

# SENATE BILL REPORT

## SSB 6574

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As Passed Senate, February 14, 2012

**Title:** An act relating to authorizing certain cities in which stadium and exhibition centers are located to impose admissions taxes in limited circumstances.

**Brief Description:** Authorizing certain cities in which stadium and exhibition centers are located to impose admissions taxes in limited circumstances.

**Sponsors:** Senate Committee on Ways & Means (originally sponsored by Senators Kohl-Welles, Frockt and Kline).

**Brief History:**

**Committee Activity:** Ways & Means: 2/06/12, 2/07/12 [DPS, DNP, w/oRec].  
Passed Senate: 2/14/12, 36-11.

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### SENATE COMMITTEE ON WAYS & MEANS

**Majority Report:** That Substitute Senate Bill No. 6574 be substituted therefor, and the substitute bill do pass.

Signed by Senators Murray, Chair; Kilmer, Vice Chair, Capital Budget Chair; Zarelli, Ranking Minority Member; Parlette, Ranking Minority Member Capital; Brown, Conway, Fraser, Harper, Hatfield, Hewitt, Kastama, Keiser, Kohl-Welles, Pridemore, Regala, Schoesler and Tom.

**Minority Report:** Do not pass.

Signed by Senators Holmquist Newbry, Honeyford and Padden.

**Minority Report:** That it be referred without recommendation.

Signed by Senator Baumgartner.

**Staff:** Dean Carlson (786-7305)

**Background:** When the stadium and exhibition center was built in Seattle, now known as Century Link Field, one of the funding mechanisms for the financing of the construction was an admissions tax at the facility. King County may levy an admissions tax up to 10 percent on events at the facility. The revenues from the admissions tax go towards paying bonds on the construction of the stadium and when the bonds are retired they go to pay for repair, reequipping and capital improvements. The rate of the admissions tax currently imposed is 3.1 percent.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

The city of Seattle currently has an admissions tax for entertainment or recreation events at the rate of 5 percent. However, the city is precluded from imposing its tax at Century Link Field.

During the 2012 football season, the University of Washington will play its home games at Century Link Field while Husky Stadium is going through renovation.

**Summary of Substitute Bill:** The city of Seattle is allowed to collect an admissions tax at Century Link Field during 2012 for college or university games that are played at that location due to the temporary closure of the facility owned by that college or university.

This city may impose a maximum admissions tax of 5 percent at these events and the county may not impose an admissions tax at these events.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Committee/Commission/Task Force Created:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony on Original Bill:** PRO: This was an unintended consequence of the Huskies moving to Century Link field for a season. We have worked with the Public Stadium Authority on the bill. This money goes to a variety of purposes, including arts, education, and capital facilities. The Public Stadium Authority was not expecting this revenue, but Seattle was. We are in support, but we want to make sure the rate of the tax is not more than it is now.

**Persons Testifying:** PRO: Nick Licata, City of Seattle Councilmember; Margaret Shepherd, University of WA.