S-0739.4			

SENATE BILL 5832

State of Washington 60th Legislature 2007 Regular Session

By Senators Kohl-Welles, Clements, Keiser and Kline

time 02/02/2007. Referred to Committee on Labor, first Commerce, Research & Development.

- AN ACT Relating to the installation of automatic sprinkler systems 1 2 in nightclubs; amending RCW 19.27.500, 19.27.510, and 84.36.660; adding 3 a new section to chapter 82.04 RCW; providing an effective date; and
- declaring an emergency. 4
- 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, 2005,)) requiring that all nightclubs be provided with an automatic 9 10 sprinkler system. Rules adopted by the council shall consider applicable nationally recognized fire and building code standards and 11 local conditions and require that the automatic sprinkler systems be 12
- 13 installed by December 1, 2009.
- ((By December 15, 2005,)) (2) The council shall transmit to the 14 fire protection policy board copies of the rules as adopted. 15 16 protection policy board shall respond to the council ((by February 15, 2006)) within sixty days after receipt of the rules. If changes are 17
- recommended by the fire protection policy board the council shall 18

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- 1 immediately consider those changes to the rules through its rule-making
- 2 procedures. ((The rules shall be effective December 1, 2007.))
- 3 **Sec. 2.** RCW 19.27.510 and 2005 c 148 s 2 are each amended to read 4 as follows:
- 5 As used in this chapter:

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- 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 so;
- 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:
 - (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 who meets the requirements of this section may apply to the assessor of the county in which the real property is located for a special property tax exemption. This application shall be made upon forms prescribed by the department of revenue and supplied by the county assessor.
- 31 <u>(a)(i) If a lessee of the real property has paid for all expenses</u>
 32 <u>associated with the installation and purchase of the automatic</u>
 33 <u>sprinkler system, then the benefit of the exemption must inure to the</u>
 34 lessee.
- (ii) A lessee, otherwise eligible to receive the benefit of the exemption under this section, is entitled to receive such benefit only

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

- (b)(i) No person is entitled to receive an exemption under this section if credit has been earned under section 4 of this act.
- (ii) An exemption may be granted under this section only to the property owner or lessee that pays for all expenses associated with the installation and purchase of the automatic sprinkler system. In no event may both the property owner and the lessee receive an exemption under this section in the same calendar year for the installation and purchase of the same automatic sprinkler system.
- (c) After December 31, 2009, no new application for a special tax exemption under this section may be: Made by a property owner or lessee; or accepted by the department.
 - (2) As used in this chapter, "special property tax exemption" means the determination of the assessed value of the <u>real</u> property subtracting, for ten years, the increase in value attributable to the installation of an automatic sprinkler system under RCW 19.27.500 through 19.27.520.
- 20 (3) The county assessor shall, for ten consecutive assessment years 21 following the calendar year in which application is made, place a 22 special property tax exemption on property classified as eligible.
- NEW SECTION. Sec. 4. A new section is added to chapter 82.04 RCW 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.
 - (3) No credit may be earned under this section if, with respect to the sprinkler system, an application for a special property tax exemption under RCW 84.36.660 has been made to the local assessor, and the assessor has not yet ruled on the application. No credit may be earned under this section if the assessor has exempted the sprinkler system property under RCW 84.36.660.

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1 (4) No credit may be earned under this section after December 31, 2 2009.

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

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