## HOUSE BILL 1811

State of Washington60th Legislature2007 Regular SessionBy Representatives Pedersen, Simpson, Wood, Moeller and QuallRead first time 01/29/2007. Referred to Committee on Local Government.

AN ACT Relating to the installation of automatic sprinkler systems in nightclubs; amending RCW 19.27.500, 19.27.510, and 84.36.660; adding a new section to chapter 82.04 RCW; providing an effective date; and declaring an emergency.

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

6 Sec. 1. RCW 19.27.500 and 2005 c 148 s 1 are each amended to read 7 as follows:

8 (1) The building code council shall adopt rules ((by December 1, 9 2005,)) requiring that all nightclubs be provided with an automatic 10 sprinkler system. Rules adopted by the council shall consider 11 applicable nationally recognized fire and building code standards and 12 local conditions <u>and require that the automatic sprinkler systems be</u> 13 <u>installed by December 1, 2009</u>.

14 ((By December 15, 2005,)) (2) The council shall transmit to the 15 fire protection policy board copies of the rules as adopted. The fire 16 protection policy board shall respond to the council ((by February 15, 2006)) within sixty days after receipt of the rules. If changes are 18 recommended by the fire protection policy board the council shall immediately consider those changes to the rules through its rule-making
procedures. ((The rules shall be effective December 1, 2007.))

Sec. 2. RCW 19.27.510 and 2005 c 148 s 2 are each amended to read 3 4 as follows: As used in this chapter: 5 6 "Nightclub" means an ((establishment, other than a theater with 7 fixed seating, which is characterized by all of the following: 8 (1) Provides live entertainment by paid performing artists or by 9 way of recorded music conducted by a person employed or engaged to do 10 <del>soi</del> 11 (2) Has as its primary source of revenue (a) the sale of beverages 12 of any kind for consumption on the premises, (b) cover charges, or (c) 13 both; and 14 (3) Has an occupant load of one hundred or more where the occupant 15 load for any portion of the occupancy is calculated at one person per 16 ten square feet or less, excluding the entry foyer)) A-2 occupancy use 17 under the 2006 international building code in which the aggregate area of concentrated use of unfixed chairs and standing space that is 18 specifically designated and primarily used for dancing or viewing 19 20 performers exceeds three hundred fifty square feet, excluding adjacent 21 lobby areas. "Nightclub" does not include theaters with fixed seating, banquet halls, or lodge halls. 22 23 Sec. 3. RCW 84.36.660 and 2005 c 148 s 4 are each amended to read 24 as follows: 25 (1) Prior to installation of an automatic sprinkler system under RCW 19.27.500 through 19.27.520, an owner or lessee of real property 26 who meets the requirements of this section may apply to the assessor of 27 the county in which the <u>real</u> property is located for a special property 28

30 the department of revenue and supplied by the county assessor.

31 (a)(i) If a lessee of the real property has paid for all expenses 32 associated with the installation and purchase of the automatic 33 sprinkler system, then the benefit of the exemption must inure to the 34 lessee.

tax exemption. This application shall be made upon forms prescribed by

35 (ii) A lessee, otherwise eligible to receive the benefit of the
 36 exemption under this section, is entitled to receive such benefit only

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1 to the extent that the lessee maintains a valid lease agreement with 2 the property owner for the property in which the automatic sprinkler 3 system was installed pursuant to RCW 19.27.500.

4 (b)(i) No person is entitled to receive an exemption under this
5 section if credit has been earned under section 4 of this act.

6 (ii) An exemption may be granted under this section only to the 7 property owner or lessee that pays for all expenses associated with the 8 installation and purchase of the automatic sprinkler system. In no 9 event may both the property owner and the lessee receive an exemption 10 under this section in the same calendar year for the installation and 11 purchase of the same automatic sprinkler system.

12 (c) After December 31, 2009, no new application for a special tax 13 exemption under this section may be: Made by a property owner or 14 lessee; or accepted by the department.

15 (2) As used in this chapter, "special property tax exemption" means 16 the determination of the assessed value of the <u>real</u> property 17 subtracting, for ten years, the increase in value attributable to the 18 installation of an automatic sprinkler system under RCW 19.27.500 19 through 19.27.520.

(3) The county assessor shall, for ten consecutive assessment years
following the calendar year in which application is made, place a
special property tax exemption on property classified as eligible.

23 <u>NEW SECTION.</u> Sec. 4. A new section is added to chapter 82.04 RCW 24 to read as follows:

(1) In computing the tax imposed under this chapter, a credit is allowed for the costs of purchasing and installing an automatic sprinkler system required under RCW 19.27.500, as provided in this section.

(2) A person taking the credit under this section is subject to all
 the requirements of chapter 82.32 RCW. A credit may be carried over
 until used. No refunds may be granted for credits under this section.

32 (3) No credit may be earned under this section if, with respect to 33 the sprinkler system, an application for a special property tax 34 exemption under RCW 84.36.660 has been made to the local assessor, and 35 the assessor has not yet ruled on the application. No credit may be 36 earned under this section if the assessor has exempted the sprinkler 37 system property under RCW 84.36.660.

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(4) No credit may be earned under this section after December 31,
 2009.

3 <u>NEW SECTION.</u> Sec. 5. This act is necessary for the immediate 4 preservation of the public peace, health, or safety, or support of the 5 state government and its existing public institutions, and takes effect 6 July 1, 2007.

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