appointed under (a)(ii) of this subsection, shall be based
25 on recommendations received from local organizations that may include,
26 but are not limited to the local chamber of commerce, local economic
27 development council, and local labor council. The members shall serve
28 four-year terms. Of the initial members, one must be appointed for a
29 one-year term, one must be appointed for a two-year term, one must be
30 appointed for a three-year term, and the remainder must be appointed
31 for four-year terms.

32 (b) A public facilities district created by contiguous group of
33 cities and towns shall be governed by a board of directors consisting
34 of seven members selected as follows: (i) Three members appointed by
35 the legislative authorities of the cities and towns; and (ii) four
36 members appointed by the legislative authority based on recommendations

1 from local organizations. The members appointed under (b)(i) of this
2 subsection shall not be members of the legislative authorities of the
3 cities and towns. The members appointed under (b)(ii) of this
4 subsection, shall be based on recommendations received from local
5 organizations that include, but are not limited to the local chamber of
6 commerce, local economic development council, local labor council, and
7 a neighborhood organization that is directly affected by the location
8 of the regional center in their area. The members of the board of
9 directors shall be appointed in accordance with the terms of the
10 agreement under chapter 39.34 RCW for the joint operation of the
11 district and shall serve four-year terms. Of the initial members, one
12 must be appointed for a one-year term, one must be appointed for a two-
13 year term, one must be appointed for a three-year term, and the
14 remainder must be appointed for four-year terms.

15 (4) A public facilities district is a municipal corporation, an
16 independent taxing "authority" within the meaning of Article VII,
17 section 1 of the state Constitution, and a "taxing district" within the
18 meaning of Article VII, section 2 of the state Constitution.

19 (5) A public facilities district shall constitute a body corporate
20 and shall possess all the usual powers of a corporation for public
21 purposes as well as all other powers that may now or hereafter be
22 specifically conferred by statute, including, but not limited to, the
23 authority to hire employees, staff, and services, to enter into
24 contracts, and to sue and be sued.

25 (6) A public facilities district may acquire and transfer real and
26 personal property by lease, sublease, purchase, or sale. No direct or
27 collateral attack on any metropolitan facilities district purported to
28 be authorized or created in conformance with this chapter may be
29 commenced more than thirty days after creation by the city legislative
30 authority.

31 NEW SECTION. **Sec. 2.** (1) A public facilities district is
32 authorized to acquire, construct, own, remodel, maintain, equip,
33 reequip, repair, finance, and operate one or more regional centers.
34 For purposes of this chapter, "regional center" means a convention,
35 conference, or special events center, or any combination of facilities,
36 and related parking facilities, serving a regional population
37 constructed, improved, or rehabilitated after the effective date of
38 this section at a cost of at least ten million dollars, including debt

1 service. "Regional center" also includes an existing convention,
2 conference, or special events center, and related parking facilities,
3 serving a regional population, that is improved or rehabilitated after
4 the effective date of this section where the costs of improvement or
5 rehabilitation are at least ten million dollars, including debt
6 service. A regional center is conclusively presumed to serve a
7 regional population if state and local government investment in the
8 construction, improvement, or rehabilitation of the regional center is
9 equal to or greater than ten million dollars.

10 (2) A public facilities district may impose charges and fees for
11 the use of its facilities, and may accept and expend or use gifts,
12 grants, and donations for the purpose of a regional center.

13 (3) A public facilities district may impose charges, fees, and
14 taxes authorized in section 4 of this act, and use revenues derived
15 therefrom for the purpose of paying principal and interest payments on
16 bonds issued by the public facilities district to construct a regional
17 center.

18 (4) Notwithstanding the establishment of a career, civil, or merit
19 service system, a public facilities district may contract with a public
20 or private entity for the operation or management of its public
21 facilities.

22 (5) A public facilities district is authorized to use the
23 supplemental alternative public works contracting procedures set forth
24 in chapter 39.10 RCW in connection with the design, construction,
25 reconstruction, remodel, or alteration of any regional center.

26 NEW SECTION. **Sec. 3.** (1) To carry out the purpose of this
27 chapter, a public facilities district may issue general obligation
28 bonds, not to exceed an amount, together with any outstanding nonvoter-
29 approved general obligation indebtedness, equal to one-half of one
30 percent of the value of the taxable property within the district, as
31 the term "value of the taxable property" is defined in RCW 39.36.015.
32 A facilities district additionally may issue general obligation bonds
33 for capital purposes only, together with any outstanding general
34 obligation indebtedness, not to exceed an amount equal to one and one-
35 fourth percent of the value of the taxable property within the
36 district, as the term "value of the taxable property" is defined in RCW
37 39.36.015, when authorized by the voters of the public facilities
38 district pursuant to Article VIII, section 6 of the state Constitution,

1 and to provide for the retirement thereof by taxes authorized in this
2 act.

3 (2) General obligation bonds may be issued with a maturity of up to
4 thirty years, and shall be issued and sold in accordance with the
5 provisions of chapter 39.46 RCW.

6 (3) The general obligation bonds may be payable from the operating
7 revenues of the public facilities district in addition to the tax
8 receipts of the district.

9 NEW SECTION. **Sec. 4.** (1) The board of directors of the public
10 facilities district may impose the following for the purpose of funding
11 a regional center:

- 12 (a) Charges and fees for the use of any of its facilities;
- 13 (b) Admission charges under section 10 of this act;
- 14 (c) Vehicle parking charges under section 11 of this act; and
- 15 (d) Sales and use taxes authorized under RCW 82.14.048 and section
16 13 of this act.

17 (2) The board may accept and expend or use gifts, grants, and
18 donations for the purpose of a regional center. The revenue from the
19 charges, fees, and taxes imposed under this section shall be used only
20 for the purposes authorized by this chapter.

21 NEW SECTION. **Sec. 5.** The board of directors of the public
22 facilities district shall adopt a resolution that may be amended from
23 time to time that shall establish the basic requirements governing
24 methods and amounts of reimbursement payable to such district officials
25 and employees for travel and other business expenses incurred on behalf
26 of the district. The resolution shall, among other things, establish
27 procedures for approving such expenses; the form of the travel and
28 expense voucher; and requirements governing the use of credit cards
29 issued in the name of the district. The resolution may also establish
30 procedures for payment of per diem to board members. The state auditor
31 shall, as provided by general law, cooperate with the public facilities
32 district in establishing adequate procedures for regulating and
33 auditing the reimbursement of all such expenses.

34 NEW SECTION. **Sec. 6.** The board of directors of the public
35 facilities district shall have authority to authorize the expenditure
36 of funds for the public purposes of preparing and distributing

1 information to the general public and promoting, advertising,
2 improving, developing, operating, and maintaining a regional center.
3 Nothing contained in this section may be construed to authorize
4 preparation and distribution of information to the general public for
5 the purpose of influencing the outcome of a district election.

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

11 NEW SECTION. **Sec. 8.** In addition to provisions contained in
12 chapter 39.04 RCW, the public facilities district is authorized to
13 follow procedures contained in RCW 43.19.1906 and 43.19.1911 for all
14 purchases, contracts for purchase, and sales.

15 NEW SECTION. **Sec. 9.** (1) A public facilities district may issue
16 revenue bonds to fund revenue-generating facilities, or portions of
17 facilities, which it is authorized to provide or operate. Whenever
18 revenue bonds are to be issued, the board of directors of the district
19 shall create or have created a special fund or funds from which, along
20 with any reserves created pursuant to RCW 39.44.140, the principal and
21 interest on such revenue bonds shall exclusively be payable. The board
22 may obligate the district to set aside and pay into the special fund or
23 funds a fixed proportion or a fixed amount of the revenues from the
24 public improvements, projects, or facilities, and all related
25 additions, that are funded by the revenue bonds. This amount or
26 proportion shall be a lien and charge against these revenues, subject
27 only to operating and maintenance expenses. The board shall have due
28 regard for the cost of operation and maintenance of the public
29 improvements, projects, or facilities, or additions, that are funded by
30 the revenue bonds, and shall not set aside into the special fund or
31 funds a greater amount or proportion of the revenues that in its
32 judgment will be available over and above the cost of maintenance and
33 operation and the amount or proportion, if any, of the revenue so
34 previously pledged. The board may also provide that revenue bonds
35 payable out of the same source or sources of revenue may later be
36 issued on a parity with any revenue bonds being issued and sold.

1 (2) Revenue bonds issued under this section shall not be an
2 indebtedness of the district issuing the bonds, and the interest and
3 principal on the bonds shall only be payable from the revenues lawfully
4 pledged to meet the principal and interest requirements and any
5 reserves created under RCW 39.44.140. The owner or bearer of a revenue
6 bond or any interest coupon issued under this section shall not have
7 any claim against the district arising from the bond or coupon except
8 for payment from the revenues lawfully pledged to meet the principal
9 and interest requirements and any reserves created under RCW 39.44.140.
10 The substance of the limitations included in this subsection shall be
11 plainly printed, written, or engraved on each bond issued under this
12 section.

13 (3) Revenue bonds with a maturity in excess of thirty years shall
14 not be issued. The board of directors of the district shall by
15 resolution determine for each revenue bond issue the amount, date,
16 form, terms, conditions, denominations, maximum fixed or variable
17 interest rate or rates, maturity or maturities, redemption rights,
18 registration privileges, manner of execution, manner of sale, callable
19 provisions, if any, and covenants including the refunding of existing
20 revenue bonds. Facsimile signatures may be used on the bonds and any
21 coupons. Refunding revenue bonds may be issued in the same manner as
22 revenue bonds are issued.

23 NEW SECTION. **Sec. 10.** A public facility district may levy and fix
24 a tax of not more than one cent on twenty cents or fraction thereof to
25 be paid by the person who pays an admission charge to a regional
26 center. This includes a tax on persons who are admitted free of charge
27 or at reduced rates if other persons pay a charge or a regular higher
28 charge for the same privileges or accommodations.

29 The term "admission charge" includes:

30 (1) A charge made for season tickets or subscriptions;

31 (2) A cover charge, or a charge made for use of seats and tables
32 reserved or otherwise, and other similar accommodations;

33 (3) A charge made for food and refreshment if free entertainment,
34 recreation, or amusement is provided;

35 (4) A charge made for rental or use of equipment or facilities for
36 purposes of recreation or amusement; if the rental of the equipment or
37 facilities is necessary to the enjoyment of a privilege for which a

1 general admission is charged, the combined charges shall be considered
2 as the admission charge;

3 (5) Automobile parking charges if the amount of the charge is
4 determined according to the number of passengers in the automobile.

5 NEW SECTION. **Sec. 11.** A public facility district may levy and fix
6 a tax on any vehicle parking charges imposed at any parking facility
7 that is owned or leased by the public facility district as part of a
8 regional center. No county or city or town within which the regional
9 center is located may impose a tax of the same or similar kind on any
10 vehicle parking charges at the facility. For the purposes of this
11 section, "vehicle parking charges" means only the actual parking
12 charges exclusive of taxes and service charges and the value of any
13 other benefit conferred. The tax authorized under this section shall
14 be at the rate of not more than ten percent.

15 **Sec. 12.** RCW 82.14.048 and 1995 c 396 s 6 are each amended to read
16 as follows:

17 The governing board of a public facilities district under chapter
18 36.100 RCW or chapter 35.-- RCW (sections 1 through 11 of this act) may
19 submit an authorizing proposition to the voters of the district, and if
20 the proposition is approved by a majority of persons voting, fix and
21 impose a sales and use tax in accordance with the terms of this
22 chapter.

23 The tax authorized in this section shall be in addition to any
24 other taxes authorized by law and shall be collected from those persons
25 who are taxable by the state under chapters 82.08 and 82.12 RCW upon
26 the occurrence of any taxable event within the public facilities
27 district. The rate of tax shall (~~equal one-tenth~~) not exceed two-
28 tenths of one percent of the selling price in the case of a sales tax,
29 or value of the article used, in the case of a use tax.

30 Moneys received from any tax imposed under this section shall be
31 used for the purpose of providing funds for the costs associated with
32 the financing, design, acquisition, construction, equipping, operating,
33 maintaining, remodeling, repairing, and reequipping of its public
34 facilities.

35 No tax may be collected under this section by a public facilities
36 district under chapter 35.-- RCW (sections 1 through 11 of this act)
37 before August 1, 2000, and no tax in excess of one-tenth of one percent

1 may be collected under this section by a public facilities district
2 under chapter 36.100 RCW before August 1, 2000.

3 NEW SECTION. **Sec. 13.** A new section is added to chapter 82.14 RCW
4 to read as follows:

5 (1) Except as provided in subsection (6) of this section, the
6 governing body of a public facilities district created under chapter
7 35.-- RCW (sections 1 through 11 of this act) or chapter 36.100 RCW
8 that commences construction of a new regional center, or improvement or
9 rehabilitation of an existing new regional center, before January 1,
10 2003, may impose a sales and use tax in accordance with the terms of
11 this chapter. The tax is in addition to other taxes authorized by law
12 and shall be collected from those persons who are taxable by the state
13 under chapters 82.08 and 82.12 RCW upon the occurrence of any taxable
14 event within the public facilities district. The rate of tax shall not
15 exceed 0.033 percent of the selling price in the case of a sales tax or
16 value of the article used in the case of a use tax.

17 (2) The tax imposed under subsection (1) of this section shall be
18 deducted from the amount of tax otherwise required to be collected or
19 paid over to the department of revenue under chapter 82.08 or 82.12
20 RCW. The department of revenue shall perform the collection of such
21 taxes on behalf of the county at no cost to the public facilities
22 district.

23 (3) No tax may be collected under this section before August 1,
24 2000. The tax imposed in this section shall expire when the bonds
25 issued for the construction of the regional center and related parking
26 facilities are retired, but not more than twenty-five years after the
27 tax is first collected.

28 (4) Moneys collected under this section shall only be used for the
29 purposes set forth in section 2 of this act and must be matched with an
30 amount from other public or private sources equal to thirty-three
31 percent of the amount collected under this section, provided that
32 amounts generated from nonvoter approved taxes authorized under chapter
33 35.-- RCW (sections 1 through 11 of this act) or nonvoter approved
34 taxes authorized under chapter 36.100 RCW shall not constitute a public
35 or private source. For the purpose of this section, public or private
36 sources includes, but is not limited to cash or in-kind contributions
37 used in all phases of the development or improvement of the regional
38 center, land that is donated and used for the siting of the regional

1 center, cash or in-kind contributions from public or private
2 foundations, or amounts attributed to private sector partners as part
3 of a public and private partnership agreement negotiated by the public
4 facilities district.

5 (5) The combined total tax levied under this section shall not be
6 greater than 0.033 percent. If both a public facilities district
7 created under chapter 35.-- RCW (sections 1 through 11 of this act) and
8 a public facilities district created under chapter 36.100 RCW impose a
9 tax under this section, the tax imposed by a public facilities district
10 created under chapter 35.-- RCW (sections 1 through 11 of this act)
11 shall be credited against the tax imposed by a public facilities
12 district created under chapter 36.100 RCW.

13 (6) A public facilities district created under chapter 36.100 RCW
14 is not eligible to impose the tax under this section if the legislative
15 authority of the county where the public facilities district is located
16 has imposed a sales and use tax under RCW 82.14.0485 or 82.14.0494.

17 **Sec. 14.** RCW 82.14.050 and 1991 sp.s. c 13 s 34 are each amended
18 to read as follows:

19 The counties, cities, and transportation authorities under RCW
20 82.14.045 and public facilities districts under chapter 36.100 RCW and
21 chapter 35.-- RCW (sections 1 through 11 of this act) shall contract,
22 prior to the effective date of a resolution or ordinance imposing a
23 sales and use tax, the administration and collection to the state
24 department of revenue, which shall deduct a percentage amount, as
25 provided by contract, not to exceed two percent of the taxes collected
26 for administration and collection expenses incurred by the department.
27 The remainder of any portion of any tax authorized by this chapter
28 which is collected by the department of revenue shall be deposited by
29 the state department of revenue in the local sales and use tax account
30 hereby created in the state treasury. Moneys in the local sales and
31 use tax account may be spent only for distribution to counties, cities,
32 transportation authorities, and public facilities districts imposing a
33 sales and use tax. All administrative provisions in chapters 82.03,
34 82.08, 82.12, and 82.32 RCW, as they now exist or may hereafter be
35 amended, shall, insofar as they are applicable to state sales and use
36 taxes, be applicable to taxes imposed pursuant to this chapter. Except
37 as provided in RCW 43.08.190, all earnings of investments of balances
38 in the local sales and use tax account shall be credited to the local

1 sales and use tax account and distributed to the counties, cities,
2 transportation authorities, and public facilities districts monthly.

3 **Sec. 15.** RCW 36.100.060 and 1995 1st sp.s. c 14 s 4 are each
4 amended to read as follows:

5 (1) To carry out the purpose of this chapter, a public facilities
6 district may issue general obligation bonds, not to exceed an amount,
7 together with any outstanding nonvoter approved general obligation
8 indebtedness, equal to one-half of one percent of the value of taxable
9 property within the district, as the term "value of taxable property"
10 is defined in RCW 39.36.015. A facilities district additionally may
11 issue general obligation bonds for capital purposes only, together with
12 any outstanding general obligation indebtedness, not to exceed an
13 amount equal to one and one-fourth percent of the value of the taxable
14 property within the district, as the term "value of taxable property"
15 is defined in RCW 39.36.015, when authorized by the voters of the
16 public facilities district pursuant to Article VIII, section 6 of the
17 state Constitution, and to provide for the retirement thereof by excess
18 property tax levies as provided in this chapter.

19 (2) General obligation bonds may be issued with a maturity of up to
20 thirty years, and shall be issued and sold in accordance with the
21 provisions of chapter 39.46 RCW.

22 (3) The general obligation bonds may be payable from the operating
23 revenues of the public facilities district in addition to the tax
24 receipts of the district.

25 (4) The excise tax imposed pursuant to RCW 36.100.040 shall
26 terminate upon final payment of all bonded indebtedness for its public
27 facilities, except that the excise tax may be reauthorized by a public
28 vote, in the same manner as originally authorized, for funding of
29 additional public facilities or a regional center.

30 **Sec. 16.** RCW 36.100.030 and 1995 1st sp.s. c 14 s 3 are each
31 amended to read as follows:

32 (1) A public facilities district is authorized to acquire,
33 construct, own, remodel, maintain, equip, reequip, repair, and operate
34 sports facilities, entertainment facilities, ~~((or))~~ convention
35 facilities, or ~~((any combination of such facilities))~~ regional centers
36 as defined in section 2 of this act, together with contiguous parking

1 facilities. The taxes that are provided for in this chapter may only
2 be imposed for these purposes.

3 (2) A public facilities district may enter into agreements under
4 chapter 39.34 RCW for the joint provision and operation of such
5 facilities and may enter into contracts under chapter 39.34 RCW where
6 any party to the contract provides and operates such facilities for the
7 other party or parties to the contract.

8 (3) Notwithstanding the establishment of a career, civil, or merit
9 service system, a public facility [facilities] district may contract
10 with a public or private entity for the operation or management of its
11 public facilities.

12 (4) A public facilities district is authorized to use the
13 supplemental alternative public works contracting procedures set forth
14 in chapter 39.10 RCW in connection with the design, construction,
15 reconstruction, remodel, or alteration of any of its public facilities.

16 (5) A public facilities district may impose charges and fees for
17 the use of its facilities, and may accept and expend or use gifts,
18 grants, and donations.

19 NEW SECTION. **Sec. 17.** A new section is added to chapter 36.100
20 RCW to read as follows:

21 A public facility district may levy and fix a tax of not more than
22 one cent on twenty cents or fraction thereof to be paid by the person
23 who pays an admission charge to a regional center, as defined in
24 section 2 of this act. This includes a tax on persons who are admitted
25 free of charge or at reduced rates if other persons pay a charge or a
26 regular higher charge for the same privileges or accommodations.

27 The term "admission charge" includes:

28 (1) A charge made for season tickets or subscriptions;

29 (2) A cover charge, or a charge made for use of seats and tables
30 reserved or otherwise, and other similar accommodations;

31 (3) A charge made for food and refreshment if free entertainment,
32 recreation, or amusement is provided;

33 (4) A charge made for rental or use of equipment or facilities for
34 purposes of recreation or amusement; if the rental of the equipment or
35 facilities is necessary to the enjoyment of a privilege for which a
36 general admission is charged, the combined charges shall be considered
37 as the admission charge;

1 (5) Automobile parking charges if the amount of the charge is
2 determined according to the number of passengers in the automobile.

3 NEW SECTION. **Sec. 18.** A new section is added to chapter 36.100
4 RCW to read as follows:

5 A public facility district may levy and fix a tax on any vehicle
6 parking charges imposed at any parking facility that is owned or leased
7 by the public facility district as part of a regional center, as
8 defined in section 2 of this act. No county or city or town within
9 which the regional center is located may impose a tax of the same or
10 similar kind on any vehicle parking charges at the facility. For the
11 purposes of this section, "vehicle parking charges" means only the
12 actual parking charges exclusive of taxes and service charges and the
13 value of any other benefit conferred. The tax authorized under this
14 section shall be at the rate of not more than ten percent.

15 **Sec. 19.** RCW 35.21.280 and 1995 3rd sp.s. c 1 s 202 are each
16 amended to read as follows:

17 Every city and town may levy and fix a tax of not more than one
18 cent on twenty cents or fraction thereof to be paid by the person who
19 pays an admission charge to any place: PROVIDED, No city or town shall
20 impose such tax on persons paying an admission to any activity of any
21 elementary or secondary school or any public facility of a public
22 facility district under chapter 35.-- RCW (sections 1 through 11 of
23 this act) or chapter 36.100 RCW for which a tax is imposed under
24 section 10 or 17 of this act. This includes a tax on persons who are
25 admitted free of charge or at reduced rates to any place for which
26 other persons pay a charge or a regular higher charge for the same
27 privileges or accommodations. A city that is located in a county with
28 a population of one million or more may not levy a tax on events in
29 stadia constructed on or after January 1, 1995, that are owned by a
30 public facilities district under chapter 36.100 RCW and that have
31 seating capacities over forty thousand. The city or town may require
32 anyone who receives payment for an admission charge to collect and
33 remit the tax to the city or town.

34 The term "admission charge" includes:

- 35 (1) A charge made for season tickets or subscriptions;
36 (2) A cover charge, or a charge made for use of seats and tables
37 reserved or otherwise, and other similar accommodations;

1 (3) A charge made for food and refreshment in any place where free
2 entertainment, recreation or amusement is provided;

3 (4) A charge made for rental or use of equipment or facilities for
4 purposes of recreation or amusement; if the rental of the equipment or
5 facilities is necessary to the enjoyment of a privilege for which a
6 general admission is charged, the combined charges shall be considered
7 as the admission charge;

8 (5) Automobile parking charges if the amount of the charge is
9 determined according to the number of passengers in the automobile.

10 **Sec. 20.** RCW 36.38.010 and 1997 c 220 s 301 (Referendum Bill No.
11 48) are each amended to read as follows:

12 (1) Any county may by ordinance enacted by its county legislative
13 authority, levy and fix a tax of not more than one cent on twenty cents
14 or fraction thereof to be paid for county purposes by persons who pay
15 an admission charge to any place, including a tax on persons who are
16 admitted free of charge or at reduced rates to any place for which
17 other persons pay a charge or a regular higher charge for the same or
18 similar privileges or accommodations; and require that one who receives
19 any admission charge to any place shall collect and remit the tax to
20 the county treasurer of the county: PROVIDED, No county shall impose
21 such tax on persons paying an admission to any activity of any
22 elementary or secondary school or any public facility of a public
23 facility district under chapter 35.-- RCW (sections 1 through 11 of
24 this act) or chapter 36.100 RCW for which a tax is imposed under
25 section 10 or 17 of this act.

26 (2) As used in this chapter, the term "admission charge" includes
27 a charge made for season tickets or subscriptions, a cover charge, or
28 a charge made for use of seats and tables, reserved or otherwise, and
29 other similar accommodations; a charge made for food and refreshments
30 in any place where any free entertainment, recreation, or amusement is
31 provided; a charge made for rental or use of equipment or facilities
32 for purpose of recreation or amusement, and where the rental of the
33 equipment or facilities is necessary to the enjoyment of a privilege
34 for which a general admission is charged, the combined charges shall be
35 considered as the admission charge. It shall also include any
36 automobile parking charge where the amount of such charge is determined
37 according to the number of passengers in any automobile.

1 (3) Subject to subsections (4) and (5) of this section, the tax
2 herein authorized shall not be exclusive and shall not prevent any city
3 or town within the taxing county, when authorized by law, from imposing
4 within its corporate limits a tax of the same or similar kind:
5 PROVIDED, That whenever the same or similar kind of tax is imposed by
6 any such city or town, no such tax shall be levied within the corporate
7 limits of such city or town by the county.

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

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

22 (b) Not more than one cent on twenty cents or fraction thereof, to
23 be used for the purpose of paying the principal and interest payments
24 on bonds issued by a county to construct a baseball stadium as defined
25 in RCW 82.14.0485. The tax imposed under this subsection (4)(b) shall
26 expire when the bonds issued for the construction of the baseball
27 stadium are retired, but not later than twenty years after the tax is
28 first collected.

29 (5) Notwithstanding subsection (3) of this section, the legislative
30 authority of a county that has created a public stadium authority to
31 develop a stadium and exhibition center under RCW 36.102.050 may levy
32 and fix a tax on charges for admission to events in a stadium and
33 exhibition center, as defined in RCW 36.102.010, constructed in the
34 county on or after January 1, 1998, that is owned by a public stadium
35 authority under chapter 36.102 RCW. The tax shall be exclusive and
36 shall preclude the city or town within which the stadium and exhibition
37 center is located from imposing a tax of the same or similar kind on
38 charges for admission to events in the stadium and exhibition center,
39 and shall preclude the imposition of a general county admissions tax on

1 charges for admission to events in the stadium and exhibition center.
2 For the purposes of this subsection, "charges for admission to events"
3 means only the actual admission charge, exclusive of taxes and service
4 charges and the value of any other benefit conferred by the admission.
5 The tax authorized under this subsection shall be at the rate of not
6 more than one cent on ten cents or fraction thereof. Revenues
7 collected under this subsection shall be deposited in the stadium and
8 exhibition center account under RCW 43.99N.060 until the bonds issued
9 under RCW 43.99N.020 for the construction of the stadium and exhibition
10 center are retired. After the bonds issued for the construction of the
11 stadium and exhibition center are retired, the tax authorized under
12 this section shall be used exclusively to fund repair, reequipping, and
13 capital improvement of the stadium and exhibition center. The tax
14 under this subsection may be levied upon the first use of any part of
15 the stadium and exhibition center but shall not be collected at any
16 facility already in operation as of July 17, 1997.

17 **Sec. 21.** RCW 82.29A.130 and 1997 c 220 s 202 (Referendum Bill No.
18 48) are each amended to read as follows:

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

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

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

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

32 (4) All leasehold interests used for fair purposes of a nonprofit
33 fair association that sponsors or conducts a fair or fairs which
34 receive support from revenues collected pursuant to RCW 67.16.100 and
35 allocated by the director of the department of agriculture where the
36 fee ownership of such property is vested in the government of the
37 United States, the state of Washington or any of its political
38 subdivisions: PROVIDED, That this exemption shall not apply to the

1 leasehold interest of any sublessee of such nonprofit fair association
2 if such leasehold interest would be taxable if it were the primary
3 lease.

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

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

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

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

26 (9) All leasehold interests which give use or possession of the
27 leased property for a continuous period of less than thirty days:
28 PROVIDED, That for purposes of this subsection, successive leases or
29 lease renewals giving substantially continuous use of possession of the
30 same property to the same lessee shall be deemed a single leasehold
31 interest: PROVIDED FURTHER, That no leasehold interest shall be deemed
32 to give use or possession for a period of less than thirty days solely
33 by virtue of the reservation by the public lessor of the right to use
34 the property or to allow third parties to use the property on an
35 occasional, temporary basis.

36 (10) All leasehold interests under month-to-month leases in
37 residential units rented for residential purposes of the lessee pending
38 destruction or removal for the purpose of constructing a public highway
39 or building.

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

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

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

17 (14) All leasehold interests in the public or entertainment areas
18 of a baseball stadium with natural turf and a retractable roof or
19 canopy that is in a county with a population of over one million, that
20 has a seating capacity of over forty thousand, and that is constructed
21 on or after January 1, 1995. "Public or entertainment areas" include
22 ticket sales areas, ramps and stairs, lobbies and concourses, parking
23 areas, concession areas, restaurants, hospitality and stadium club
24 areas, kitchens or other work areas primarily servicing other public or
25 entertainment areas, public rest room areas, press and media areas,
26 control booths, broadcast and production areas, retail sales areas,
27 museum and exhibit areas, scoreboards or other public displays, storage
28 areas, loading, staging, and servicing areas, seating areas and suites,
29 the playing field, and any other areas to which the public has access
30 or which are used for the production of the entertainment event or
31 other public usage, and any other personal property used for these
32 purposes. "Public or entertainment areas" does not include locker
33 rooms or private offices exclusively used by the lessee.

34 (15) All leasehold interests in the public or entertainment areas
35 of a stadium and exhibition center, as defined in RCW 36.102.010, that
36 is constructed on or after January 1, 1998. For the purposes of this
37 subsection, "public or entertainment areas" has the same meaning as in
38 subsection (14) of this section, and includes exhibition areas.

1 (16) All leasehold interests in public facilities districts, as
2 provided in chapter 36.100 RCW or chapter 35.-- RCW (sections 1 through
3 11 of this act).

4 NEW SECTION. **Sec. 22.** Sections 1 through 11 of this act
5 constitute a new chapter in Title 35 RCW.

6 NEW SECTION. **Sec. 23.** If any provision of this act or its
7 application to any person or circumstance is held invalid, the
8 remainder of the act or the application of the provision to other
9 persons or circumstances is not affected."

10 **2SSB 5452** - H COMM AMD
11 By Committee on Finance

12

13 On page 1, line 2 of the title, after "centers;" strike the
14 remainder of the title and insert "amending RCW 82.14.048, 82.14.050,
15 36.100.060, 36.100.030, 35.21.280, 36.38.010, and 82.29A.130; adding a
16 new section to chapter 82.14 RCW; adding new sections to chapter 36.100
17 RCW; and adding a new chapter to Title 35 RCW."

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