
ENGROSSED SUBSTITUTE HOUSE BILL 2192 - Corrected Copy

State of Washington

55th Legislature

1997 Regular Session

By House Committee on Trade & Economic Development (originally sponsored by Representatives Van Luvan and Wolfe; by request of Governor Locke)

Read first time 03/05/97.

1 AN ACT Relating to a mechanism for financing stadium and exhibition
2 centers and education technology grants; amending RCW 82.29A.130,
3 67.70.240, 67.70.042, 39.42.060, 43.79A.040, 36.38.010, 36.32.235,
4 39.04.010, 39.10.120, 67.28.180, and 82.14.049; reenacting and amending
5 RCW 42.17.310; adding a new section to chapter 82.08 RCW; adding a new
6 section to chapter 82.14 RCW; adding new sections to chapter 67.70 RCW;
7 adding new sections to chapter 43.330 RCW; adding a new section to
8 chapter 36.38 RCW; adding a new section to chapter 39.30 RCW; adding a
9 new chapter to Title 36 RCW; adding a new chapter to Title 43 RCW;
10 creating new sections; providing a contingent expiration date;
11 providing for the submission of certain sections of this act to a vote
12 of the people; and declaring an emergency.

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

14

PART I

15

AUTHORITY CREATION AND POWERS

16 NEW SECTION. **Sec. 101.** The definitions in this section apply
17 throughout this chapter unless the context clearly requires otherwise.

1 (1) "Design" includes architectural, engineering, and other related
2 professional services.

3 (2) "Develop" means, generally, the process of planning, designing,
4 financing, constructing, owning, operating, and leasing a project such
5 as a stadium and exhibition center.

6 (3) "Permanent seat license" means a transferable license sold to
7 a third party that, subject to certain conditions, restrictions, and
8 limitations, entitles the third party to purchase a season ticket to
9 professional football games of the professional football team played in
10 the stadium and exhibition center for so long as the team plays its
11 games in that facility.

12 (4) "Preconstruction" includes negotiations, including negotiations
13 with any team affiliate, planning, studies, design, and other
14 activities reasonably necessary before constructing a stadium and
15 exhibition center.

16 (5) "Professional football team" means a team that is a member of
17 the national football league or similar professional football
18 association.

19 (6) "Public stadium authority operation" means the formation and
20 ongoing operation of the public stadium authority, including the hiring
21 of employees, agents, attorneys, and other contractors, and the
22 acquisition and operation of office facilities.

23 (7) "Site acquisition" means the purchase or other acquisition of
24 any interest in real property including fee simple interests and
25 easements, which property interests constitute the site for a stadium
26 and exhibition center.

27 (8) "Site preparation" includes demolition of existing
28 improvements, environmental remediation, site excavation, shoring, and
29 construction and maintenance of temporary traffic and pedestrian
30 routing.

31 (9) "Stadium and exhibition center" means an open-air stadium
32 suitable for national football league football and for Olympic and
33 world cup soccer, with adjacent exhibition facilities, together with
34 associated parking facilities and other ancillary facilities.

35 (10) "Team affiliate" means a professional football team that will
36 use the stadium and exhibition center, and any affiliate of the team
37 designated by the team. An "affiliate of the team" means any person or
38 entity that controls, is controlled by, or is under common control with
39 the team.

1 NEW SECTION. **Sec. 102.** (1) A public stadium authority may be
2 created in any county that has entered into a letter of intent relating
3 to the development of a stadium and exhibition center under chapter
4 . . . , Laws of 1997 (this act) with a team affiliate or an entity that
5 has a contractual right to become a team affiliate.

6 (2) A public stadium authority shall be created upon adoption of a
7 resolution providing for the creation of such an authority by the
8 county legislative authority in which the proposed authority is
9 located.

10 (3) A public stadium authority shall constitute a body corporate
11 and shall possess all the usual powers of a corporation for public
12 purposes as well as all other powers that may now or hereafter be
13 specifically conferred by statute, including, but not limited to, the
14 authority to hire employees, staff, and services, to enter into
15 contracts, and to sue and be sued.

16 (4) The legislative authority of the county in which the public
17 stadium authority is located, or the council of any city located in
18 that county, may transfer property to the public stadium authority
19 created under this chapter. Property encumbered by debt may be
20 transferred by a county legislative authority or a city council to a
21 public stadium authority created to develop a stadium and exhibition
22 center under section 105 of this act, but obligation for payment of the
23 debt may not be transferred.

24 NEW SECTION. **Sec. 103.** (1) A public stadium authority shall be
25 governed by a board of directors consisting of seven members appointed
26 by the governor. The speaker of the house of representatives, the
27 minority leader of the house of representatives, the majority leader of
28 the senate, and the minority leader of the senate shall each recommend
29 to the governor a person to be appointed to the board.

30 (2) Members of the board of directors shall serve four-year terms
31 of office, except that three of the initial seven board members shall
32 serve two-year terms of office. The governor shall designate the
33 initial terms of office for the initial members who are appointed.

34 (3) A vacancy shall be filled in the same manner as the original
35 appointment was made and the person appointed to fill a vacancy shall
36 serve for the remainder of the unexpired term of the office for the
37 position to which he or she was appointed.

1 (4) A director appointed by the governor may be removed from office
2 by the governor.

3 NEW SECTION. **Sec. 104.** (1) There is created a public stadium
4 authority advisory committee comprised of five members. The advisory
5 committee consists of: The director of the office of financial
6 management, who shall serve as chair; two members appointed by the
7 house of representatives, one each appointed by the speaker of the
8 house of representatives and the minority leader of the house of
9 representatives; and two members appointed by the senate, one each
10 appointed by the majority leader of the senate and the minority leader
11 of the senate.

12 (2) The advisory committee, prior to the final approval of any
13 lease with the master tenant or sale of stadium naming rights, shall
14 review and comment on the proposed lease agreement or sale of stadium
15 naming rights.

16 NEW SECTION. **Sec. 105.** (1) The public stadium authority is
17 authorized to acquire, construct, own, remodel, maintain, equip,
18 reequip, repair, and operate a stadium and exhibition center as defined
19 in section 101 of this act.

20 (2) The public stadium authority may enter into agreements under
21 chapter 39.34 RCW for the joint provision and operation of a stadium
22 and exhibition center and may enter into contracts under chapter 39.34
23 RCW where any party to the contract provides and operates the stadium
24 and exhibition center for the other party or parties to the contract.

25 (3) Any employees of the public stadium authority shall be
26 unclassified employees not subject to the provisions of chapter 41.06
27 RCW and a public stadium authority may contract with a public or
28 private entity for the operation or management of the stadium and
29 exhibition center.

30 (4) The public stadium authority is authorized to use the
31 alternative supplemental public works contracting procedures set forth
32 in chapter 39.10 RCW in connection with the design, construction,
33 reconstruction, remodel, or alteration of a stadium and exhibition
34 center.

35 (5) The public stadium authority may impose charges and fees for
36 the use of the stadium and exhibition center, and may accept and expend
37 or use gifts, grants, and donations.

1 (6) The public stadium authority shall comply with the prevailing
2 wage requirements of chapter 39.12 RCW and goals established for women
3 and minority-business participation for the county.

4 NEW SECTION. **Sec. 106.** In addition to other powers and
5 restrictions on a public stadium authority, the following apply to a
6 public stadium authority created to develop a stadium and exhibition
7 center under section 105 of this act:

8 (1) The public stadium authority, in consultation with the team
9 affiliate, shall have the authority to determine the stadium and
10 exhibition center site;

11 (2) The public stadium authority, in consultation with the team
12 affiliate, shall have the authority to establish the overall scope of
13 the stadium and exhibition center project, including, but not limited
14 to, stadium and exhibition center itself, associated exhibition
15 facilities, associated parking facilities, associated retail and office
16 development that are part of the stadium and exhibition center, and
17 ancillary services and facilities;

18 (3) The public stadium authority, in consultation with the team
19 affiliate, shall have the authority to make the final determination of
20 the stadium and exhibition center overall design and specification;

21 (4) The public stadium authority shall have the authority to
22 contract with a team affiliate for the provision of architectural,
23 engineering, environmental, and other professional services related to
24 the stadium and exhibition center site, design options, required
25 environmental studies, and necessary permits for the stadium and
26 exhibition center;

27 (5) The public stadium authority, in consultation with the team
28 affiliate, shall have the authority to establish the project budget on
29 the stadium and exhibition center project;

30 (6) The public stadium authority, in consultation with the team
31 affiliate, shall have the authority to make recommendations to the
32 state finance committee regarding the structure of the financing of the
33 stadium and exhibition center project;

34 (7) The public stadium authority shall have the authority to enter
35 into a development agreement with a team affiliate whereby the team
36 affiliate may control the development of the stadium and exhibition
37 center project, consistent with subsections (1) through (6) of this
38 section, in consideration of which the team affiliate assumes the risk

1 of costs of development that are in excess of the project budget
2 established under subsection (5) of this section. Under the
3 development agreement, the team affiliate shall determine bidding
4 specifications and requirements, and other aspects of development.
5 Under the development agreement, the team affiliate shall determine
6 procurement procedures and other aspects of development, and shall
7 select and engage an architect or architects and a contractor or
8 contractors for the stadium and exhibition center project, provided
9 that the construction, alterations, repairs, or improvements of the
10 stadium and exhibition center shall be subject to the prevailing wage
11 requirements of chapter 39.12 RCW and all phases of the development
12 shall be subject to the goals established for women and minority-
13 business participation for the county where the stadium and exhibition
14 center is located. The team affiliate shall, to the extent feasible,
15 hire local residents and in particular residents from the areas
16 immediately surrounding the stadium and exhibition center during the
17 construction and ongoing operation of the stadium and exhibition
18 center;

19 (8) The public stadium authority shall have the authority to enter
20 into a long-term lease agreement with a team affiliate whereby, in
21 consideration of the payment of fair rent and assumption of operating
22 and maintenance responsibilities, risk, legal liability, and costs
23 associated with the stadium and exhibition center, the team affiliate
24 becomes the sole master tenant of the stadium and exhibition center.
25 The master tenant lease agreement must require the team affiliate to
26 publicly disclose, on an annual basis, an audited profit and loss
27 financial statement. The team affiliate shall provide a guarantee,
28 security, or a letter of credit from a person or entity with a net
29 worth in excess of one hundred million dollars that guarantees a
30 maximum of ten years' payments of fair rent under the lease in the
31 event of the bankruptcy or insolvency of the team affiliate. The
32 master tenant shall have the power to sublease and enter into use,
33 license, and concession agreements with various users of the stadium
34 and exhibition center including the professional football team, and the
35 master tenant has the right to name the stadium and exhibition center,
36 subject to section 107 of this act. The master tenant shall meet
37 goals, established by the county where the stadium and exhibition
38 center is located, for women and minority employment for the operation
39 of the stadium and exhibition center. Except as provided in subsection

1 (10) of this section, the master tenant shall have the right to retain
2 revenues derived from the operation of the stadium and exhibition
3 center, including revenues from the sublease and uses, license and
4 concession agreements, revenues from suite licenses, concessions,
5 advertising, long-term naming rights subject to section 107 of this
6 act, and parking revenue. If federal law permits interest on bonds
7 issued to finance the stadium and exhibition center to be treated as
8 tax exempt for federal income tax purposes, the public stadium
9 authority and the team affiliate shall endeavor to structure and limit
10 the amounts, sources, and uses of any payments received by the state,
11 the county, the public stadium authority, or any related governmental
12 entity for the use or in respect to the stadium and exhibition center
13 in such a manner as to permit the interest on those bonds to be tax
14 exempt. As used in this subsection, "fair rent" is solely intended to
15 cover the reasonable operating expenses of the public stadium authority
16 and shall be not less than eight hundred fifty thousand dollars per
17 year with annual increases based on the consumer price index;

18 (9) Subject to section 210(2)(b)(ix) of this act, the public
19 stadium authority may reserve the right to discuss profit sharing from
20 the stadium and exhibition center from sources that have not been
21 identified at the time the long-term lease agreement is executed;

22 (10) The master tenant may retain an amount to cover the actual
23 cost of preparing the stadium and exhibition center for activities
24 involving the Olympic Games and world cup soccer. Revenues derived
25 from the operation of the stadium and exhibition center for activities
26 identified in this subsection that exceed the master tenant's actual
27 costs of preparing, operating, and restoring the stadium and exhibition
28 center must be deposited into the tourism development and promotion
29 account created in section 223 of this act;

30 (11) The public stadium authority, in consultation with a public
31 facilities district that is located within the county, shall work to
32 eliminate the use of the stadium and exhibition center for events
33 during the same time as events are held in the baseball stadium as
34 defined in RCW 82.14.0485;

35 (12) The public stadium authority, in consultation with the team
36 affiliate, must work to secure the hosting of a Super Bowl, if the
37 hosting requirements are changed by the national football league or
38 similar professional football association;

1 (13) The public stadium authority shall work with surrounding areas
2 to mitigate the impact of the construction and operation of the stadium
3 and exhibition center;

4 (14) The public stadium authority, in consultation with the office
5 of financial management, shall negotiate filming rights of the
6 demolition of the existing domed stadium on the stadium and exhibition
7 center site. All revenues derived from the filming of the demolition
8 of the existing domed stadium shall be deposited into the film and
9 video promotion account created in section 222 of this act; and

10 (15) The public stadium authority shall have the authority, upon
11 the agreement of the team affiliate, to sell permanent seat licenses,
12 and the team affiliate may act as the sales agent for this purpose.

13 NEW SECTION. **Sec. 107.** Revenues from the sales of naming rights
14 of a stadium and exhibition center developed under section 105 of this
15 act may only be used for costs associated with capital improvements
16 associated with modernization and maintenance of the stadium and
17 exhibition center. The sales of naming rights are subject to the
18 reasonable approval of the public stadium authority.

19 NEW SECTION. **Sec. 108.** A public stadium authority may accept and
20 expend moneys that may be donated for the purpose of a stadium and
21 exhibition center.

22 NEW SECTION. **Sec. 109.** (1) The public stadium authority, the
23 county, and the city, if any, in which the stadium and exhibition
24 center is to be located shall enter into one or more agreements
25 regarding the construction of a stadium and exhibition center. The
26 agreements shall address, but not be limited to:

27 (a) Expedited permit processing for the design and construction of
28 the stadium and exhibition center project;

29 (b) Expedited environmental review processing;

30 (c) Expedited processing of requests for street, right of way, or
31 easement vacations necessary for the construction of the stadium and
32 exhibition center project; and

33 (d) Other items deemed necessary for the design and construction of
34 the stadium and exhibition center project.

35 (2) The county shall assemble such real property and associated
36 personal property as the public stadium authority and the county

1 mutually determine to be necessary as a site for the stadium and
2 exhibition center. Property that is necessary for this purpose that is
3 owned by the county on or after the effective date of this section
4 shall be contributed to the authority, and property that is necessary
5 for this purpose that is acquired by the county on or after the
6 effective date of this section shall be conveyed to the authority.
7 Property that is encumbered by debt may be transferred by the county to
8 the authority, but obligation for payment of the debt may not be
9 transferred.

10 (3) A new exhibition facility of at least three hundred twenty-five
11 thousand square feet, with adequate on-site parking, shall be
12 constructed and operational before any domed stadium in the county is
13 demolished or rendered unusable. Demolition of any existing structure
14 and construction of the stadium and exhibition center shall be
15 reasonably executed in a manner that minimizes impacts, including
16 access and parking, upon existing facilities, users, and neighborhoods.
17 No county or city may exercise authority under any landmarks
18 preservation statute or ordinance in order to prevent or delay the
19 demolition of any existing domed stadium at the site of the stadium and
20 exhibition center.

21 NEW SECTION. **Sec. 110.** A public stadium authority may acquire and
22 transfer real and personal property by lease, sublease, purchase, or
23 sale.

24 NEW SECTION. **Sec. 111.** (1) The board of directors of the public
25 stadium authority shall adopt a resolution that may be amended from
26 time to time that shall establish the basic requirements governing
27 methods and amounts of reimbursement payable to such authority and
28 employees for travel and other business expenses incurred on behalf of
29 the authority. The resolution shall, among other things, establish
30 procedures for approving such expenses; the form of the travel and
31 expense voucher; and requirements governing the use of credit cards
32 issued in the name of the authority. The resolution may also establish
33 procedures for payment of per diem to board members. The state auditor
34 shall, as provided by general law, cooperate with the public stadium
35 authority in establishing adequate procedures for regulating and
36 auditing the reimbursement of all such expenses.

1 (2) The board of directors shall transmit a copy of the adopted
2 annual operating budget of the public stadium authority to the governor
3 and the majority leader and minority leader of the house of
4 representatives and the senate. The budget information shall include,
5 but is not limited to a statement of income and expenses of the public
6 stadium authority.

7 NEW SECTION. **Sec. 112.** The board of directors of the public
8 stadium authority may authorize payment of actual and necessary
9 expenses of officers and employees for lodging, meals, and travel-
10 related costs incurred in attending meetings or conferences on behalf
11 of the public stadium authority and strictly in the public interest and
12 for public purposes. Officers and employees may be advanced sufficient
13 sums to cover their anticipated expenses in accordance with rules
14 adopted by the state auditor, which shall substantially conform to the
15 procedures provided in RCW 43.03.150 through 43.03.210.

16 NEW SECTION. **Sec. 113.** Each member of the board of directors of
17 the public stadium authority may receive compensation of fifty dollars
18 per day for attending meetings or conferences on behalf of the
19 authority, not to exceed three thousand dollars per year. A director
20 may waive all or a portion of his or her compensation under this
21 section as to a month or months during his or her term of office, by a
22 written waiver filed with the public stadium authority. The
23 compensation provided in this section is in addition to reimbursement
24 for expenses paid to the directors by the public stadium authority.

25 NEW SECTION. **Sec. 114.** The board of directors of the public
26 stadium authority may purchase liability insurance with such limits as
27 the directors may deem reasonable for the purpose of protecting and
28 holding personally harmless authority officers and employees against
29 liability for personal or bodily injuries and property damage arising
30 from their acts or omissions while performing or in good faith
31 purporting to perform their official duties.

32 NEW SECTION. **Sec. 115.** Whenever an action, claim, or proceeding
33 is instituted against a person who is or was an officer or employee of
34 the public stadium authority arising out of the performance of duties
35 for or employment with the authority, the public stadium authority may

1 grant a request by the person that the attorney of the authority's
2 choosing be authorized to defend the claim, suit, or proceeding, and
3 the costs of defense, attorneys' fees, and obligation for payments
4 arising from the action may be paid from the authority's funds. Costs
5 of defense or judgment or settlement against the person shall not be
6 paid in a case where the court has found that the person was not acting
7 in good faith or within the scope of employment with or duties for the
8 public stadium authority.

9 NEW SECTION. **Sec. 116.** The board of directors of the public
10 stadium authority shall have authority to authorize the expenditure of
11 funds for the public purposes of preparing and distributing information
12 to the general public about the stadium and exhibition center.

13 NEW SECTION. **Sec. 117.** The public stadium authority shall have
14 authority to create and fill positions, fix wages and salaries, pay
15 costs involved in securing or arranging to secure employees, and
16 establish benefits for employees, including holiday pay, vacations or
17 vacation pay, retirement benefits, medical, life, accident, or health
18 disability insurance, as approved by the board. Public stadium
19 authority board members, at their own expense, shall be entitled to
20 medical, life, accident, or health disability insurance. Insurance for
21 employees and board members shall not be considered compensation.
22 Authority coverage for the board is not to exceed that provided public
23 stadium authority employees.

24 NEW SECTION. **Sec. 118.** The public stadium authority may secure
25 services by means of an agreement with a service provider. The public
26 stadium authority shall publish notice, establish criteria, receive and
27 evaluate proposals, and negotiate with respondents under requirements
28 set forth by authority resolution.

29 NEW SECTION. **Sec. 119.** The public stadium authority may refuse to
30 disclose financial information on the master tenant, concessioners, the
31 team affiliate, or subleasee under RCW 42.17.310.

32 **Sec. 120.** RCW 42.17.310 and 1996 c 305 s 2, 1996 c 253 s 302, 1996
33 c 191 s 88, and 1996 c 80 s 1 are each reenacted and amended to read as
34 follows:

1 (1) The following are exempt from public inspection and copying:

2 (a) Personal information in any files maintained for students in
3 public schools, patients or clients of public institutions or public
4 health agencies, or welfare recipients.

5 (b) Personal information in files maintained for employees,
6 appointees, or elected officials of any public agency to the extent
7 that disclosure would violate their right to privacy.

8 (c) Information required of any taxpayer in connection with the
9 assessment or collection of any tax if the disclosure of the
10 information to other persons would (i) be prohibited to such persons by
11 RCW 82.32.330 or (ii) violate the taxpayer's right to privacy or result
12 in unfair competitive disadvantage to the taxpayer.

13 (d) Specific intelligence information and specific investigative
14 records compiled by investigative, law enforcement, and penology
15 agencies, and state agencies vested with the responsibility to
16 discipline members of any profession, the nondisclosure of which is
17 essential to effective law enforcement or for the protection of any
18 person's right to privacy.

19 (e) Information revealing the identity of persons who are witnesses
20 to or victims of crime or who file complaints with investigative, law
21 enforcement, or penology agencies, other than the public disclosure
22 commission, if disclosure would endanger any person's life, physical
23 safety, or property. If at the time a complaint is filed the
24 complainant, victim or witness indicates a desire for disclosure or
25 nondisclosure, such desire shall govern. However, all complaints filed
26 with the public disclosure commission about any elected official or
27 candidate for public office must be made in writing and signed by the
28 complainant under oath.

29 (f) Test questions, scoring keys, and other examination data used
30 to administer a license, employment, or academic examination.

31 (g) Except as provided by chapter 8.26 RCW, the contents of real
32 estate appraisals, made for or by any agency relative to the
33 acquisition or sale of property, until the project or prospective sale
34 is abandoned or until such time as all of the property has been
35 acquired or the property to which the sale appraisal relates is sold,
36 but in no event shall disclosure be denied for more than three years
37 after the appraisal.

1 (h) Valuable formulae, designs, drawings, and research data
2 obtained by any agency within five years of the request for disclosure
3 when disclosure would produce private gain and public loss.

4 (i) Preliminary drafts, notes, recommendations, and intra-agency
5 memorandums in which opinions are expressed or policies formulated or
6 recommended except that a specific record shall not be exempt when
7 publicly cited by an agency in connection with any agency action.

8 (j) Records which are relevant to a controversy to which an agency
9 is a party but which records would not be available to another party
10 under the rules of pretrial discovery for causes pending in the
11 superior courts.

12 (k) Records, maps, or other information identifying the location of
13 archaeological sites in order to avoid the looting or depredation of
14 such sites.

15 (l) Any library record, the primary purpose of which is to maintain
16 control of library materials, or to gain access to information, which
17 discloses or could be used to disclose the identity of a library user.

18 (m) Financial information supplied by or on behalf of a person,
19 firm, or corporation for the purpose of qualifying to submit a bid or
20 proposal for (i) a ferry system construction or repair contract as
21 required by RCW 47.60.680 through 47.60.750 or (ii) highway
22 construction or improvement as required by RCW 47.28.070.

23 (n) Railroad company contracts filed prior to July 28, 1991, with
24 the utilities and transportation commission under RCW 81.34.070, except
25 that the summaries of the contracts are open to public inspection and
26 copying as otherwise provided by this chapter.

27 (o) Financial and commercial information and records supplied by
28 private persons pertaining to export services provided pursuant to
29 chapter 43.163 RCW and chapter 53.31 RCW, and by persons pertaining to
30 export projects pursuant to RCW 43.23.035.

31 (p) Financial disclosures filed by private vocational schools under
32 chapters 28B.85 and 28C.10 RCW.

33 (q) Records filed with the utilities and transportation commission
34 or attorney general under RCW 80.04.095 that a court has determined are
35 confidential under RCW 80.04.095.

36 (r) Financial and commercial information and records supplied by
37 businesses or individuals during application for loans or program
38 services provided by chapters 43.163, 43.160, 43.330, and 43.168 RCW,

1 or during application for economic development loans or program
2 services provided by any local agency.

3 (s) Membership lists or lists of members or owners of interests of
4 units in timeshare projects, subdivisions, camping resorts,
5 condominiums, land developments, or common-interest communities
6 affiliated with such projects, regulated by the department of
7 licensing, in the files or possession of the department.

8 (t) All applications for public employment, including the names of
9 applicants, resumes, and other related materials submitted with respect
10 to an applicant.

11 (u) The residential addresses and residential telephone numbers of
12 employees or volunteers of a public agency which are held by the agency
13 in personnel records, employment or volunteer rosters, or mailing lists
14 of employees or volunteers.

15 (v) The residential addresses and residential telephone numbers of
16 the customers of a public utility contained in the records or lists
17 held by the public utility of which they are customers.

18 (w)(i) The federal social security number of individuals governed
19 under chapter 18.130 RCW maintained in the files of the department of
20 health, except this exemption does not apply to requests made directly
21 to the department from federal, state, and local agencies of
22 government, and national and state licensing, credentialing,
23 investigatory, disciplinary, and examination organizations; (ii) the
24 current residential address and current residential telephone number of
25 a health care provider governed under chapter 18.130 RCW maintained in
26 the files of the department, if the provider requests that this
27 information be withheld from public inspection and copying, and
28 provides to the department an accurate alternate or business address
29 and business telephone number. On or after January 1, 1995, the
30 current residential address and residential telephone number of a
31 health care provider governed under RCW 18.130.140 maintained in the
32 files of the department shall automatically be withheld from public
33 inspection and copying unless the provider specifically requests the
34 information be released, and except as provided for under RCW
35 42.17.260(9).

36 (x) Information obtained by the board of pharmacy as provided in
37 RCW 69.45.090.

1 (y) Information obtained by the board of pharmacy or the department
2 of health and its representatives as provided in RCW 69.41.044,
3 69.41.280, and 18.64.420.

4 (z) Financial information, business plans, examination reports, and
5 any information produced or obtained in evaluating or examining a
6 business and industrial development corporation organized or seeking
7 certification under chapter 31.24 RCW.

8 (aa) Financial and commercial information supplied to the state
9 investment board by any person when the information relates to the
10 investment of public trust or retirement funds and when disclosure
11 would result in loss to such funds or in private loss to the providers
12 of this information.

13 (bb) Financial and valuable trade information under RCW 51.36.120.

14 (cc) Client records maintained by an agency that is a domestic
15 violence program as defined in RCW 70.123.020 or 70.123.075 or a rape
16 crisis center as defined in RCW 70.125.030.

17 (dd) Information that identifies a person who, while an agency
18 employee: (i) Seeks advice, under an informal process established by
19 the employing agency, in order to ascertain his or her rights in
20 connection with a possible unfair practice under chapter 49.60 RCW
21 against the person; and (ii) requests his or her identity or any
22 identifying information not be disclosed.

23 (ee) Investigative records compiled by an employing agency
24 conducting a current investigation of a possible unfair practice under
25 chapter 49.60 RCW or of a possible violation of other federal, state,
26 or local laws prohibiting discrimination in employment.

27 (ff) Business related information protected from public inspection
28 and copying under RCW 15.86.110.

29 (gg) Financial, commercial, operations, and technical and research
30 information and data submitted to or obtained by the clean Washington
31 center in applications for, or delivery of, program services under
32 chapter 70.95H RCW.

33 (hh) Information and documents created specifically for, and
34 collected and maintained by a quality improvement committee pursuant to
35 RCW 43.70.510, regardless of which agency is in possession of the
36 information and documents.

37 (ii) Personal information in files maintained in a data base
38 created under RCW 43.07.360.

1 (2) The department of revenue shall issue a sales and use tax
2 deferral certificate for state and local sales and use taxes due under
3 chapters 82.08, 82.12, and 82.14 RCW on the public facility.

4 (3) The public stadium authority shall begin paying the deferred
5 taxes in the fifth year after the date certified by the department of
6 revenue as the date on which the stadium and exhibition center is
7 operationally complete. The first payment is due on December 31st of
8 the fifth calendar year after such certified date, with subsequent
9 annual payments due on December 31st of the following nine years. Each
10 payment shall equal ten percent of the deferred tax.

11 (4) The department of revenue may authorize an accelerated
12 repayment schedule upon request of the public stadium authority.

13 (5) Interest shall not be charged on any taxes deferred under this
14 section for the period of deferral, although all other penalties and
15 interest applicable to delinquent excise taxes may be assessed and
16 imposed for delinquent payments under this section. The debt for
17 deferred taxes is not extinguished by insolvency or other failure of
18 the public stadium authority.

19 (6) The repayment of deferred taxes and interest, if any, shall be
20 deposited into the stadium and exhibition center account created in
21 section 214 of this act and used to retire bonds issued under section
22 210 of this act to finance the construction of the stadium and
23 exhibition center.

24 (7) Applications and any other information received by the
25 department of revenue under this section are not confidential and are
26 subject to disclosure. Chapter 82.32 RCW applies to the administration
27 of this section.

28 **Sec. 202.** RCW 82.29A.130 and 1995 3rd sp.s. c 1 s 307 are each
29 amended to read as follows:

30 The following leasehold interests shall be exempt from taxes
31 imposed pursuant to RCW 82.29A.030 and 82.29A.040:

32 (1) All leasehold interests constituting a part of the operating
33 properties of any public utility which is assessed and taxed as a
34 public utility pursuant to chapter 84.12 RCW.

35 (2) All leasehold interests in facilities owned or used by a
36 school, college or university which leasehold provides housing for
37 students and which is otherwise exempt from taxation under provisions
38 of RCW 84.36.010 and 84.36.050.

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

5 (4) All leasehold interests used for fair purposes of a nonprofit
6 fair association that sponsors or conducts a fair or fairs which
7 receive support from revenues collected pursuant to RCW 67.16.100 and
8 allocated by the director of the department of agriculture where the
9 fee ownership of such property is vested in the government of the
10 United States, the state of Washington or any of its political
11 subdivisions: PROVIDED, That this exemption shall not apply to the
12 leasehold interest of any sublessee of such nonprofit fair association
13 if such leasehold interest would be taxable if it were the primary
14 lease.

15 (5) All leasehold interests in any property of any public entity
16 used as a residence by an employee of that public entity who is
17 required as a condition of employment to live in the publicly owned
18 property.

19 (6) All leasehold interests held by enrolled Indians of lands owned
20 or held by any Indian or Indian tribe where the fee ownership of such
21 property is vested in or held in trust by the United States and which
22 are not subleased to other than to a lessee which would qualify
23 pursuant to this chapter, RCW 84.36.451 and 84.40.175.

24 (7) All leasehold interests in any real property of any Indian or
25 Indian tribe, band, or community that is held in trust by the United
26 States or is subject to a restriction against alienation imposed by the
27 United States: PROVIDED, That this exemption shall apply only where it
28 is determined that contract rent paid is greater than or equal to
29 ninety percent of fair market rental, to be determined by the
30 department of revenue using the same criteria used to establish taxable
31 rent in RCW 82.29A.020(2)(b).

32 (8) All leasehold interests for which annual taxable rent is less
33 than two hundred fifty dollars per year. For purposes of this
34 subsection leasehold interests held by the same lessee in contiguous
35 properties owned by the same lessor shall be deemed a single leasehold
36 interest.

37 (9) All leasehold interests which give use or possession of the
38 leased property for a continuous period of less than thirty days:
39 PROVIDED, That for purposes of this subsection, successive leases or

1 lease renewals giving substantially continuous use of possession of the
2 same property to the same lessee shall be deemed a single leasehold
3 interest: PROVIDED FURTHER, That no leasehold interest shall be deemed
4 to give use or possession for a period of less than thirty days solely
5 by virtue of the reservation by the public lessor of the right to use
6 the property or to allow third parties to use the property on an
7 occasional, temporary basis.

8 (10) All leasehold interests under month-to-month leases in
9 residential units rented for residential purposes of the lessee pending
10 destruction or removal for the purpose of constructing a public highway
11 or building.

12 (11) All leasehold interests in any publicly owned real or personal
13 property to the extent such leasehold interests arises solely by virtue
14 of a contract for public improvements or work executed under the public
15 works statutes of this state or of the United States between the public
16 owner of the property and a contractor.

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

20 (13) All leasehold interests used to provide organized and
21 supervised recreational activities for disabled persons of all ages in
22 a camp facility and for public recreational purposes by a nonprofit
23 organization, association, or corporation that would be exempt from
24 property tax under RCW 84.36.030(1) if it owned the property. If the
25 publicly owned property is used for any taxable purpose, the leasehold
26 excise taxes set forth in RCW 82.29A.030 and 82.29A.040 shall be
27 imposed and shall be apportioned accordingly.

28 (14) All leasehold interests in the public or entertainment areas
29 of a baseball stadium with natural turf and a retractable roof or
30 canopy that is in a county with a population of over one million, that
31 has a seating capacity of over forty thousand, and that is constructed
32 on or after January 1, 1995. "Public or entertainment areas" include
33 ticket sales areas, ramps and stairs, lobbies and concourses, parking
34 areas, concession areas, restaurants, hospitality and stadium club
35 areas, kitchens or other work areas primarily servicing other public or
36 entertainment areas, public rest room areas, press and media areas,
37 control booths, broadcast and production areas, retail sales areas,
38 museum and exhibit areas, scoreboards or other public displays, storage
39 areas, loading, staging, and servicing areas, seating areas and suites,

1 the playing field, and any other areas to which the public has access
2 or which are used for the production of the entertainment event or
3 other public usage, and any other personal property used for these
4 purposes. "Public or entertainment areas" does not include locker
5 rooms or private offices exclusively used by the lessee.

6 (15) All leasehold interests in the public or entertainment areas
7 of a stadium and exhibition center, as defined in section 101 of this
8 act, that is constructed on or after January 1, 1998. For the purposes
9 of this subsection, "public or entertainment areas" has the same
10 meaning as in subsection (14) of this section, and includes exhibition
11 areas.

12 NEW SECTION. Sec. 203. A new section is added to chapter 82.08
13 RCW to read as follows:

14 The tax levied by RCW 82.08.020 does not apply to vehicle parking
15 charges that are subject to tax under section 302 of this act.

16 NEW SECTION. Sec. 204. A new section is added to chapter 82.14
17 RCW to read as follows:

18 (1) The legislative authority of a county that has created a public
19 stadium authority to develop a stadium and exhibition center under
20 section 105 of this act may impose a sales and use tax in accordance
21 with this chapter. The tax is in addition to other taxes authorized by
22 law and shall be collected from those persons who are taxable by the
23 state under chapters 82.08 and 82.12 RCW upon the occurrence of any
24 taxable event within the county. The rate of tax shall be 0.016
25 percent of the selling price in the case of a sales tax or value of the
26 article used in the case of a use tax.

27 (2) The tax imposed under subsection (1) of this section shall be
28 deducted from the amount of tax otherwise required to be collected or
29 paid over to the department of revenue under chapter 82.08 or 82.12
30 RCW. The department of revenue shall perform the collection of such
31 taxes on behalf of the county at no cost to the county.

32 (3) Before the issuance of bonds in section 210 of this act, all
33 revenues collected on behalf of the county under this section shall be
34 transferred to the public stadium authority. After bonds are issued
35 under section 210 of this act, all revenues collected on behalf of the
36 county under this section shall be deposited in the stadium and
37 exhibition center account under section 214 of this act.

1 (4) The definitions in section 101 of this act apply to this
2 section.

3 (5) This section expires on the earliest of the following dates:

4 (a) December 31, 1999, if the conditions for issuance of bonds
5 under section 210 of this act have not been met before that date;

6 (b) The date on which all bonds issued under section 210 of this
7 act have been retired; or

8 (c) Twenty-three years after the date the tax under this section is
9 first imposed.

10 NEW SECTION. **Sec. 205.** A new section is added to chapter 67.70
11 RCW to read as follows:

12 The lottery commission shall conduct new games that are in addition
13 to any games conducted under RCW 67.70.042 and are intended to generate
14 additional moneys sufficient to cover the distributions under RCW
15 67.70.240(5). No game may be conducted under this section before
16 January 1, 1998. No game may be conducted under this section after
17 December 31, 1999, unless the conditions for issuance of the bonds
18 under section 210(2) of this act are met, and no game is required to be
19 conducted after the distributions cease under RCW 67.70.240(5).

20 For the purposes of this section, the lottery may accept and market
21 prize promotions provided in conjunction with private-sector marketing
22 efforts.

23 **Sec. 206.** RCW 67.70.240 and 1995 3rd sp.s. c 1 s 105 are each
24 amended to read as follows:

25 The moneys in the state lottery account shall be used only:

26 (1) For the payment of prizes to the holders of winning lottery
27 tickets or shares;

28 (2) For purposes of making deposits into the reserve account
29 created by RCW 67.70.250 and into the lottery administrative account
30 created by RCW 67.70.260;

31 (3) For purposes of making deposits into the state's general fund;

32 (4) ~~((for purposes of making deposits into the housing trust fund
33 under the provisions of section 7 of this 1987 act; (5)))~~ For
34 distribution to a county for the purpose of paying the principal and
35 interest payments on bonds issued by the county to construct a baseball
36 stadium, as defined in RCW 82.14.0485, including reasonably necessary
37 preconstruction costs ~~((; (6) for the purchase and promotion of lottery~~

1 ~~games and game related services; and (7) for the payment of agent~~
2 ~~compensation)).~~ Three million dollars shall be distributed under this
3 ~~subsection ((5) of this section))~~ during calendar year 1996. During
4 subsequent years, such distributions shall equal the prior year's
5 distributions increased by four percent. Distributions under this
6 ~~subsection ((5) of this section))~~ shall cease when the bonds issued
7 for the construction of the baseball stadium are retired, but not more
8 than twenty years after the tax under RCW 82.14.0485 is first imposed;

9 (5) For distribution to the stadium and exhibition center account,
10 created in section 214 of this act. Subject to the conditions of
11 section 215 of this act, six million dollars shall be distributed under
12 this subsection during the calendar year 1998. During subsequent
13 years, such distribution shall equal the prior year's distributions
14 increased by four percent. No distribution may be made under this
15 subsection after December 31, 1999, unless the conditions for issuance
16 of the bonds under section 210(2) of this act are met. Distributions
17 under this subsection shall cease when the bonds are retired, but not
18 later than December 31, 2020;

19 (6) For the purchase and promotion of lottery games and game-
20 related services; and

21 (7) For the payment of agent compensation.

22 The office of financial management shall require the allotment of
23 all expenses paid from the account and shall report to the ways and
24 means committees of the senate and house of representatives any changes
25 in the allotments.

26 **Sec. 207.** RCW 67.70.042 and 1995 3rd sp.s. c 1 s 104 are each
27 amended to read as follows:

28 The lottery commission shall conduct at least two but not more than
29 four scratch games with sports themes per year. These games are
30 intended to generate additional moneys sufficient to cover the
31 distributions under RCW 67.70.240(~~((5))~~) (4).

32 NEW SECTION. **Sec. 208.** A new section is added to chapter 67.70
33 RCW to read as follows:

34 The person or entity responsible for operating a stadium and
35 exhibition center as defined in section 101 of this act shall promote
36 the lottery with any combination of in-kind advertising, sponsorship,
37 or prize promotions, valued at one million dollars annually beginning

1 January 1998 and increased by four percent each year thereafter for the
2 purpose of increasing lottery sales of games authorized under section
3 205 of this act. The content and value of the advertising sponsorship
4 or prize promotions are subject to reasonable approval in advance by
5 the lottery commission. The obligation of this section shall cease
6 when the distributions under RCW 67.70.240(5) end, but not later than
7 December 31, 2020.

8 NEW SECTION. **Sec. 209.** The definitions in section 101 of this act
9 apply to this chapter.

10 NEW SECTION. **Sec. 210.** (1) For the purpose of providing funds to
11 pay for operation of the public stadium authority created under section
12 102 of this act, to pay for the preconstruction, site acquisition,
13 design, site preparation, construction, owning, leasing, and equipping
14 of the stadium and exhibition center, and to reimburse the county or
15 the public stadium authority for its direct or indirect expenditures or
16 to repay other indebtedness incurred for these purposes, the state
17 finance committee is authorized to issue general obligation bonds of
18 the state of Washington in the sum of three hundred million dollars, or
19 so much thereof as may be required, for these purposes and all costs
20 incidental thereto. Bonds authorized in this section may be sold at
21 such price as the state finance committee shall determine.

22 (2) Bonds shall not be issued under this section unless the public
23 stadium authority has certified to the director of financial management
24 that:

25 (a) A professional football team has made a binding and legally
26 enforceable contractual commitment to play all of its regular season
27 and playoff home games in the stadium and exhibition center, other than
28 games scheduled elsewhere by the league, for a period of time not
29 shorter than the term of the bonds issued or to be issued to finance
30 the initial construction of the stadium and exhibition center;

31 (b) A team affiliate has entered into one or more binding and
32 legally enforceable contractual commitments with a public stadium
33 authority under section 105 of this act that provide that:

34 (i) The team affiliate assumes the risks of cost overruns;

35 (ii) The team affiliate shall raise at least one hundred million
36 dollars, less the amount, if any, raised by the public stadium
37 authority under section 106(15) of this act. The total one hundred

1 million dollars raised, which may include cash payments and in-kind
2 contributions, but does not include any interest earned on the escrow
3 account described in section 211 of this act, shall be applied toward
4 the reasonably necessary preconstruction, site acquisition, design,
5 site preparation, construction, and equipping of the stadium and
6 exhibition center, or to any associated public purpose separate from
7 bond-financed expenses. No part of the payment may be made without the
8 consent of the public stadium authority. In any event, all amounts to
9 be raised by the team affiliate under (b)(ii) of this subsection shall
10 be paid or expended before the completion of the construction of the
11 stadium and exhibition center. To the extent possible, contributions
12 shall be structured in a manner that would allow for the issuance of
13 bonds to construct the stadium and exhibition center that are exempt
14 from federal income taxes;

15 (iii) The team affiliate shall deposit at least ten million dollars
16 into the youth athletic facility grant account created in section 214
17 of this act upon execution of the lease and development agreements in
18 section 106 (7) and (8) of this act;

19 (iv) At least ten percent of the seats in the stadium for home
20 games of the professional football team shall be for sale at an
21 affordable price. For the purposes of this subsection, "affordable
22 price" means that the price is the average of the lowest ticket prices
23 charged by all other national football league teams;

24 (v) One executive suite with a minimum of twenty seats must be made
25 available, on a lottery basis, as a free upgrade, at home games of the
26 professional football team, to purchasers of tickets that are not
27 located in executive suites or club seat areas;

28 (vi) A nonparticipatory interest in the professional football team
29 has been granted to the state beginning on the date on which bonds are
30 issued under this section which only entitles the state to receive ten
31 percent of the gross selling price of the interest in the team that is
32 sold if a majority interest or more of the professional football team
33 is sold within twenty-five years of the date on which bonds are issued
34 under the section. The ten percent shall apply to all preceding sales
35 of interests in the team which comprise the majority interest sold.
36 This provision shall apply only to the first sale of such a majority
37 interest. The ten percent must be deposited in the permanent common
38 school fund. If the debt is retired at the time of the sale, then the
39 ten percent may only be used for costs associated with capital

1 maintenance, capital improvements, renovations, reequipping,
2 replacement, and operations of the stadium and exhibition center;

3 (vii) The team affiliate must provide reasonable office space to
4 the public stadium authority without charge;

5 (viii) The team affiliate, in consultation with the public stadium
6 authority, shall work with surrounding areas to mitigate the impact of
7 the construction and operation of the stadium and exhibition center
8 with a budget of at least ten million dollars dedicated to area
9 mitigation. For purposes of this subsection, "mitigation" includes,
10 but is not limited to, parking facilities and amenities, neighborhood
11 beautification projects and landscaping, financial grants for
12 neighborhood programs intended to mitigate adverse impacts caused by
13 the construction and operation of the stadium and exhibition center,
14 and mitigation measures identified in the environmental impact
15 statement required for the stadium and exhibition center under chapter
16 43.21C RCW; and

17 (ix) Twenty percent of the net profit from the operation of the
18 exhibition facility of the stadium and exhibition center shall be
19 deposited into the permanent common school fund. Profits shall be
20 verified by the public stadium authority.

21 NEW SECTION. **Sec. 211.** On or before August 1, 1997: (1) The state
22 treasurer and a team affiliate or an entity that has an option to
23 become a team affiliate shall enter into an escrow agreement creating
24 an escrow account; and (2) the team affiliate or the entity that has an
25 option to become a team affiliate shall deposit the sum of fifty
26 million dollars into the escrow account as a credit against the
27 obligation of the team affiliate in section 210(2)(b)(ii) of this act.

28 The escrow agreement shall provide that the fifty million dollar
29 deposit shall be invested by the state treasurer and shall earn
30 interest. If the stadium and exhibition center project proceeds, then
31 the interest on amounts in the escrow account shall be for the benefit
32 of the state, and all amounts in the escrow account, including all
33 principal and interest, shall be distributed to the stadium and
34 exhibition center account. The escrow agreement shall provide for
35 appropriate adjustments based on amounts previously and subsequently
36 raised by the team affiliate under section 210(2)(b)(ii) of this act
37 and amounts previously and subsequently raised by the public stadium
38 authority under section 106(15) of this act. If the stadium and

1 exhibition center project does not proceed, all principal and the
2 interest in the escrow account shall be distributed to the team
3 affiliate or the entity that has an option to become a team affiliate.

4 NEW SECTION. **Sec. 212.** The proceeds from the sale of the bonds
5 authorized in section 210 of this act shall be deposited in the stadium
6 and exhibition center construction account, hereby created in the
7 custody of the state treasurer, and shall be used exclusively for the
8 purposes specified in section 210 of this act and for the payment of
9 expenses incurred in the issuance and sale of the bonds. These
10 proceeds shall be administered by the office of financial management.
11 Only the director of the office of financial management or the
12 director's designee may authorize expenditures from the account. The
13 account is subject to the allotment procedures under chapter 43.88 RCW,
14 but an appropriation is not required for expenditures. At the
15 direction of the office of financial management the state treasurer
16 shall transfer moneys from the stadium and exhibition center
17 construction account to the public stadium authority created in section
18 102 of this act as required by the public stadium authority.

19 NEW SECTION. **Sec. 213.** The nondebt-limit reimbursable bond
20 retirement account shall be used for the payment of the principal of
21 and interest on the bonds authorized in section 210 of this act.

22 The state finance committee shall, on or before June 30th of each
23 year, certify to the state treasurer the amount needed in the ensuing
24 twelve months to meet the bond retirement and interest requirements.
25 On each date on which any interest or principal and interest payment is
26 due, the state treasurer shall transfer from the stadium and exhibition
27 center account to the nondebt-limit reimbursable bond retirement
28 account an amount equal to the amount certified by the state finance
29 committee to be due on the payment date.

30 Bonds issued under section 210 of this act shall state that they
31 are a general obligation of the state of Washington, shall pledge the
32 full faith and credit of the state to the payment of the principal
33 thereof and the interest thereon, and shall contain an unconditional
34 promise to pay the principal and interest as the same shall become due.
35 If in any year the amount accumulated in the stadium and exhibition
36 center account is insufficient for payment of the principal and
37 interest on the bonds issued under section 210 of this act, the amount

1 of the insufficiency shall be a continuing obligation against the
2 stadium and exhibition center account until paid.

3 The owner and holder of each of the bonds or the trustee for the
4 owner and holder of any of the bonds may by mandamus or other
5 appropriate proceeding require the transfer and payment of funds as
6 directed in this section.

7 NEW SECTION. **Sec. 214.** (1) The stadium and exhibition center
8 account is created in the custody of the state treasurer. All receipts
9 from the taxes imposed under section 204 of this act and distributions
10 under RCW 67.70.240(5) shall be deposited into the account. Only the
11 director of the office of financial management or the director's
12 designee may authorize expenditures from the account. The account is
13 subject to allotment procedures under chapter 43.88 RCW. An
14 appropriation is not required for expenditures from this account.

15 (2) Until bonds are issued under section 210 of this act, up to
16 five million dollars per year beginning January 1, 1999, shall be used
17 for the purposes of subsection (3)(b) of this section, all remaining
18 moneys in the account shall be transferred to the public stadium
19 authority, created under section 102 of this act, to be used for public
20 stadium authority operations and development of the stadium and
21 exhibition center.

22 (3) After bonds are issued under section 210 of this act, all
23 moneys in the stadium and exhibition center account shall be used
24 exclusively for the following purposes in the following priority:

25 (a) On or before June 30th of each year, the office of financial
26 management shall accumulate in the stadium and exhibition center
27 account an amount at least equal to the amount required in the next
28 succeeding twelve months for the payment of principal of and interest
29 on the bonds issued under section 210 of this act;

30 (b) An additional reserve amount not in excess of the expected
31 average annual principal and interest requirements of bonds issued
32 under section 210 of this act shall be accumulated and maintained in
33 the account, subject to withdrawal by the state treasurer at any time
34 if necessary to meet the requirements of (a) of this subsection, and,
35 following any withdrawal, reaccumulated from the first tax revenues and
36 other amounts deposited in the account after meeting the requirements
37 of (a) of this subsection; and

1 (c) The balance, if any, shall be transferred to the youth athletic
2 facility grant account under subsection (4) of this section.

3 Any revenues derived from the taxes authorized by RCW 36.38.010(5)
4 and section 302 of this act or other amounts that if used as provided
5 under (a) and (b) of this subsection would cause the loss of any tax
6 exemption under federal law for interest on bonds issued under section
7 210 of this act shall be deposited in and used exclusively for the
8 purposes of the youth athletic facility grant account and shall not be
9 used, directly or indirectly, as a source of payment of principal or
10 interest on bonds issued under section 210 of this act, or to replace
11 or reimburse other funds used for that purpose.

12 (4) Any moneys in the stadium and exhibition center account not
13 required or permitted to be used for the purposes described in
14 subsection (3)(a) and (b) of this section shall be deposited in the
15 youth athletic facility grant account hereby created in the state
16 treasury. Expenditures from the account may be used only for purposes
17 of grants to cities, counties, and qualified nonprofit organizations
18 for youth athletic facilities. Only the director of the interagency
19 committee for outdoor recreation or the director's designee may
20 authorize expenditures from the account. The account is subject to
21 allotment procedures under chapter 43.88 RCW, but an appropriation is
22 not required for expenditures. The athletic facility grants may be
23 used for acquiring, developing, equipping, maintaining, and improving
24 youth or community athletic facilities. Funds shall be divided equally
25 between the development of new athletic facilities, the improvement of
26 existing athletic facilities, and the maintenance of existing athletic
27 facilities. Cities, counties, and qualified nonprofit organizations
28 must submit proposals for grants from the account. To the extent that
29 funds are available, cities, counties, and qualified nonprofit
30 organizations must meet eligibility criteria as established by the
31 director of the interagency committee for outdoor recreation. The
32 grants shall be awarded on a competitive application process and the
33 amount of the grant shall be in proportion to the population of the
34 city or county for where the youth athletic facility is located.
35 Grants awarded in any one year need not be distributed in that year.
36 The director of the interagency committee for outdoor recreation may
37 expend up to one and one-half percent of the moneys deposited in the
38 account created in this subsection for administrative purposes.

1 NEW SECTION. **Sec. 215.** Unless the office of financial management
2 certifies by December 31, 1997, that the following conditions have been
3 met, sections 201 through 208 of this act are null and void:

4 (1) The professional football team that will use the stadium and
5 exhibition center is at least majority-owned and controlled by,
6 directly or indirectly, one or more persons who are each residents of
7 the state of Washington and who have been residents of the state of
8 Washington continuously since at least January 1, 1993;

9 (2) The county in which the stadium and exhibition center is to be
10 constructed has created a public stadium authority under this chapter
11 to acquire property, construct, own, remodel, maintain, equip, reequip,
12 repair, and operate a stadium and exhibition center;

13 (3) The county in which the stadium and exhibition center is to be
14 constructed has enacted the taxes authorized in RCW 36.38.010(5) and
15 section 302 of this act; and

16 (4) The county in which the stadium and exhibition center is to be
17 constructed pledges to maintain and continue the taxes authorized in
18 RCW 36.38.010(5), 67.28.180, and section 302 of this act until the
19 bonds authorized in section 210 of this act are fully redeemed, both
20 principal and interest.

21 NEW SECTION. **Sec. 216.** The legislature may provide additional
22 means for raising moneys for the payment of the principal of and
23 interest on the bonds authorized in section 210 of this act, and
24 section 213 of this act shall not be deemed to provide an exclusive
25 method for the payment.

26 NEW SECTION. **Sec. 217.** The bonds authorized in section 210 of
27 this act shall be a legal investment for all state funds or funds under
28 state control and for all funds of any other public body.

29 NEW SECTION. **Sec. 218.** (1) The total public share of a stadium
30 and exhibition center shall not exceed three hundred million dollars.
31 For the purposes of this section, "total public share" means all state
32 and local funds expended for preconstruction and construction costs of
33 the stadium and exhibition center, including proceeds of any bonds
34 issued for the purposes of the stadium and exhibition center, tax
35 revenues, and interest earned on the escrow account described in

1 section 211 of this act and not including expenditures for deferred
2 sales taxes.

3 (2) Sections 201 through 207, chapter . . ., Laws of 1997 (sections
4 201 through 207 of this act) and this chapter constitute the entire
5 state contribution for a stadium and exhibition center. The state will
6 not make any additional contributions based on revised cost or revenue
7 estimates, cost overruns, unforeseen circumstances, or any other
8 reason.

9 NEW SECTION. **Sec. 219.** The bonds authorized for the purposes
10 identified in section 210 of this act are exempt from the statutory
11 limitations of indebtedness under RCW 39.42.060.

12 **Sec. 220.** RCW 39.42.060 and 1993 c 52 s 1 are each amended to read
13 as follows:

14 No bonds, notes, or other evidences of indebtedness for borrowed
15 money shall be issued by the state which will cause the aggregate debt
16 contracted by the state to exceed that amount for which payments of
17 principal and interest in any fiscal year would require the state to
18 expend more than seven percent of the arithmetic mean of its general
19 state revenues, as defined in section 1(c) of Article VIII of the
20 Washington state Constitution for the three immediately preceding
21 fiscal years as certified by the treasurer in accordance with RCW
22 39.42.070. It shall be the duty of the state finance committee to
23 compute annually the amount required to pay principal of and interest
24 on outstanding debt. In making such computation, the state finance
25 committee shall include all borrowed money represented by bonds, notes,
26 or other evidences of indebtedness which are secured by the full faith
27 and credit of the state or are required to be paid, directly or
28 indirectly, from general state revenues and which are incurred by the
29 state, any department, authority, public corporation or quasi public
30 corporation of the state, any state university or college, or any other
31 public agency created by the state but not by counties, cities, towns,
32 school districts, or other municipal corporations, and shall include
33 debt incurred pursuant to section 3 of Article VIII of the Washington
34 state Constitution, but shall exclude the following:

35 (1) Obligations for the payment of current expenses of state
36 government;

37 (2) Indebtedness incurred pursuant to RCW 39.42.080 or 39.42.090;

- 1 (3) Principal of and interest on bond anticipation notes;
- 2 (4) Any indebtedness which has been refunded;
- 3 (5) Financing contracts entered into under chapter 39.94 RCW;
- 4 (6) Indebtedness authorized or incurred before July 1, 1993,
5 pursuant to statute which requires that the state treasury be
6 reimbursed, in the amount of the principal of and the interest on such
7 indebtedness, from money other than general state revenues or from the
8 special excise tax imposed pursuant to chapter 67.40 RCW;
- 9 (7) Indebtedness authorized and incurred after July 1, 1993,
10 pursuant to statute that requires that the state treasury be
11 reimbursed, in the amount of the principal of and the interest on such
12 indebtedness, from (a) moneys outside the state treasury, except higher
13 education operating fees, (b) higher education building fees, (c)
14 indirect costs recovered from federal grants and contracts, and (d)
15 fees and charges associated with hospitals operated or managed by
16 institutions of higher education; (~~and~~)
- 17 (8) Any agreement, promissory note, or other instrument entered
18 into by the state finance committee under RCW 39.42.030 in connection
19 with its acquisition of bond insurance, letters of credit, or other
20 credit support instruments for the purpose of guaranteeing the payment
21 or enhancing the marketability, or both, of any state bonds, notes, or
22 other evidence of indebtedness; and
- 23 (9) Indebtedness incurred for the purposes identified in section
24 210 of this act.

25 To the extent necessary because of the constitutional or statutory
26 debt limitation, priorities with respect to the issuance or
27 guaranteeing of bonds, notes, or other evidences of indebtedness by the
28 state shall be determined by the state finance committee.

29 **Sec. 221.** RCW 43.79A.040 and 1996 c 253 s 409 are each amended to
30 read as follows:

31 (1) Money in the treasurer's trust fund may be deposited, invested
32 and reinvested by the state treasurer in accordance with RCW 43.84.080
33 in the same manner and to the same extent as if the money were in the
34 state treasury.

35 (2) All income received from investment of the treasurer's trust
36 fund shall be set aside in an account in the treasury trust fund to be
37 known as the investment income account.

1 (3) The investment income account may be utilized for the payment
2 of purchased banking services on behalf of treasurer's trust funds
3 including, but not limited to, depository, safekeeping, and
4 disbursement functions for the state treasurer or affected state
5 agencies. The investment income account is subject in all respects to
6 chapter 43.88 RCW, but no appropriation is required for payments to
7 financial institutions. Payments shall occur prior to distribution of
8 earnings set forth in subsection (4) of this section.

9 (4)(a) Monthly, the state treasurer shall distribute the earnings
10 credited to the investment income account to the state general fund
11 except under (b) and (c) of this subsection.

12 (b) The following accounts and funds shall receive their
13 proportionate share of earnings based upon each account's or fund's
14 average daily balance for the period: The agricultural local fund, the
15 American Indian scholarship endowment fund, the Washington
16 international exchange scholarship endowment fund, the energy account,
17 the fair fund, the game farm alternative account, the grain inspection
18 revolving fund, the rural rehabilitation account, the stadium and
19 exhibition center account, the youth athletic facility grant account,
20 and the self-insurance revolving fund. However, the earnings to be
21 distributed shall first be reduced by the allocation to the state
22 treasurer's service fund pursuant to RCW 43.08.190.

23 (c) The following accounts and funds shall receive eighty percent
24 of their proportionate share of earnings based upon each account's or
25 fund's average daily balance for the period: The advanced right of way
26 revolving fund, the federal narcotics asset forfeitures account, the
27 high occupancy vehicle account, and the local rail service assistance
28 account.

29 (5) In conformance with Article II, section 37 of the state
30 Constitution, no trust accounts or funds shall be allocated earnings
31 without the specific affirmative directive of this section.

32 NEW SECTION. **Sec. 222.** A new section is added to chapter 43.330
33 RCW to read as follows:

34 The film and video promotion account is created in the state
35 treasury. All receipts from section 106(14) of this act must be
36 deposited into the account. Moneys in the account may be spent only
37 after appropriation. Expenditures from the account may be used by the
38 department of community, trade, and economic development only for the

1 purposes of promotion of the film and video production industry in the
2 state of Washington.

3 NEW SECTION. **Sec. 223.** A new section is added to chapter 43.330
4 RCW to read as follows:

5 The tourism development and promotion account is created in the
6 state treasury. All receipts from section 106(10) of this act must be
7 deposited into the account. Moneys in the account may be spent only
8 after appropriation. Expenditures from the account may be used by the
9 department of community, trade, and economic development only for the
10 purposes of promotion of the tourism industry in the state of
11 Washington.

12 **PART III**
13 **LOCAL CONTRIBUTION**

14 **Sec. 301.** RCW 36.38.010 and 1995 3rd sp.s. c 1 s 203 are each
15 amended to read as follows:

16 (1) Any county may by ordinance enacted by its county legislative
17 authority, levy and fix a tax of not more than one cent on twenty cents
18 or fraction thereof to be paid for county purposes by persons who pay
19 an admission charge to any place, including a tax on persons who are
20 admitted free of charge or at reduced rates to any place for which
21 other persons pay a charge or a regular higher charge for the same or
22 similar privileges or accommodations; and require that one who receives
23 any admission charge to any place shall collect and remit the tax to
24 the county treasurer of the county: PROVIDED, No county shall impose
25 such tax on persons paying an admission to any activity of any
26 elementary or secondary school.

27 (2) As used in this chapter, the term "admission charge" includes
28 a charge made for season tickets or subscriptions, a cover charge, or
29 a charge made for use of seats and tables, reserved or otherwise, and
30 other similar accommodations; a charge made for food and refreshments
31 in any place where any free entertainment, recreation, or amusement is
32 provided; a charge made for rental or use of equipment or facilities
33 for purpose of recreation or amusement, and where the rental of the
34 equipment or facilities is necessary to the enjoyment of a privilege
35 for which a general admission is charged, the combined charges shall be
36 considered as the admission charge. It shall also include any

1 automobile parking charge where the amount of such charge is determined
2 according to the number of passengers in any automobile.

3 (3) Subject to subsections (4) and (5) of this section, the tax
4 herein authorized shall not be exclusive and shall not prevent any city
5 or town within the taxing county, when authorized by law, from imposing
6 within its corporate limits a tax of the same or similar kind:
7 PROVIDED, That whenever the same or similar kind of tax is imposed by
8 any such city or town, no such tax shall be levied within the corporate
9 limits of such city or town by the county(~~(, except that)~~).

10 (4) Notwithstanding subsection (3) of this section, the legislative
11 authority of a county with a population of one million or more may
12 exclusively levy taxes on events in baseball stadiums constructed on or
13 after January 1, 1995, that are owned by a public facilities district
14 under chapter 36.100 RCW and that have seating capacities over forty
15 thousand at the rates of:

16 (a) Not more than one cent on twenty cents or fraction thereof, to
17 be used for the purpose of paying the principal and interest payments
18 on bonds issued by a county to construct a baseball stadium as defined
19 in RCW 82.14.0485. If the revenue from the tax exceeds the amount
20 needed for that purpose, the excess shall be placed in a contingency
21 fund which may only be used to pay unanticipated capital costs on the
22 baseball stadium, excluding any cost overruns on initial construction;
23 and

24 (b) Not more than one cent on twenty cents or fraction thereof, to
25 be used for the purpose of paying the principal and interest payments
26 on bonds issued by a county to construct a baseball stadium as defined
27 in RCW 82.14.0485. The tax imposed under this subsection (~~((+3))~~)
28 (4)(b) shall expire when the bonds issued for the construction of the
29 baseball stadium are retired, but not later than twenty years after the
30 tax is first collected.

31 (5) Notwithstanding subsection (3) of this section, the legislative
32 authority of a county that has created a public stadium authority to
33 develop a stadium and exhibition center under section 105 of this act
34 may levy and fix a tax on charges for admission to events in a stadium
35 and exhibition center, as defined in section 101 of this act,
36 constructed in the county on or after January 1, 1998, that is owned by
37 a public stadium authority under chapter 36.-- RCW (sections 101
38 through 119 and 201 of this act). The tax shall be exclusive and shall
39 preclude the city or town within which the stadium and exhibition

1 center is located from imposing a tax of the same or similar kind on
2 charges for admission to events in the stadium and exhibition center,
3 and shall preclude the imposition of a general county admissions tax on
4 charges for admission to events in the stadium and exhibition center.
5 For the purposes of this subsection, "charges for admission to events"
6 means only the actual admission charge, exclusive of taxes and service
7 charges and the value of any other benefit conferred by the admission.
8 The tax authorized under this subsection shall be at the rate of not
9 more than one cent on ten cents or fraction thereof. Revenues
10 collected under this subsection shall be deposited in the stadium and
11 exhibition center account under section 214 of this act until the bonds
12 issued under section 210 of this act for the construction of the
13 stadium and exhibition center are retired. After the bonds issued for
14 the construction of the stadium and exhibition center are retired, the
15 tax authorized under this section shall be used exclusively to fund
16 repair, reequipping, and capital improvement of the stadium and
17 exhibition center. The tax under this subsection may be levied upon
18 the first use of any part of the stadium and exhibition center but
19 shall not be collected at any facility already in operation as of the
20 effective date of this section.

21 NEW SECTION. Sec. 302. A new section is added to chapter 36.38
22 RCW to read as follows:

23 The legislative authority of a county that has created a public
24 stadium authority to develop a stadium and exhibition center under
25 section 105 of this act may levy and fix a tax on any vehicle parking
26 charges imposed at any parking facility that is part of a stadium and
27 exhibition center, as defined in section 101 of this act. The tax
28 shall be exclusive and shall preclude the city or town within which the
29 stadium and exhibition center is located from imposing within its
30 corporate limits a tax of the same or similar kind on any vehicle
31 parking charges imposed at any parking facility that is part of a
32 stadium and exhibition center. For the purposes of this section,
33 "vehicle parking charges" means only the actual parking charges
34 exclusive of taxes and service charges and the value of any other
35 benefit conferred. The tax authorized under this section shall be at
36 the rate of not more than ten percent. Revenues collected under this
37 section shall be deposited in the stadium and exhibition center account
38 under section 214 of this act until the bonds issued under section 210

1 of this act for the construction of the stadium and exhibition center
2 are retired. After the bonds issued for the construction of the
3 stadium and exhibition center are retired, the tax authorized under
4 this section shall be used exclusively to fund repair, reequipping, and
5 capital improvement of the stadium and exhibition center. The tax
6 under this section may be levied upon the first use of any part of the
7 stadium and exhibition center but shall not be collected at any
8 facility already in operation as of the effective date of this section.

9 **PART IV**

10 **PUBLIC WORKS PROVISIONS**

11 **Sec. 401.** RCW 36.32.235 and 1996 c 219 s 2 are each amended to
12 read as follows:

13 (1) In each county with a population of one million or more which
14 by resolution establishes a county purchasing department, the
15 purchasing department shall enter into leases of personal property on
16 a competitive basis and purchase all supplies, materials, and equipment
17 on a competitive basis, for all departments of the county, as provided
18 in this chapter and chapter 39.04 RCW, except that the county
19 purchasing department is not required to make purchases that are paid
20 from the county road fund or equipment rental and revolving fund.

21 (2) As used in this section, "public works" has the same definition
22 as in RCW 39.04.010.

23 (3) Except as otherwise specified in this chapter or in chapter
24 36.77 RCW, all counties subject to these provisions shall contract on
25 a competitive basis for all public works after bids have been submitted
26 to the county upon specifications therefor. Such specifications shall
27 be in writing and shall be filed with the clerk of the county
28 legislative authority for public inspection.

29 (4) An advertisement shall be published in the county official
30 newspaper stating the time and place where bids will be opened, the
31 time after which bids will not be received, the character of the work
32 to be done, the materials and equipment to be furnished, and that
33 specifications therefor may be seen at the office of the clerk of the
34 county legislative authority. An advertisement shall also be published
35 in a legal newspaper of general circulation in or as near as possible
36 to that part of the county in which such work is to be done. If the
37 county official newspaper is a newspaper of general circulation

1 covering at least forty percent of the residences in that part of the
2 county in which such public works are to be done, then the publication
3 of an advertisement of the applicable specifications in the county
4 official newspaper is sufficient. Such advertisements shall be
5 published at least once at least thirteen days prior to the last date
6 upon which bids will be received.

7 (5) The bids shall be in writing, shall be filed with the clerk,
8 shall be opened and read in public at the time and place named therefor
9 in the advertisements, and after being opened, shall be filed for
10 public inspection. No bid may be considered for public work unless it
11 is accompanied by a bid deposit in the form of a surety bond, postal
12 money order, cash, cashier's check, or certified check in an amount
13 equal to five percent of the amount of the bid proposed.

14 (6) The contract for the public work shall be awarded to the lowest
15 responsible bidder. Any or all bids may be rejected for good cause.
16 The county legislative authority shall require from the successful
17 bidder for such public work a contractor's bond in the amount and with
18 the conditions imposed by law.

19 (7) If the bidder to whom the contract is awarded fails to enter
20 into the contract and furnish the contractor's bond as required within
21 ten days after notice of the award, exclusive of the day of notice, the
22 amount of the bid deposit shall be forfeited to the county and the
23 contract awarded to the next lowest and best bidder. The bid deposit
24 of all unsuccessful bidders shall be returned after the contract is
25 awarded and the required contractor's bond given by the successful
26 bidder is accepted by the county legislative authority. Immediately
27 after the award is made, the bid quotations obtained shall be recorded
28 and open to public inspection and shall be available by telephone
29 inquiry.

30 (8) As limited by subsection (10) of this section, a county subject
31 to these provisions may have public works performed by county employees
32 in any annual or biennial budget period equal to a dollar value not
33 exceeding ten percent of the public works construction budget,
34 including any amount in a supplemental public works construction
35 budget, over the budget period.

36 Whenever a county subject to these provisions has had public works
37 performed in any budget period up to the maximum permitted amount for
38 that budget period, all remaining public works except emergency work
39 under subsection (12) of this section within that budget period shall

1 be done by contract pursuant to public notice and call for competitive
2 bids as specified in subsection (3) of this section. The state auditor
3 shall report to the state treasurer any county subject to these
4 provisions that exceeds this amount and the extent to which the county
5 has or has not reduced the amount of public works it has performed by
6 public employees in subsequent years.

7 (9) If a county subject to these provisions has public works
8 performed by public employees in any budget period that are in excess
9 of this ten percent limitation, the amount in excess of the permitted
10 amount shall be reduced from the otherwise permitted amount of public
11 works that may be performed by public employees for that county in its
12 next budget period. Ten percent of the motor vehicle fuel tax
13 distributions to that county shall be withheld if two years after the
14 year in which the excess amount of work occurred, the county has failed
15 to so reduce the amount of public works that it has performed by public
16 employees. The amount withheld shall be distributed to the county when
17 it has demonstrated in its reports to the state auditor that the amount
18 of public works it has performed by public employees has been reduced
19 as required.

20 (10) In addition to the percentage limitation provided in
21 subsection (8) of this section, counties subject to these provisions
22 containing a population of one million or more shall not have public
23 employees perform a public works project in excess of seventy thousand
24 dollars if more than a single craft or trade is involved with the
25 public works project, or a public works project in excess of twenty-
26 five thousand dollars if only a single craft or trade is involved with
27 the public works project. A public works project means a complete
28 project. The restrictions in this subsection do not permit the
29 division of the project into units of work or classes of work to avoid
30 the restriction on work that may be performed by public employees on a
31 single project.

32 The cost of a separate public works project shall be the costs of
33 materials, supplies, equipment, and labor on the construction of that
34 project. The value of the public works budget shall be the value of
35 all the separate public works projects within the budget.

36 (11) In addition to the accounting and recordkeeping requirements
37 contained in chapter 39.04 RCW, any county which uses public employees
38 to perform public works projects under RCW 36.32.240(1) shall prepare
39 a year-end report to be submitted to the state auditor indicating the

1 total dollar amount of the county's public works construction budget
2 and the total dollar amount for public works projects performed by
3 public employees for that year.

4 The year-end report submitted pursuant to this subsection to the
5 state auditor shall be in accordance with the standard form required by
6 RCW 43.09.205.

7 (12) Notwithstanding any other provision in this section, counties
8 may use public employees without any limitation for emergency work
9 performed under an emergency declared pursuant to RCW 36.32.270, and
10 any such emergency work shall not be subject to the limitations of this
11 section. Publication of the description and estimate of costs relating
12 to correcting the emergency may be made within seven days after the
13 commencement of the work. Within two weeks of the finding that such an
14 emergency existed, the county legislative authority shall adopt a
15 resolution certifying the damage to public facilities and costs
16 incurred or anticipated relating to correcting the emergency.
17 Additionally this section shall not apply to architectural and
18 engineering or other technical or professional services performed by
19 public employees in connection with a public works project.

20 (13) In lieu of the procedures of subsections (3) through (11) of
21 this section, a county may use a small works roster process and award
22 contracts for public works projects with an estimated value of ten
23 thousand dollars up to one hundred thousand dollars as provided in RCW
24 39.04.155.

25 Whenever possible, the county shall invite at least one proposal
26 from a minority or woman contractor who shall otherwise qualify under
27 this section.

28 (14) The allocation of public works projects to be performed by
29 county employees shall not be subject to a collective bargaining
30 agreement.

31 (15) This section does not apply to performance-based contracts, as
32 defined in RCW 39.35A.020(3), that are negotiated under chapter 39.35A
33 RCW.

34 (16) Nothing in this section prohibits any county from allowing for
35 preferential purchase of products made from recycled materials or
36 products that may be recycled or reused.

37 (17) This section does not apply to contracts between the public
38 stadium authority and a team affiliate under section 106(4) of this
39 act, or development agreements between the public stadium authority and

1 a team affiliate under section 106(7) of this act or leases entered
2 into under section 106(8) of this act.

3 **Sec. 402.** RCW 39.04.010 and 1993 c 174 s 1 are each amended to
4 read as follows:

5 The term state shall include the state of Washington and all
6 departments, supervisors, commissioners and agencies thereof.

7 The term municipality shall include every city, county, town,
8 district or other public agency thereof which is authorized by law to
9 require the execution of public work, except drainage districts, diking
10 districts, diking and drainage improvement districts, drainage
11 improvement districts, diking improvement districts, consolidated
12 diking and drainage improvement districts, consolidated drainage
13 improvement districts, consolidated diking improvement districts,
14 irrigation districts or any such other districts as shall from time to
15 time be authorized by law for the reclamation or development of waste
16 or undeveloped lands.

17 The term public work shall include all work, construction,
18 alteration, repair, or improvement other than ordinary maintenance,
19 executed at the cost of the state or of any municipality, or which is
20 by law a lien or charge on any property therein. All public works,
21 including maintenance when performed by contract shall comply with the
22 provisions of RCW 39.12.020. The term does not include work,
23 construction, alteration, repair, or improvement performed under
24 contracts entered into under section 106(4) of this act or under
25 development agreements entered into under section 106(7) of this act or
26 leases entered into under section 106(8) of this act.

27 The term contract shall mean a contract in writing for the
28 execution of public work for a fixed or determinable amount duly
29 awarded after advertisement and competitive bid. However, a contract
30 which is awarded from a small works roster under the authority of RCW
31 39.04.150, 35.22.620, 28B.10.355, 35.82.075, and 57.08.050 need not be
32 advertised.

33 NEW SECTION. **Sec. 403.** A new section is added to chapter 39.30
34 RCW to read as follows:

35 This chapter does not apply to contracts entered into under section
36 106(4) of this act or development agreements entered into under section
37 106(7) of this act.

1 (b) In the event that any county has levied the tax authorized by
2 this section and has, prior to June 26, 1975, either pledged the tax
3 revenues for payment of principal and interest on city revenue or
4 general obligation bonds authorized and issued pursuant to RCW
5 67.28.150 through 67.28.160 or has authorized and issued revenue or
6 general obligation bonds pursuant to the provisions of RCW 67.28.150
7 through 67.28.160, such county shall be exempt from the provisions of
8 (a) of this subsection, to the extent that the tax revenues are pledged
9 for payment of principal and interest on bonds issued at any time
10 pursuant to the provisions of RCW 67.28.150 through 67.28.160:
11 PROVIDED, That so much of such pledged tax revenues, together with any
12 investment earnings thereon, not immediately necessary for actual
13 payment of principal and interest on such bonds may be used: (i) In
14 any county with a population of one million or more, for repayment
15 either of limited tax levy general obligation bonds or of any county
16 fund or account from which a loan was made, the proceeds from the bonds
17 or loan being used to pay for constructing, installing, improving, and
18 equipping stadium capital improvement projects, and to pay for any
19 engineering, planning, financial, legal and professional services
20 incident to the development of such stadium capital improvement
21 projects, regardless of the date the debt for such capital improvement
22 projects was or may be incurred; ((or)) (ii) in any county with a
23 population of one million or more, for repayment or refinancing of
24 bonded indebtedness incurred prior to January 1, 1997, for any purpose
25 authorized by this section or relating to stadium repairs or
26 rehabilitation, including but not limited to the cost of settling legal
27 claims, reimbursing operating funds, interest payments on short-term
28 loans, and any other purpose for which such debt has been incurred if
29 the county has created a public stadium authority to develop a stadium
30 and exhibition center under section 103 of this act; or (iii) in other
31 counties, for county-owned facilities for agricultural promotion. A
32 county is exempt under this subsection in respect to city revenue or
33 general obligation bonds issued after April 1, 1991, only if such bonds
34 mature before January 1, 2013.

35 As used in this subsection (2)(b), "capital improvement projects"
36 may include, but not be limited to a stadium restaurant facility,
37 restroom facilities, artificial turf system, seating facilities,
38 parking facilities and scoreboard and information system adjacent to or
39 within a county owned stadium, together with equipment, utilities,

1 accessories and appurtenances necessary thereto. The stadium
2 restaurant authorized by this subsection (2)(b) shall be operated by a
3 private concessionaire under a contract with the county.

4 (c)(i) No city within a county exempt under subsection (2)(b) of
5 this section may levy the tax authorized by this section so long as
6 said county is so exempt(~~(:—PROVIDED, That)~~).

7 (ii) If bonds have been issued under section 210 of this act and
8 any necessary property transfers have been made under section 109 of
9 this act, no city within a county with a population of one million or
10 more may levy the tax authorized by this section before January 1,
11 2021.

12 (iii) However, in the event that any city in ((such)) a county
13 described in (i) or (ii) of this subsection (2)(c) has levied the tax
14 authorized by this section and has, prior to June 26, 1975, authorized
15 and issued revenue or general obligation bonds pursuant to the
16 provisions of RCW 67.28.150 through 67.28.160, such city may levy the
17 tax so long as the tax revenues are pledged for payment of principal
18 and interest on bonds issued at any time pursuant to the provisions of
19 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) Taxes collected under this section in any calendar year before
28 2013 in excess of five million three hundred thousand dollars shall
29 only be used as follows:

30 (i) Seventy-five percent from January 1, 1992, through December 31,
31 2000, and seventy percent from January 1, 2001, through December 31,
32 2012, for art museums, cultural museums, heritage museums, the arts,
33 and the performing arts. Moneys spent under this subsection (3)(a)(i)
34 shall be used for the purposes of this subsection (3)(a)(i) in all
35 parts of the county.

36 (ii) Twenty-five percent from January 1, 1992, through December 31,
37 2000, and thirty percent from January 1, 2001, through December 31,
38 2012, for the following purposes and in a manner reflecting the
39 following order of priority: Stadium (~~capital improvements, as~~

1 ~~defined in~~) purposes as authorized under subsection (2)(b) of this
2 section; acquisition of open space lands; youth sports activities; and
3 tourism promotion. If all or part of the debt on the stadium is
4 refinanced, all revenues under this subsection (3)(a)(ii) shall be used
5 to retire the debt.

6 (b) From January 1, 2013, through December 31, 2015, in a county
7 with a population of one million or more, all revenues under this
8 section shall be used to retire the debt on the stadium, or deposited
9 in the stadium and exhibition center account under section 214 of this
10 act after the debt on the stadium is retired.

11 (c) From January 1, 2016, through December 31, 2020, in a county
12 with a population of one million or more, all revenues under this
13 section shall be deposited in the stadium and exhibition center account
14 under section 214 of this act.

15 (d) At least seventy percent of moneys spent under (a)(i) of this
16 subsection for the period January 1, 1992, through December 31, 2000,
17 shall be used only for the purchase, design, construction, and
18 remodeling of performing arts, visual arts, heritage, and cultural
19 facilities, and for the purchase of fixed assets that will benefit art,
20 heritage, and cultural organizations. For purposes of this subsection,
21 fixed assets are tangible objects such as machinery and other equipment
22 intended to be held or used for ten years or more. Moneys received
23 under this subsection (3)((+b)) (d) may be used for payment of
24 principal and interest on bonds issued for capital projects.
25 Qualifying organizations receiving moneys under this subsection
26 (3)((+b)) (d) must be financially stable and have at least the
27 following:

- 28 (i) A legally constituted and working board of directors;
- 29 (ii) A record of artistic, heritage, or cultural accomplishments;
- 30 (iii) Been in existence and operating for at least two years;
- 31 (iv) Demonstrated ability to maintain net current liabilities at
32 less than thirty percent of general operating expenses;
- 33 (v) Demonstrated ability to sustain operational capacity subsequent
34 to completion of projects or purchase of machinery and equipment; and
- 35 (vi) Evidence that there has been independent financial review of
36 the organization.

37 ((+e)) (e) At least forty percent of the revenues distributed
38 pursuant to (a)(i) of this subsection for the period January 1, 2001,
39 through December 31, 2012, shall be deposited in an account and shall

1 be used to establish an endowment. Principal in the account shall
2 remain permanent and irreducible. The earnings from investments of
3 balances in the account may only be used for the purposes of (a)(i) of
4 this subsection.

5 ~~((d))~~ (f) School districts and schools shall not receive revenues
6 distributed pursuant to (a)(i) of this subsection.

7 ~~((e))~~ (g) Moneys distributed to art museums, cultural museums,
8 heritage museums, the arts, and the performing arts, and moneys
9 distributed for tourism promotion shall be in addition to and may not
10 be used to replace or supplant any other funding by the legislative
11 body of the county.

12 ~~((f))~~ (h) As used in this section, "tourism promotion" includes
13 activities intended to attract visitors for overnight stays, arts,
14 heritage, and cultural events, and recreational, professional, and
15 amateur sports events. Moneys allocated to tourism promotion in a
16 class AA county shall be allocated to nonprofit organizations formed
17 for the express purpose of tourism promotion in the county. Such
18 organizations shall use moneys from the taxes to promote events in all
19 parts of the class AA county.

20 ~~((g))~~ (i) No taxes collected under this section may be used for
21 the operation or maintenance of a public stadium that is financed
22 directly or indirectly by bonds to which the tax is pledged.
23 Expenditures for operation or maintenance include all expenditures
24 other than expenditures that directly result in new fixed assets or
25 that directly increase the capacity, life span, or operating economy of
26 existing fixed assets.

27 ~~((h))~~ (j) No ad valorem property taxes may be used for debt
28 service on bonds issued for a public stadium that is financed by bonds
29 to which the tax is pledged, unless the taxes collected under this
30 section are or are projected to be insufficient to meet debt service
31 requirements on such bonds.

32 ~~((i))~~ (k) If a substantial part of the operation and management
33 of a public stadium that is financed directly or indirectly by bonds to
34 which the tax is pledged is performed by a nonpublic entity or if a
35 public stadium is sold that is financed directly or indirectly by bonds
36 to which the tax is pledged, any bonds to which the tax is pledged
37 shall be retired. This subsection (3)~~((i))~~ (k) does not apply in
38 respect to a public stadium under chapter 36.-- RCW (sections 101
39 through 119 and 201 of this act) transferred to, owned by, or

1 constructed by a public facilities district under chapter 36.100 RCW or
2 a stadium and exhibition center.

3 ~~((+j))~~ (1) 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)~~~~((+j))~~ (1) 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.

13 **Sec. 502.** RCW 82.14.049 and 1992 c 194 s 3 are each amended to
14 read as follows:

15 The legislative authority of any county may impose a sales and use
16 tax, in addition to the tax authorized by RCW 82.14.030, upon retail
17 car rentals within the county that are taxable by the state under
18 chapters 82.08 and 82.12 RCW. The rate of tax shall be one percent of
19 the selling price in the case of a sales tax or rental value of the
20 vehicle in the case of a use tax. Proceeds of the tax shall not be
21 used to subsidize any professional sports team and shall be used solely
22 for the following purposes:

23 (1) Acquiring, constructing, maintaining, or operating public
24 sports stadium facilities;

25 (2) Engineering, planning, financial, legal, or professional
26 services incidental to public sports stadium facilities; ~~((or))~~

27 (3) Youth or amateur sport activities or facilities; or

28 (4) Debt or refinancing debt issued for the purposes of subsection
29 (1) of this section.

30 At least seventy-five percent of the tax imposed under this section
31 shall be used for the purposes of subsections (1), (2), and (4) of this
32 section.

33 **PART VI**
34 **MISCELLANEOUS**

35 NEW SECTION. **Sec. 601.** Part headings used in this act are not any
36 part of the law.

1 NEW SECTION. **Sec. 602.** If any provision of this act or its
2 application to any person or circumstance is held invalid, the
3 remainder of the act or the application of the provision to other
4 persons or circumstances is not affected.

5 NEW SECTION. **Sec. 603.** (1) Sections 101 through 119 and 201 of
6 this act constitute a new chapter in Title 36 RCW.

7 (2) Sections 209 through 219 of this act constitute a new chapter
8 in Title 43 RCW.

9 NEW SECTION. **Sec. 604.** The referendum on this act is the only
10 measure authorizing, levying, or imposing taxes for a stadium and
11 exhibition center that may be put to a public vote. Should the act
12 fail to be approved at the special election on or before June 20, 1997,
13 the legislature shall not pass other legislation to build or finance a
14 stadium and exhibition center, as defined in section 101 of this act,
15 for the team affiliate.

16 NEW SECTION. **Sec. 605.** The legislature neither affirms nor
17 refutes the value of this proposal, and by this legislation simply
18 expresses its intent to provide the voter of the state of Washington
19 an opportunity to express the voter's decision. It is also expressed
20 that many legislators might personally vote against this proposal at
21 the polls, or they might not.

22 NEW SECTION. **Sec. 606.** Notwithstanding any other provision of
23 this act, this act shall be null and void in its entirety unless the
24 team affiliate as defined in section 101 of this act enters into an
25 agreement with the secretary of state to reimburse the state and the
26 counties for the full cost of the special election to be held on or
27 before June 20, 1997.

28 NEW SECTION. **Sec. 607.** (1) The secretary of state shall submit
29 sections 101 through 604 of this act to the people for their adoption
30 and ratification, or rejection, at a special election to be held in
31 this state on or before June 20, 1997, in accordance with Article II,
32 section 1 of the state Constitution and the laws adopted to facilitate
33 its operation. The special election shall be limited to submission of
34 this act to the people.

1 (2) The attorney general shall prepare the explanatory statement
2 required by RCW 29.81.020 and transmit that statement regarding the
3 referendum to the secretary of state no later than the last Monday of
4 April before the special election.

5 (3) The secretary of state shall prepare and distribute a voters'
6 pamphlet addressing this referendum measure following the procedures
7 and requirements of chapter 29.81 RCW, except that the secretary of
8 state may establish different deadlines for the appointment of
9 committees to draft arguments for and against the referendum, for
10 submitting arguments for and against the referendum, and for submitting
11 rebuttal statements of arguments for and against the referendum. The
12 voters' pamphlet description of the referendum measure shall include
13 information to inform the public that ownership of the KingDome may be
14 transferred to the public stadium authority and that the KingDome will
15 be demolished in order to accommodate the new football stadium.

16 (4) A county auditor may conduct the voting at this special
17 election in all precincts of the county by mail using the procedures
18 set forth in RCW 29.36.121 through 29.36.139.

19 (5) Notwithstanding the provisions of RCW 29.62.020, the county
20 canvassing board in each county shall canvass and certify the votes
21 cast at this special election in that county to the secretary of state
22 no later than the seventh day following the election. Notwithstanding
23 the provisions of RCW 29.62.120, the secretary of state shall canvass
24 and certify the returns from the counties no later than the ninth day
25 following the special election.

26 (6) The secretary of state shall reimburse each county for the cost
27 of conducting the special election in that county in the same manner as
28 state primary and general election costs are reimbursed under RCW
29 29.13.047 (1) and (3).

30 (7) No other state, county, or local election shall be required or
31 held on any proposition related to or affecting the stadium and
32 exhibition center defined in section 101 of this act.

33 NEW SECTION. **Sec. 608.** Sections 606 and 607 of this act are
34 necessary for the immediate preservation of the public peace, health,
35 or safety, or support of the state government and its existing public
36 institutions, and take effect immediately.

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