
HOUSE BILL 2093

State of Washington 52nd Legislature 1991 Regular Session

By Representatives Locke, Miller, Anderson, Hine, Ferguson, Brough and Valle.

Read first time February 22, 1991. Referred to Committee on Revenue.

1 AN ACT Relating to distributing excise taxes on lodgings in
2 counties that have, prior to June 26, 1975, pledged tax revenues or
3 issued bonds for purposes of public stadium, convention, performing
4 arts and/or visual arts center facilities; and amending RCW 67.28.180.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 **Sec. 1.** RCW 67.28.180 and 1987 c 483 s 1 are each amended to read
7 as follows:

8 (1) Subject to the conditions set forth in subsections (2) and (3)
9 of this section, the legislative body of any county or any city, is
10 authorized to levy and collect a special excise tax of not to exceed
11 two percent on the sale of or charge made for the furnishing of lodging
12 by a hotel, rooming house, tourist court, motel, trailer camp, and the
13 granting of any similar license to use real property, as distinguished
14 from the renting or leasing of real property: PROVIDED, That it shall
15 be presumed that the occupancy of real property for a continuous period

1 of one month or more constitutes a rental or lease of real property and
2 not a mere license to use or to enjoy the same.

3 (2) Any levy authorized by this section shall be subject to the
4 following:

5 (a) Any county ordinance or resolution adopted pursuant to this
6 section shall contain, in addition to all other provisions required to
7 conform to this chapter, a provision allowing a credit against the
8 county tax for the full amount of any city tax imposed pursuant to this
9 section upon the same taxable event.

10 (b) In the event that any county has levied the tax authorized by
11 this section and has, prior to June 26, 1975, either pledged the tax
12 revenues for payment of principal and interest on city revenue or
13 general obligation bonds authorized and issued pursuant to RCW
14 67.28.150 through 67.28.160 or has authorized and issued revenue or
15 general obligation bonds pursuant to the provisions of RCW 67.28.150
16 through 67.28.160, such county shall be exempt from the provisions of
17 subsection (a), to the extent that the tax revenues are pledged for
18 payment of principal and interest on bonds issued at any time pursuant
19 to the provisions of RCW 67.28.150 through 67.28.160: PROVIDED, That
20 so much of such pledged tax revenues, together with any investment
21 earnings thereon, not immediately necessary for actual payment of
22 principal and interest on such bonds may be used: (i) In class AA
23 counties, for repayment either of limited tax levy general obligation
24 bonds or of any county fund or account from which a loan was made, the
25 proceeds from the bonds or loan being used to pay for constructing,
26 installing, improving, and equipping stadium capital improvement
27 projects, and to pay for any engineering, planning, financial, legal
28 and professional services incident to the development of such stadium
29 capital improvement projects, regardless of the date the debt for such
30 capital improvement projects was or may be incurred; or (ii) in

1 counties other than class AA counties, for county-owned facilities for
2 agricultural promotion.

3 As used in this subsection (2)(b), "capital improvement projects"
4 may include, but not be limited to a stadium restaurant facility,
5 restroom facilities, artificial turf system, seating facilities,
6 parking facilities and scoreboard and information system adjacent to or
7 within a county owned stadium, together with equipment, utilities,
8 accessories and appurtenances necessary thereto. The stadium
9 restaurant authorized by this subsection (2)(b) shall be operated by a
10 private concessionaire under a contract with the county.

11 (c) No city within a county exempt under subsection (2)(b) of this
12 section may levy the tax authorized by this section so long as said
13 county is so exempt: PROVIDED, That in the event that any city in such
14 county has levied the tax authorized by this section and has, prior to
15 June 26, 1975, authorized and issued revenue or general obligation
16 bonds pursuant to the provisions of RCW 67.28.150 through 67.28.160,
17 such city may levy the tax so long as and to the extent that the tax
18 revenues are pledged for payment of principal and interest on bonds
19 issued pursuant to the provisions of RCW 67.28.150 through 67.28.160.

20 (3) Any levy authorized by this section by a county that has levied
21 the tax authorized by this section and has, prior to June 26, 1975,
22 either pledged the tax revenues for payment of principal and interest
23 on city revenue or general obligation bonds authorized and issued
24 pursuant to RCW 67.28.150 through 67.28.160 or has authorized and
25 issued revenue or general obligation bonds pursuant to the provisions
26 of RCW 67.28.150 through 67.28.160 shall be subject to the following:

27 (a) From July 1, 1991, until June 30, 2000, taxes collected under
28 this section in any ((calendar)) fiscal year in excess of five million
29 three hundred thousand dollars and not exceeding the limits specified

1 in this subsection (3) shall only be used for art (~~museums,~~) and
2 cultural museums, the arts, (~~and/or~~) and the performing arts.

3 (~~(b)~~) (i) For the fiscal year ending June 30, 1992, the limit is
4 \$828,000.

5 (ii) For the fiscal year ending June 30, 1993, the limit is
6 \$1,318,000.

7 (iii) For the fiscal year ending June 30, 1994, the limit is
8 \$1,848,000.

9 (iv) For the fiscal year ending June 30, 1995, the limit is
10 \$2,420,000.

11 (v) For the fiscal year ending June 30, 1996, the limit is
12 \$3,037,000.

13 (vi) For the fiscal year ending June 30, 1997, the limit is
14 \$3,704,000.

15 (vii) For the fiscal year ending June 30, 1998, the limit is
16 \$4,424,000.

17 (viii) For the fiscal year ending June 30, 1999, the limit is
18 \$5,202,000.

19 (ix) For the fiscal year ending June 30, 2000, the limit is
20 \$6,042,000.

21 (b) From July 1, 1991, until June 30, 2000, taxes collected under
22 this section in any calendar year in excess of the limits specified in
23 (a)(i) through (ix) of this subsection shall be distributed as follows:

24 (i) Fifty percent to art and cultural museums, the arts, and the
25 performing arts.

26 (ii) Fifty percent to stadium capital improvement projects, as
27 defined in subsection (2)(b) of this section, tourism promotion that is
28 intended to attract visitors for overnight stays, and promotion of
29 professional and amateur sports activities.

1 (c) Seventy percent of moneys spent under subsection (3)(a) and
2 (b)(i) of this section shall be used only for the purchase, design,
3 construction, and remodeling of performing arts, visual arts, and
4 heritage facilities, and for the purchase of fixed assets that will
5 benefit such facilities.

6 (d) After July 1, 2000, taxes collected under this section in any
7 fiscal year in excess of five million three hundred thousand dollars
8 shall be used only for art and cultural museums, the arts, and the
9 performing arts.

10 (e) Art and cultural museums, the arts, and performing arts
11 facilities receiving money under this subsection (3) must demonstrate
12 financial stability. These moneys may not be used to replace or
13 supplant existing funding.

14 (f) No taxes collected under this section may be used for the
15 operation or maintenance of a public stadium that is financed directly
16 or indirectly by bonds to which the tax is pledged. Expenditures for
17 operation or maintenance include all expenditures other than
18 expenditures that directly result in new fixed assets or that directly
19 increase the capacity, life span, or operating economy of existing
20 fixed assets.

21 ~~((e))~~ (g) No ad valorem property taxes may be used for debt
22 service on bonds issued for a public stadium that is financed by bonds
23 to which the tax is pledged, unless the taxes collected under this
24 section are or are projected to be insufficient to meet debt service
25 requirements on such bonds.

26 ~~((d))~~ (h) If a substantial part of the operation and management
27 of a public stadium that is financed directly or indirectly by bonds to
28 which the tax is pledged is performed by a nonpublic entity or if a
29 public stadium is sold that is financed directly or indirectly by bonds

1 to which the tax is pledged, any bonds to which the tax is pledged
2 shall be retired.

3 ~~((e))~~ (i) The county shall not lease a public stadium that is
4 financed directly or indirectly by bonds to which the tax is pledged
5 to, or authorize the use of the public stadium by, a professional major
6 league sports franchise unless the sports franchise gives the right of
7 first refusal to purchase the sports franchise, upon its sale, to local
8 government. This subsection (3)~~((e))~~ (i) does not apply to contracts
9 in existence on April 1, 1986.

10 If a court of competent jurisdiction declares any provision of this
11 subsection (3) invalid, then that invalid provision shall be null and
12 void and the remainder of this section is not affected.