

SB 5043 - H COMM AMD
By Committee on Education

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

3 "NEW SECTION. **Sec. 1.** Many communities throughout Washington
4 recognize that a lack of affordable housing significantly undermines
5 the ability to attract candidates to work in the public service.
6 Firefighters, police officers, and teachers, for example, must often
7 resort to living far from the communities they serve and must contend
8 with traffic and transportation pressures getting to and from work.
9 In the field of education, the inability to find affordable housing
10 in neighborhoods and communities where schools are located
11 contributes to the acute educator workforce shortage. Some school
12 districts are exploring ways to provide teacher housing as a
13 potential strategy to attract and retain these essential public
14 servants. The intent of the legislature is to enable communities to
15 determine the success and value of supporting housing for public
16 servants by first expanding to all school districts an existing
17 authority to provide teacher housing currently available only to
18 second-class districts. In so doing, the legislature encourages
19 school districts that wish to pursue this strategy to partner with
20 local housing authorities and other local governments to finance,
21 build, and manage affordable housing for public servants.

22 **Sec. 2.** RCW 28A.335.240 and 2004 c 6 s 1 are each amended to
23 read as follows:

24 (1) The board of directors of a (~~second-class~~) school district
25 (~~shall~~) may build schoolhouses and teachers' cottages, or other
26 single or multifamily housing for school district employees, when
27 directed by a vote of the qualified electors of the school district
28 to do so pursuant to RCW 28A.530.010, and may purchase real property
29 for any school district purpose.

30 (2) The board of directors of a second-class nonhigh school
31 district that is totally surrounded by water and serves fewer than

1 forty students also may authorize the construction of teachers'
2 cottages without a vote of the district using funds from the
3 district's capital projects fund or general fund.

4 (3) Rental and other income from the cottages or other housing,
5 including sale of the cottages or other housing, may be deposited, in
6 whole or in part, into the school district's general fund to be used
7 for general maintenance, utility, insurance costs, and any other
8 costs associated with the lease or rental of such property and for
9 other district purposes including costs related to operating and
10 maintaining school facilities, debt service fund, or capital projects
11 fund as determined by the board of directors.

12 (4) The board of directors of any district may find the provision
13 of housing for school district employees to be necessary or proper to
14 recruit or retain qualified school district employees or otherwise
15 necessary or proper to carry out the functions of the district, and
16 upon such finding the provision of such housing is in furtherance of
17 the district's fundamental governmental purpose.

18 (5) Any school district may enter into an agreement with any
19 municipality, taxing district, or municipal corporation regarding the
20 conveying or leasing of any lands, properties, or facilities for the
21 development of single or multifamily housing for school district
22 employees or to provide for the joint use of such lands, properties,
23 or facilities, or to participate in the financing of all or any part
24 of the lands, properties, or facilities for these purposes on terms
25 as may be fixed by agreement between the respective legislative
26 bodies.

27 **Sec. 3.** RCW 28A.335.250 and 1975 c 43 s 16 are each amended to
28 read as follows:

29 ~~((School boards in each district of the second class))~~ The board
30 of directors of any school district may provide for the free,
31 comfortable and convenient use of the school property to promote and
32 facilitate frequent meetings and association of the people in
33 discussion, study, improvement, recreation and other community
34 purposes, and may acquire, assemble and house material for the
35 dissemination of information of use and interest to the farm, the
36 home and the community, and facilities for experiment and study,
37 especially in matters pertaining to the growing of crops, the
38 improvement and handling of livestock, the marketing of farm
39 products, the planning and construction of farm buildings, the

1 subjects of household economies, home industries, good roads, and
2 community vocations and industries; and may call meetings for the
3 consideration and discussion of any such matters(~~(r)~~) and employ a
4 special supervisor, or leader, if need be(~~(r-and)~~). School districts
5 may provide suitable dwellings and accommodations for (~~teachers,~~
6 ~~supervisors and necessary assistants~~) school district employees for
7 these purposes and for any other district purposes determined by the
8 board of directors of any district under RCW 28A.335.240.

9 **Sec. 4.** RCW 28A.335.130 and 2004 c 6 s 2 are each amended to
10 read as follows:

11 Except as provided in RCW 28A.335.240(~~(+1)~~) (3), the proceeds
12 from any sale of school district real property by a board of
13 directors shall be deposited to the debt service fund and/or the
14 capital projects fund, except for amounts required to be expended for
15 the costs associated with the sale of such property, which moneys may
16 be deposited into the fund from which the expenditure was incurred.

17 **Sec. 5.** RCW 82.29A.130 and 2019 c 335 s 1 are each amended to
18 read as follows:

19 The following leasehold interests are exempt from taxes imposed
20 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 that 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, school district, college or university which leasehold
26 provides housing for students or school district employees and which
27 is otherwise exempt from taxation under provisions of RCW 84.36.010
28 and 84.36.050.

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

33 (4) All leasehold interests used for fair purposes of a nonprofit
34 fair association that sponsors or conducts a fair or fairs which
35 receive support from revenues collected pursuant to RCW 67.16.100 and
36 allocated by the director of the department of agriculture where the
37 fee ownership of such property is vested in the government of the
38 United States, the state of Washington or any of its political

1 subdivisions. However, this exemption does not apply to the leasehold
2 interest of any sublessee of such nonprofit fair association if such
3 leasehold interest would be taxable if it were the primary 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
9 owned or held by any Indian or Indian tribe where the fee ownership
10 of such property is vested in or held in trust by the United States
11 and which are not subleased to other than to a lessee which would
12 qualify 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
16 the United States. However, this exemption applies only where it is
17 determined that contract rent paid is greater than or equal to ninety
18 percent of fair market rental, to be determined by the department of
19 revenue using the same criteria used to establish taxable rent in RCW
20 82.29A.020(2)(g).

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 are 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
30 the same property to the same lessee are deemed a single leasehold
31 interest: PROVIDED FURTHER, That no leasehold interest is deemed to
32 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
38 pending destruction or removal for the purpose of constructing a
39 public highway or building.

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

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

10 (13) All leasehold interests used to provide organized and
11 supervised recreational activities for persons with disabilities of
12 all ages in a camp facility and for public recreational purposes by a
13 nonprofit organization, association, or corporation that would be
14 exempt from property tax under RCW 84.36.030(1) if it owned the
15 property. If the publicly owned property is used for any taxable
16 purpose, the leasehold excise taxes set forth in RCW 82.29A.030 and
17 82.29A.040 must be imposed and must be apportioned accordingly.

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

36 (15) All leasehold interests in the public or entertainment areas
37 of a stadium and exhibition center, as defined in RCW 36.102.010,
38 that is constructed on or after January 1, 1998. For the purposes of
39 this subsection, "public or entertainment areas" has the same meaning
40 as in 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 or 35.57 RCW.

3 (17) All leasehold interests in property that is: (a) Owned by
4 the United States government or a municipal corporation; (b) listed
5 on any federal or state register of historical sites; and (c) wholly
6 contained within a designated national historic reserve under 16
7 U.S.C. Sec. 461.

8 (18) All leasehold interests in the public or entertainment areas
9 of an amphitheater if a private entity is responsible for one hundred
10 percent of the cost of constructing the amphitheater which is not
11 reimbursed by the public owner, both the public owner and the private
12 lessee sponsor events at the facility on a regular basis, the lessee
13 is responsible under the lease or agreement to operate and maintain
14 the facility, and the amphitheater has a seating capacity of over
15 seventeen thousand reserved and general admission seats and is in a
16 county that had a population of over three hundred fifty thousand,
17 but less than four hundred twenty-five thousand when the amphitheater
18 first opened to the public.

19 For the purposes of this subsection, "public or entertainment
20 areas" include box offices or other ticket sales areas, entrance
21 gates, ramps and stairs, lobbies and concourses, parking areas,
22 concession areas, restaurants, hospitality areas, kitchens or other
23 work areas primarily servicing other public or entertainment areas,
24 public rest room areas, press and media areas, control booths,
25 broadcast and production areas, retail sales areas, museum and
26 exhibit areas, scoreboards or other public displays, storage areas,
27 loading, staging, and servicing areas, seating areas including lawn
28 seating areas and suites, stages, and any other areas to which the
29 public has access or which are used for the production of the
30 entertainment event or other public usage, and any other personal
31 property used for these purposes. "Public or entertainment areas"
32 does not include office areas used predominately by the lessee.

33 (19) All leasehold interests in real property used for the
34 placement of military housing meeting the requirements of RCW
35 84.36.665.

36 (20) All leasehold interests in facilities owned or used by a
37 community college or technical college, which leasehold interest
38 provides:

39 (a) Food services for students, faculty, and staff;

40 (b) The operation of a bookstore on campus; or

1 (c) Maintenance, operational, or administrative services to the
2 community college or technical college.

3 (21)(a) All leasehold interests in the public or entertainment
4 areas of an arena if it:

5 (i) Has a seating capacity of more than two thousand;

6 (ii) Is located on city-owned land; and

7 (iii) Is owned by a city with a population over two hundred
8 thousand within a county with a population of less than one million
9 five hundred thousand.

10 (b) For the purposes of this subsection (21), "public or
11 entertainment areas" has the same meaning as provided in subsection
12 (18) of this section.

13 NEW SECTION. **Sec. 6.** RCW 28A.335.270 (School property used for
14 public purposes—Special state commission to pass on plans) and 1990 c
15 33 s 364 & 1975-'76 2nd ex.s. c 15 s 12 are each repealed.

16 NEW SECTION. **Sec. 7.** Section 5 of this act expires January 1,
17 2032."

18 Correct the title.

EFFECT: Revises the intent language.

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