

SSB 6889 - H AMD 1728

By Representative Hunter

ADOPTED 03/22/2010

1 Strike everything after the enacting clause and insert the  
2 following:

3 "NEW SECTION. **Sec. 1.** (1) The legislature finds that conventions  
4 and trade shows provide both direct and indirect civic and economic  
5 benefits. It is the intent of the legislature to provide for the  
6 transfer of the governance and financing of the state convention and  
7 trade center to a public facilities district formed by a county with a  
8 population of one million five hundred thousand or more to acquire,  
9 own, and operate the convention and trade center. The legislature also  
10 intends to replace, in connection with such transfer, the authority  
11 under chapter 67.40 RCW of the state and city to impose excise taxes on  
12 the sale of or charge made for the furnishing of lodging to fund the  
13 state convention and trade center with authority for the public  
14 facilities district to impose lodging taxes at these rates, without  
15 affecting the existing authority of the state, county, cities, and  
16 other municipal corporations to impose taxes on the sale or charge made  
17 for the furnishing of lodging under existing caps on the aggregate rate  
18 that may be charged.

19 (2) The legislature further finds that the location of the  
20 convention and trade center particularly benefits and increases the  
21 occupancy of larger hotels and other lodging facilities in the city in  
22 which it is located and to a lesser extent in the remainder of the  
23 county in which it is located. The legislature finds that imposing  
24 excise taxes on the sale of or charge made for the furnishing of  
25 lodging at the rates authorized in section 5 of this act is an  
26 appropriate method of paying for the cost of acquiring, constructing,  
27 owning, remodeling, maintaining, equipping, reequipping, repairing,  
28 altering, and operating a convention and trade center.

1       **Sec. 2.** RCW 36.100.010 and 2002 c 218 s 26 are each amended to  
2 read as follows:

3       (1) ~~((A))~~ One or more public facilities districts may be created in  
4 any county and ~~((shall))~~ must be coextensive with the boundaries of the  
5 county.

6       (2) A public facilities district ~~((shall be))~~ is created upon  
7 adoption of a resolution providing for the creation of such a district  
8 by the county legislative authority in which the proposed district is  
9 located.

10       (3) A public facilities district is a municipal corporation, an  
11 independent taxing "authority" within the meaning of Article VII,  
12 section 1 of the state Constitution, and a "taxing district" within the  
13 meaning of Article VII, section 2 of the state Constitution.

14       (4) Except as provided in RCW 36.100.040 (4) and (5), no taxes  
15 authorized under this chapter may be assessed or levied unless a  
16 majority of the voters of the public facilities district has approved  
17 such tax at a general or special election. A single ballot proposition  
18 may both validate the imposition of the sales and use tax under RCW  
19 82.14.048 and the excise tax under RCW 36.100.040(1).

20       (5)(a) A public facilities district ~~((shall))~~ constitutes a body  
21 corporate and ((shall)) possesses all the usual powers of a corporation  
22 for public purposes as well as all other powers that may now or  
23 hereafter be specifically conferred by statute, including, but not  
24 limited to, the authority to hire employees, staff, and services, to  
25 enter into contracts, including contracts with public and private  
26 parties, to acquire, own, sell, transfer, lease, and otherwise acquire  
27 or dispose of property, to grant concessions under terms approved by  
28 the public facilities district, and to sue and be sued.

29       (b) A public facilities district created by a county with a  
30 population of one million five hundred thousand or more to acquire,  
31 own, and operate a convention and trade center transferred from a  
32 public nonprofit corporation may continue to contract with the Seattle-  
33 King county convention and visitors' bureau or its successor in  
34 interest for marketing the convention and trade center facility and  
35 services.

36       (6) A public facilities district may enter into contracts with a  
37 county for the purpose of exercising any powers of a community renewal  
38 agency under chapter 35.81 RCW.

1       (7) The (~~county~~) legislative authority (~~or the city council~~) of  
2 a city or county, the board of directors of a public nonprofit  
3 corporation, or the state of Washington may transfer property to  
4 (~~the~~) a public facilities district created under this chapter, with  
5 or without consideration. No property that is encumbered with debt or  
6 that is in need of major capital renovation may be transferred to the  
7 district without the agreement of the district and revenues adequate to  
8 retire the existing indebtedness.

9       (8) A public facilities district may enter into agreements with the  
10 state, any municipal corporation, or any other governmental entity for  
11 the design, financing, acquisition, development, construction,  
12 reconstruction, lease, remodeling, alteration, maintenance, equipping,  
13 reequipping, repair, operation, or management of one or more facilities  
14 of the parties thereto. Agreements may provide that any party to the  
15 contract designs, finances, acquires, develops, constructs,  
16 reconstructs, remodels, alters, maintains, equips, reequips, repairs,  
17 and operates one or more facilities for the other party or parties to  
18 the contract. A public facilities district may enter into an agreement  
19 with the state, any municipal corporation, or other public or private  
20 entity that will assist a public facilities district in the financing  
21 of all or any part of a district facility on such terms as may be  
22 determined by agreement between the respective parties, including  
23 without limitation by a loan, guaranty, or other financing agreement.

24       **Sec. 3.** RCW 36.100.020 and 1995 3rd sp.s. c 1 s 302 are each  
25 amended to read as follows:

26       (1)(a) A public facilities district (~~shall~~) must be governed by  
27 a board of directors consisting of five (~~or~~), seven, or nine members  
28 as provided in this section.

29       (b) If the largest city in the county has a population that is at  
30 least forty percent of the total county population, the board of  
31 directors of the public facilities district (~~shall~~) must consist of  
32 five members selected as follows:

33       (~~a~~) (i) Two members appointed by the county legislative  
34 authority to serve for four-year staggered terms;

35       (~~b~~) (ii) Two members appointed by the city council of the  
36 largest city in the county to serve for four-year staggered terms; and

1       (~~(e)~~) (iii) One person to serve for a four-year term who is  
2 selected by the other directors.

3       (c)(i) Except as provided in (c)(ii) of this subsection (1), if the  
4 largest city in the county has a population of less than forty percent  
5 of the total county population, the county legislative authority  
6 (~~shall~~) must establish in the resolution creating the public  
7 facilities district whether the board of directors of the public  
8 facilities district has either five or seven members, and the county  
9 legislative authority (~~shall~~) must appoint the members of the board  
10 of directors to reflect the interests of cities and towns in the  
11 county, as well as the unincorporated area of the county.

12       (ii) However, if the county has a population of one million five  
13 hundred thousand or more, the largest city in the county has a  
14 population of less than forty percent of the total county population,  
15 and the county operates under a county charter, which provides for an  
16 elected county executive, the members of the board of directors must be  
17 appointed as follows:

18       (A) If the public facilities district is created to construct a  
19 baseball stadium as defined in RCW 82.14.0485, three members (~~shall~~)  
20 must be appointed by the governor and the remaining members (~~shall~~)  
21 must be appointed by the county executive subject to confirmation by  
22 the county legislative authority. Of the members appointed by the  
23 governor, the speaker of the house of representatives and the majority  
24 leader of the senate (~~shall~~) must each recommend to the governor a  
25 person to be appointed to the board; and

26       (B) If the public facilities district is created to acquire, own,  
27 and operate a convention and trade center, following the expiration of  
28 the terms of the initial board of directors, three members must be  
29 appointed by the governor, three members must be nominated by the  
30 county executive subject to confirmation by the county legislative  
31 authority, and three members must be nominated by the mayor of the city  
32 in which the convention and trade center is located subject to  
33 confirmation by the city legislative authority. Members of the board  
34 of directors may not be members of the legislative authority of the  
35 county or any city within the county.

36       (d) The initial board of directors of a public facilities district  
37 created in a county of one million five hundred thousand or more to  
38 acquire, own, and operate a convention and trade center must be

1 comprised of the nine members of the board of the public nonprofit  
2 corporation that transfers the convention and trade center to the  
3 public facilities district under section 8 of this act. The governor  
4 must designate which of the initial board members must serve two-year  
5 terms and which must serve four-year terms and identify the board  
6 positions to which successors to initial directors are to be appointed  
7 by the county and the city.

8 (2) At least one member on the board of directors (~~shall~~) must be  
9 representative of the lodging industry in the public facilities  
10 district before the public facilities district imposes the excise tax  
11 under RCW 36.100.040(1). Of the members of the board of directors of  
12 a public facilities district created in a county of one million five  
13 hundred thousand or more to acquire, own, and operate a convention and  
14 trade center, one of the governor's appointments and one of the  
15 county's appointments must be representative of the lodging industry in  
16 the public facilities district and one of the city's appointments must  
17 be representative of organized labor, except that these requirements do  
18 not apply to the initial board of such district.

19 (3) Members of the board of directors (~~shall~~) must serve four-  
20 year terms of office, except that two of the initial five board members  
21 (~~or~~), three of the initial seven board members (~~shall~~), and four of  
22 the initial nine board members must serve two-year terms of office.

23 (4) A vacancy (~~shall~~) must be filled in the same manner as the  
24 original appointment was made and the person appointed to fill a  
25 vacancy (~~shall~~) must serve for the remainder of the unexpired term of  
26 the office for the position to which he or she was appointed.

27 (5) Any director may be removed from office by the person or entity  
28 that appointed or confirmed such director for any reason or for no  
29 reason as follows: A director appointed by the governor may be removed  
30 from office by the governor(~~-~~); and any (~~other~~) director confirmed  
31 by a city or county legislative authority may be removed from office by  
32 action of at least two-thirds of the members of the legislative  
33 authority (~~which made the appointment~~) that confirmed the director.

34 **Sec. 4.** RCW 36.100.030 and 2003 c 376 s 1 are each amended to read  
35 as follows:

36 (1) A public facilities district is authorized to acquire,  
37 construct, own, remodel, maintain, equip, reequip, repair, and operate

1 (a) sports facilities, entertainment facilities, convention facilities,  
2 including without limitation any convention and trade center  
3 transferred from a public nonprofit corporation under section 8(1) of  
4 this act, or regional centers as defined in RCW 35.57.020, and (b) for  
5 districts formed after January 1, 2000, recreational facilities other  
6 than ski areas, together with contiguous parking facilities. The taxes  
7 that are provided for in this chapter may only be imposed for these  
8 purposes, including without limitation implementing any redemption,  
9 prepayment, or legal defeasance of outstanding obligations under  
10 section 8(3)(a) of this act.

11 (2) A public facilities district may enter into agreements under  
12 chapter 39.34 RCW for the (~~joint provision and operation~~) design,  
13 financing, acquisition, development, construction, reconstruction,  
14 lease, remodeling, alteration, maintenance, equipping, reequipping,  
15 repair, operation, or management of such facilities and may enter into  
16 contracts under chapter 39.34 RCW where any party to the contract  
17 provides and operates such facilities for the other party or parties to  
18 the contract. A public facilities district may enter into agreements  
19 under chapter 39.34 RCW that will assist a public facilities district  
20 in the financing of all or any part of a district facility on such  
21 terms as may be determined by agreement between the respective parties,  
22 including without limitation by a loan, guaranty, or other financing  
23 agreement.

24 (3) Notwithstanding the establishment of a career, civil, or merit  
25 service system, a public facilities district may contract with a public  
26 or private entity for the operation or management of its public  
27 facilities.

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

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

35 **Sec. 5.** RCW 36.100.040 and 2008 c 137 s 5 are each amended to read  
36 as follows:

37 (1) A public facilities district may impose an excise tax on the

1 sale of or charge made for the furnishing of lodging that is subject to  
2 tax under chapter 82.08 RCW, except that no such tax may be levied on  
3 any premises having fewer than forty lodging units. ~~((However))~~ Except  
4 for any tax imposed under subsection (4) or (5) of this section, if a  
5 public facilities district has not imposed such an excise tax prior to  
6 December 31, 1995, the public facilities district may only impose the  
7 excise tax if a ballot proposition authorizing the imposition of the  
8 tax has been approved by a simple majority vote of voters of the public  
9 facilities district voting on the proposition.

10 (2) The rate of the tax ~~((shall))~~ may not exceed two percent and  
11 the proceeds of the tax ~~((shall))~~ may only be used for the acquisition,  
12 design, construction, remodeling, maintenance, equipping, reequipping,  
13 repairing, and operation of its public facilities. This excise tax  
14 ~~((shall))~~ may not be imposed until the district has approved the  
15 proposal to acquire, design, and construct the public facilities.

16 (3) ~~((A public facilities district may not impose the tax~~  
17 ~~authorized in this section if, after the tax authorized in this section~~  
18 ~~was imposed, the effective combined rate of state and local excise~~  
19 ~~taxes, including sales and use taxes and excise taxes on lodging,~~  
20 ~~imposed on the sale of or charge made for furnishing of lodging in any~~  
21 ~~jurisdiction in the public facilities district exceeds eleven and one-~~  
22 ~~half percent.~~

23 ~~(4))~~ Except for a public facilities district created within a  
24 county with a population of one million five hundred thousand or more  
25 for the purpose of acquiring, owning, and operating a convention and  
26 trade center, a public facilities district may not impose the tax  
27 authorized in this section if, after the tax authorized in this section  
28 was imposed, the effective combined rate of state and local excise  
29 taxes, including sales and use taxes and excise taxes on lodging,  
30 imposed on the sale of or charge made for furnishing of lodging in any  
31 jurisdiction in the public facilities district exceeds eleven and one-  
32 half percent.

33 (4) To replace the tax authorized by RCW 67.40.090, a public  
34 facilities district created within a county with a population of one  
35 million five hundred thousand or more for the purpose of acquiring,  
36 owning, and operating a convention and trade center may impose an  
37 excise tax on the sale of or charge made for the furnishing of lodging  
38 that is subject to tax under chapter 82.08 RCW, except that no such tax

1 may be levied on any premises having fewer than sixty lodging units.  
2 The rate of the tax may not exceed seven percent within the portion of  
3 the district that corresponds to the boundaries of the largest city  
4 within the public facilities district and may not exceed 2.8 percent in  
5 the remainder of the district. The tax imposed under this subsection  
6 (4) may not be collected prior to the transfer date defined in section  
7 8 of this act.

8 (5) To replace the tax authorized by RCW 67.40.130, a public  
9 facilities district created within a county with a population of one  
10 million five hundred thousand or more for the purpose of acquiring,  
11 owning, and operating a convention and trade center may impose an  
12 additional excise tax on the sale of or charge made for the furnishing  
13 of lodging that is subject to tax under chapter 82.08 RCW, except that  
14 no such tax may be levied on any premises having fewer than sixty  
15 lodging units. The rate of the additional excise tax may not exceed  
16 two percent and may be imposed only within the portion of the district  
17 that corresponds to the boundaries of the largest city within the  
18 public facilities district and may not be imposed in the remainder of  
19 the district. The tax imposed under this subsection (5) may not be  
20 collected prior to the transfer date specified in section 8 of this  
21 act. The tax imposed under this subsection (5) must be credited  
22 against the amount of the tax otherwise due to the state from those  
23 same taxpayers under chapter 82.08 RCW. The tax under this subsection  
24 (5) may be imposed only for the purpose of paying or securing the  
25 payment of the principal of and interest on obligations issued or  
26 incurred by the public facilities district and paying annual payment  
27 amounts to the state under subsection (6)(a) of this section. The  
28 authority to impose the additional excise tax under this subsection (5)  
29 expires on the date that is the earlier of (a) July 1, 2029, or (b) the  
30 date on which all obligations issued or incurred by the public  
31 facilities district to implement any redemption, prepayment, or legal  
32 defeasance of outstanding obligations under section 8(3)(a) of this act  
33 are no longer outstanding.

34 (6)(a) Commencing with the first full fiscal year of the state  
35 after the transfer date defined in section 8 of this act and for so  
36 long as a public facilities district imposes a tax under subsection (5)  
37 of this section, the public facilities district must transfer to the



1 state of Washington on June 30th of each state fiscal year an annual  
2 payment amount.

3 (b) For the purposes of this subsection (6), "annual payment  
4 amount" means an amount equal to revenues received by the public  
5 facilities district in the fiscal year from the additional excise tax  
6 imposed under subsection (5) of this section plus an interest charge  
7 calculated on one-half the annual payment amount times an interest rate  
8 equal to the average annual rate of return for the prior calendar year  
9 in the Washington state local government investment pool created in  
10 chapter 43.250 RCW.

11 (c)(i) If the public facilities district in any fiscal year is  
12 required to apply additional lodging excise tax revenues to the payment  
13 of principal and interest on obligations it issues or incurs, and the  
14 public facilities district is unable to pay all or any portion of the  
15 annual payment amount to the state, the deficiency is deemed to be a  
16 loan from the state to the public facilities district for the purpose  
17 of assisting the district in paying such principal and interest and  
18 must be repaid by the public facilities district to the state after  
19 providing for the payment of the principal of and interest on  
20 obligations issued or incurred by the public facilities district, all  
21 on terms established by an agreement between the state treasurer and  
22 the public facilities district executed prior to the transfer date.  
23 Any agreement between the state treasurer and the public facilities  
24 district must specify the term for the repayment of the deficiency in  
25 the annual payment amount with an interest rate equal to the twenty  
26 bond general obligation bond buyer index plus one percentage point.

27 (ii) Outstanding obligations to repay any loans deemed to have been  
28 made to the public facilities district as provided in any such  
29 agreements between the state treasurer and the public facilities  
30 district survive the expiration of the additional excise tax under  
31 subsection (5) of this section.

32 (iii) For the purposes of this subsection (6)(c), "additional  
33 lodging excise tax revenues" mean the tax revenues received by the  
34 public facilities district under subsection (5) of this section.

35 (7) A public facilities district is authorized to pledge any of its  
36 revenues, including without limitation revenues from the taxes  
37 authorized in this section, to pay or secure the payment of obligations  
38 issued or incurred by the public facilities district, subject to the

1 terms established by the board of directors of the public facilities  
2 district. So long as a pledge of the taxes authorized under this  
3 section is in effect, the legislature may not withdraw or modify the  
4 authority to levy and collect the taxes at the rates permitted under  
5 this section and may not increase the annual payment amount to be  
6 transferred to the state under subsection (6) of this section.

7 (8) The department of revenue must perform the collection of such  
8 taxes on behalf of the public facilities district at no cost to the  
9 district, and the state treasurer must distribute those taxes as  
10 available on a monthly basis to the district or, upon the direction of  
11 the district, to a fiscal agent, paying agent or trustee for  
12 obligations issued or incurred by the district.

13 (9) Except as expressly provided in this chapter, all of the  
14 provisions contained in RCW 82.08.050 and 82.08.060 and chapter 82.32  
15 RCW have full force and application with respect to taxes imposed under  
16 the provisions of this section.

17 (10) The taxes imposed in this section ((does)) do not apply to  
18 sales of temporary medical housing exempt under RCW 82.08.997.

19 **Sec. 6.** RCW 36.100.060 and 1999 c 165 s 15 are each amended to  
20 read as follows:

21 (1) To carry out the purpose of this chapter, a public facilities  
22 district may issue general obligation bonds, not to exceed an amount,  
23 together with any outstanding nonvoter approved general obligation  
24 indebtedness, equal to one-half of one percent of the value of taxable  
25 property within the district, as the term "value of taxable property"  
26 is defined in RCW 39.36.015. A public facilities district additionally  
27 may issue general obligation bonds for capital purposes only, together  
28 with any outstanding general obligation indebtedness, not to exceed an  
29 amount equal to one and one-fourth percent of the value of the taxable  
30 property within the district, as the term "value of taxable property"  
31 is defined in RCW 39.36.015, when authorized by the voters of the  
32 public facilities district pursuant to Article VIII, section 6 of the  
33 state Constitution, and to provide for the retirement thereof by excess  
34 property tax levies as provided in this chapter.

35 (2) General obligation bonds may be issued with a maturity of up to  
36 thirty years, and must be issued and sold in accordance with the  
37 provisions of chapter 39.46 RCW. If the public facilities district is

1 formed by a county with a population of one million five hundred  
2 thousand or more to acquire, own, and operate a convention and trade  
3 center, general obligation bonds may be issued with a maturity of up to  
4 forty years, and ((shall)) must be issued and sold in accordance with  
5 the provisions of chapter 39.46 RCW. In addition to the powers vested  
6 in it under RCW 39.46.030, a public facilities district created by a  
7 county with a population of one million five hundred thousand or more  
8 to acquire, own, and operate a convention and trade center may appoint,  
9 and may specify the rights and duties of, trustees with respect to its  
10 bonds, and such trustees may receive, hold, disburse, invest, and  
11 reinvest funds on the district's behalf and for the protection of the  
12 district's bond owners.

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

16 (4) The excise tax imposed pursuant to RCW 36.100.040 ((shall)) (1)  
17 terminates upon final payment of all bonded indebtedness for its public  
18 facilities, except that the excise tax may be reauthorized by a public  
19 vote, in the same manner as originally authorized, for funding of  
20 additional public facilities or a regional center.

21 **Sec. 7.** RCW 36.100.100 and 1995 c 396 s 7 are each amended to read  
22 as follows:

23 The treasurer of the county in which a public facilities district  
24 is located ((shall)) must be the ex officio treasurer of the district,  
25 unless the board of directors of a public facilities district created  
26 in a county of one million five hundred thousand or more designates by  
27 resolution another person having experience in financial or fiscal  
28 matters as the treasurer of the district. Such a treasurer possesses  
29 all of the powers, responsibilities, and duties of, and is subject to  
30 the same restrictions as provided by law for, a county treasurer with  
31 regard to district financial matters. Such treasurer must be bonded  
32 for not less than twenty-five thousand dollars.

33 NEW SECTION. **Sec. 8.** A new section is added to chapter 36.100 RCW  
34 to read as follows:

35 (1) On the transfer date the board of directors of a public  
36 nonprofit corporation formed under RCW 67.40.020 that owns and operates

1 a state convention and trade center must transfer all lands,  
2 facilities, equipment, assets, other interests in real, personal, and  
3 intangible property, and interests under contracts, leases, licenses,  
4 and agreements under the control of that board of directors to a public  
5 facilities district created as provided in RCW 36.100.010 by the county  
6 in which the convention and trade center is located pursuant to an  
7 agreement with the public facilities district, subject to the review  
8 and approval of the state treasurer.

9 (2) No real estate excise tax or other excise tax may be imposed  
10 with respect to the transfer of assets of the public nonprofit  
11 corporation to the public facilities district.

12 (3) For the purposes of this section, "transfer date" means the  
13 date on or prior to June 30, 2011, on which provision has been made for  
14 all of the following, pursuant to agreements and other necessary  
15 arrangements approved by the state treasurer:

16 (a) The redemption, prepayment, or legal defeasance on or prior to  
17 the transfer date of all outstanding borrowings and other financing  
18 obligations of the state of Washington and the public nonprofit  
19 corporation with respect to the state convention and trade center,  
20 including state bonds and certificates of participation and related  
21 financing contracts;

22 (b) The transfer to the public facilities district on the transfer  
23 date of the balances on deposit in the state convention and trade  
24 center operations account, the state convention and trade center  
25 account and other accounts relating to the state convention and trade  
26 center, including the revenues identified under (g)(ii) of this  
27 subsection (3);

28 (c) The imposition by the public facilities district of excise  
29 taxes on the sale of or charge made for the furnishing of lodging under  
30 RCW 36.100.040 (4) and (5) at the maximum rates permitted in those  
31 subsections;

32 (d) The transfer of all other assets and liabilities and, to the  
33 extent permissible by their terms, the assignment or transfer of all  
34 contracts and agreements of the public nonprofit corporation from the  
35 public nonprofit corporation to the public facilities district;

36 (e) The execution of an agreement settling all claims in the case  
37 of Tourism Alliance, a Washington nonprofit corporation; Craig Schafer;  
38 Claridge LLC, a Washington limited liability company; R.C. Hedreen

1 Corporation, a Washington corporation; and on behalf of taxpayers,  
2 Andrew Olsen, Amy L. Dee, Christopher M. Dee, Clipper Navigation, Inc.,  
3 a Washington corporation v. State of Washington and James L. McIntire,  
4 in his official capacity as State Treasurer of the State of Washington;

5 (f) The payment or provision for payment of all fees, costs, and  
6 expenses incurred by the state of Washington and the public nonprofit  
7 corporation to effect such transfer;

8 (g) An agreement of the public facilities district to transfer to  
9 the state on June 30, 2011, an amount equal to (i) the revenues from  
10 the tax imposed under RCW 36.100.040(5) during the state fiscal year  
11 ending June 30, 2011, plus (ii) the revenues from the tax imposed under  
12 RCW 67.40.130 during the state fiscal year ending June 30, 2011; and

13 (h) The agreement between the state treasurer and the public  
14 facilities district, referred to in section 5(6)(c)(i).

15 NEW SECTION. **Sec. 9.** A new section is added to chapter 36.100 RCW  
16 to read as follows:

17 (1) Except as provided in chapters 35.101, 67.28, and 82.14 RCW,  
18 after January 1, 1983, no city, town, or county in which the tax under  
19 RCW 36.100.040 (4) and (5) is imposed may impose a license fee or tax  
20 on the act or privilege of engaging in business to furnish lodging by  
21 a hotel, rooming house, tourist court, motel, trailer camp, or similar  
22 facilities in excess of the rate imposed upon other persons engaged in  
23 the business of making sales at retail.

24 (2) For the purposes of this section, "sales at retail" has the  
25 same meaning as provided in RCW 82.04.050.

26 NEW SECTION. **Sec. 10.** A new section is added to chapter 36.100  
27 RCW to read as follows:

28 Nothing in this act may be construed to limit the authority of a  
29 public nonprofit corporation under chapter 67.40 RCW prior to the  
30 effective date of section 14 of this act.

31 NEW SECTION. **Sec. 11.** A new section is added to chapter 36.100  
32 RCW to read as follows:

33 Bonds issued under this chapter are hereby made securities in which  
34 all public officers and public bodies of the state and its political  
35 subdivisions, all insurance companies, trust companies in their

1 commercial departments, savings banks, cooperative banks, banking  
2 associations, investment companies, executors, trustees and other  
3 fiduciaries, and all other persons whatsoever who are now or may  
4 hereafter be authorized to invest in obligations of the state may  
5 properly and legally invest funds, including capital in their control  
6 or belonging to them. Such bonds are hereby made securities which may  
7 properly and legally be deposited with and received by any state or  
8 municipal officer or any agency or political subdivision of the state  
9 for any purpose for which the deposit of bonds and other obligations of  
10 the state are now or may hereafter be authorized by law.

11 NEW SECTION. **Sec. 12.** A new section is added to chapter 36.100  
12 RCW to read as follows:

13 (1) Any county with a population of one million five hundred  
14 thousand or more that creates a public facilities district pursuant to  
15 this chapter to acquire, own, and operate a convention and trade center  
16 transferred from a public nonprofit corporation is authorized to  
17 acquire by condemnation property or property rights as may be necessary  
18 to carry out the purposes of such district. If the legislative body of  
19 such county chooses to exercise its authority to acquire property by  
20 eminent domain on behalf of such public facilities district, it must do  
21 so pursuant to the procedures set forth in chapter 8.08 RCW.

22 (2) The accomplishment of the activities authorized by this chapter  
23 is declared to be a strictly public purpose of the municipality or  
24 municipal entities authorized to perform the same.

25 (3) The powers and authority conferred by this section are in  
26 addition and supplemental to existing powers or authority. Nothing  
27 contained in this section limits any other powers or authority of any  
28 agency, political subdivision, or unit of local government of this  
29 state.

30 **Sec. 13.** RCW 39.94.020 and 2010 c ... (SB 6218) s 1 are each  
31 amended to read as follows:

32 Unless the context clearly requires otherwise, the definitions in  
33 this section apply throughout this chapter.

34 (1) "Credit enhancement" includes insurance, letters of credit,  
35 lines of credit, or other similar agreements which enhance the security

1 for the payment of the state's or an other agency's obligations under  
2 financing contracts.

3 (2) "Financing contract" means any contract entered into by the  
4 state for itself or on behalf of an other agency which provides for the  
5 use and purchase of real or personal property by the state and provides  
6 for payment by the state over a term of more than one year, and which  
7 provides that title to the subject property may secure performance of  
8 the state or transfer to the state or an other agency by the end of the  
9 term, upon exercise of an option, for a nominal amount or for a price  
10 determined without reference to fair market value. Financing contracts  
11 include, but are not limited to, conditional sales contracts, financing  
12 leases, lease purchase contracts, or refinancing contracts, but  
13 do(~~es~~) not include operating or true leases. For purposes of this  
14 chapter, the term "financing contract" does not include any nonrecourse  
15 financing contract or other obligation payable only from money or other  
16 property received from private sources and not payable from any public  
17 money or property. The term "financing contract" includes a "master  
18 financing contract."

19 (3) "Master financing contract" means a financing contract which  
20 provides for the use and purchase of property by the state, and which  
21 may include more than one financing contract and appropriation.

22 (4) "Other agency" means any commission established under Title 15  
23 RCW, a library or regional library, an educational service district,  
24 the superintendent of public instruction, the school directors'  
25 association, a health district, a public facilities district, or any  
26 county, city, town, school district, or other municipal corporation or  
27 quasi-municipal corporation.

28 (5) "State" means the state, agency, department, or instrumentality  
29 of the state, the state board for community and technical colleges, and  
30 any state institution of higher education.

31 (6) "State finance committee" means the state finance committee  
32 under chapter 43.33 RCW.

33 (7) "Trustee" means a bank or trust company, within or without the  
34 state, authorized by law to exercise trust powers.

35 NEW SECTION. **Sec. 14.** The following acts or parts of acts are  
36 each repealed:

- 1 (1) RCW 67.40.010 (Legislative finding) and 1983 2nd ex.s. c 1 s 1  
2 & 1982 c 34 s 1;
- 3 (2) RCW 67.40.025 (State convention and trade center operations  
4 account--Operating revenues--Expenditures) and 2008 c 329 s 916, 1988  
5 ex.s. c 1 s 2, 1987 1st ex.s. c 8 s 3, & 1985 c 233 s 2;
- 6 (3) RCW 67.40.027 (Compensation and travel expenses of board  
7 members) and 1985 c 233 s 3;
- 8 (4) RCW 67.40.030 (General obligation bonds--Authorized--  
9 Appropriation required) and 1990 c 181 s 1, 1988 ex.s. c 1 s 3, 1987  
10 1st ex.s. c 3 s 12, 1985 c 233 s 1, 1983 2nd ex.s. c 1 s 3, & 1982 c 34  
11 s 3;
- 12 (5) RCW 67.40.040 (Deposit of proceeds in state convention and  
13 trade center account and appropriate subaccounts--Credit against future  
14 borrowings--Use) and 2008 c 329 s 917, 2008 c 328 s 6011, 2007 c 228 s  
15 106, 2005 c 518 s 936, 2003 1st sp.s. c 25 s 929, 1995 c 386 s 13, 1991  
16 sp.s. c 13 s 11, 1990 c 181 s 2, 1988 ex.s. c 1 s 4, 1987 1st ex.s. c  
17 8 s 4, 1985 c 57 s 66, 1983 2nd ex.s. c 1 s 4, & 1982 c 34 s 4;
- 18 (6) RCW 67.40.045 (Authorization to borrow from state treasury for  
19 project completion costs--Limits--"Project completion" defined--  
20 Legislative intent--Application) and 1995 c 386 s 14, 1993 sp.s. c 12  
21 s 9, 1992 c 4 s 1, 1991 c 2 s 1, 1990 c 181 s 3, 1988 ex.s. c 1 s 9, &  
22 1987 1st ex.s. c 8 s 1;
- 23 (7) RCW 67.40.050 (Administration of proceeds) and 1982 c 34 s 5;
- 24 (8) RCW 67.40.055 (Transfer of funds to account--Repayment of  
25 borrowed funds with interest) and 1988 ex.s. c 1 s 5 & 1987 1st ex.s.  
26 c 8 s 11;
- 27 (9) RCW 67.40.060 (Retirement of bonds from nondebt-limit  
28 proprietary appropriated bond retirement account--Transfer from  
29 accounts--Pledge and promise--Remedies of bondholders) and 2005 c 487  
30 s 9, 1997 c 456 s 25, 1987 1st ex.s. c 8 s 5, 1983 2nd ex.s. c 1 s 5,  
31 & 1982 c 34 s 6;
- 32 (10) RCW 67.40.070 (Legislature may provide additional means for  
33 payment of bonds) and 1982 c 34 s 7;
- 34 (11) RCW 67.40.080 (Bonds legal investment for public funds) and  
35 1982 c 34 s 8;
- 36 (12) RCW 67.40.090 (Lodging tax imposed in King county--Rates--  
37 Proceeds) and 2002 c 178 s 4, 1995 c 386 s 15, 1991 c 2 s 3, 1988 ex.s.  
38 c 1 s 6, 1987 1st ex.s. c 8 s 6, & 1982 c 34 s 9;



1 (13) RCW 67.40.100 (Limitation on license fees and taxes on hotels,  
2 motels, rooming houses, trailer camps, etc.) and 1997 c 452 s 15, 1990  
3 c 242 s 1, 1988 ex.s. c 1 s 25, & 1982 c 34 s 10;

4 (14) RCW 67.40.105 (Exemption from tax--Emergency lodging for  
5 homeless persons--Conditions) and 1988 c 61 s 3;

6 (15) RCW 67.40.107 (Exemption from tax--Temporary medical housing)  
7 and 2008 c 137 s 4;

8 (16) RCW 67.40.110 (Use of revenues from convention and trade  
9 center facilities excise tax by cities for professional sports  
10 franchise facilities limited) and 1997 c 452 s 19 & 1987 1st ex.s. c 8  
11 s 8;

12 (17) RCW 67.40.120 (Contracts for marketing facility and services)  
13 and 2002 c 182 s 1, 1997 c 452 s 20, 1991 c 336 s 2, & 1988 ex.s. c 1  
14 s 8;

15 (18) RCW 67.40.130 (Convention and trade facilities--Tax on  
16 transient lodging authorized--Rates) and 1995 c 386 s 1;

17 (19) RCW 67.40.140 (Convention and trade facilities--Remittance of  
18 tax--Credit) and 1995 c 386 s 2;

19 (20) RCW 67.40.150 (Convention and trade facilities--Contract of  
20 administration and collection to department of revenue--Disposition of  
21 tax--Procedure) and 1995 c 386 s 3;

22 (21) RCW 67.40.160 (Convention and trade facilities--Tax on  
23 construction--Disposition) and 1995 c 386 s 4;

24 (22) RCW 67.40.170 (Convention and trade facilities--Use of  
25 collected taxes) and 1995 c 386 s 5;

26 (23) RCW 67.40.180 (Convention and trade facilities--Use of funds--  
27 Acceptance by board of directors of funding commitment) and 1995 c 386  
28 s 6;

29 (24) RCW 67.40.190 (Convention and trade facilities--Use of funds--  
30 Encumbered revenue) and 1995 c 386 s 7; and

31 (25) RCW 67.40.900 (Severability--1982 c 34) and 1982 c 34 s 13.

32 NEW SECTION. **Sec. 15.** RCW 67.40.020 (State convention and trade  
33 center--Public nonprofit corporation authorized--Board of directors--  
34 Powers and duties) and 1995 c 386 s 12, 1993 c 500 s 9, 1988 ex.s. c 1  
35 s 1, 1987 1st ex.s. c 8 s 2, 1984 c 210 s 1, 1983 2nd ex.s. c 1 s 2, &  
36 1982 c 34 s 2 are each repealed.

1        NEW SECTION.    **Sec. 16.**    Section 14 of this act is effective  
2 contingent upon the transfer date occurring in section 8 of this act.  
3 If the transfer date occurs in section 8 of this act, section 14 of  
4 this act is effective on the transfer date. For the purposes of this  
5 section, "transfer date" has the same meaning as provided in section 8  
6 of this act.

7        NEW SECTION.    **Sec. 17.**    Section 15 of this act is effective  
8 contingent upon the transfer date occurring in section 8 of this act.  
9 If the transfer date occurs in section 8 of this act, section 15 of  
10 this act is effective thirty days after the transfer date in section 8  
11 of this act. For the purposes of this section, "transfer date" has the  
12 same meaning as provided in section 8 of this act.

13        NEW SECTION.    **Sec. 18.**    The state treasurer must provide written  
14 notice of the effective dates in sections 16 and 17 of this act to the  
15 department of revenue, the office of the code reviser, and others as  
16 deemed appropriate by the state treasurer.

17        NEW SECTION.    **Sec. 19.**    If any provision of this act or its  
18 application to any person or circumstance is held invalid, the  
19 remainder of the act or the application of the provision to other  
20 persons or circumstances is not affected.

21        NEW SECTION.    **Sec. 20.**    The provisions of this chapter must be  
22 liberally construed to effect the policies and purposes of this  
23 chapter."

24        Correct the title.

EFFECT:    Removes provisions: (1) Specifying that the convention  
and trade center account fund balances transferred to the new public  
facilities district (PFD) are less any amounts identified for transfer  
to the state General Fund prior to the transfer of the convention  
center to the PFD; and (2) making the bill effective contingent upon  
completion of transfers from the state convention and trade center  
account to the state General Fund, as specified in the omnibus  
appropriations act for the 2009-11 fiscal biennium.

--- END ---