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**SENATE BILL 5879**

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**State of Washington**

**55th Legislature**

**1997 Regular Session**

**By** Senators Fairley, Goings, Kline, Brown, McCaslin, Patterson, Rasmussen and Long

Read first time 02/18/97. Referred to Committee on Government Operations.

1 AN ACT Relating to requiring a vote of the people for expenditure  
2 of public moneys on sports stadiums; amending RCW 82.14.360; adding a  
3 new section to chapter 36.01 RCW; creating a new section; and declaring  
4 an emergency.

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

6 NEW SECTION. **Sec. 1.** Given the constraint on public funds in the  
7 realities of today's economic climate, the legislature finds that it is  
8 in the public's best interest to require a vote of the people before  
9 building sports stadiums using public moneys.

10 NEW SECTION. **Sec. 2.** A new section is added to chapter 36.01 RCW  
11 to read as follows:

12 A county may not expend any public moneys for the purposes of  
13 constructing a sports stadium unless and until the expenditures of the  
14 moneys for those purposes is approved by a majority of the voters of  
15 the county in which the stadium is built at any general or special  
16 election.

1       **Sec. 3.** RCW 82.14.360 and 1995 3rd sp.s. c 1 s 201 are each  
2 amended to read as follows:

3       (1) The legislative authority of a county with a population of one  
4 million or more may impose a special stadium sales and use tax upon the  
5 retail sale or use within the county by restaurants, taverns, and bars  
6 of food and beverages that are taxable by the state under chapters  
7 82.08 and 82.12 RCW. The rate of the tax shall not exceed five-tenths  
8 of one percent of the selling price in the case of a sales tax, or  
9 value of the article used in the case of a use tax. The tax imposed  
10 under this subsection is in addition to any other taxes authorized by  
11 law and shall not be credited against any other tax imposed upon the  
12 same taxable event. As used in this section, "restaurant" does not  
13 include grocery stores, mini-markets, or convenience stores.

14       (2) The legislative authority of a county with a population of one  
15 million or more may impose a special stadium sales and use tax upon  
16 retail car rentals within the county that are taxable by the state  
17 under chapters 82.08 and 82.12 RCW. The rate of the tax shall not  
18 exceed two percent of the selling price in the case of a sales tax, or  
19 rental value of the vehicle in the case of a use tax. The tax imposed  
20 under this subsection is in addition to any other taxes authorized by  
21 law and shall not be credited against any other tax imposed upon the  
22 same taxable event.

23       (3) The revenue from the taxes imposed under this section shall be  
24 used for the purpose of principal and interest payments on bonds,  
25 issued by the county, to acquire, construct, own, remodel, maintain,  
26 equip, reequip, repair, and operate a baseball stadium. Revenues from  
27 the taxes authorized in this section may be used for design and other  
28 preconstruction costs of the baseball stadium until bonds are issued  
29 for the baseball stadium. The county shall issue bonds, in an amount  
30 determined to be necessary by the public facilities district, for the  
31 district to acquire, construct, own, and equip the baseball stadium.  
32 The county shall have no obligation to issue bonds in an amount greater  
33 than that which would be supported by the tax revenues under this  
34 section, RCW 82.14.0485, and 36.38.010(3) (a) and (b). A county may  
35 not issue bonds under this subsection unless and until the issuance of  
36 bonds for the purposes of this subsection is approved by a majority of  
37 the voters of such county at any general or special election. If the  
38 revenue from the taxes imposed under this section exceeds the amount

1 needed for such principal and interest payments in any year, the excess  
2 shall be used solely:

3 (a) For early retirement of the bonds issued for the baseball  
4 stadium; and

5 (b) If the revenue from the taxes imposed under this section  
6 exceeds the amount needed for the purposes in (a) of this subsection in  
7 any year, the excess shall be placed in a contingency fund which may  
8 only be used to pay unanticipated capital costs on the baseball  
9 stadium, excluding any cost overruns on initial construction.

10 (4) The taxes authorized under this section shall not be collected  
11 after June 30, 1997, unless the county executive has certified to the  
12 department of revenue that a professional major league baseball team  
13 has made a binding and legally enforceable contractual commitment to:

14 (a) Play at least ninety percent of its home games in the stadium  
15 for a period of time not shorter than the term of the bonds issued to  
16 finance the initial construction of the stadium;

17 (b) Contribute forty-five million dollars toward the reasonably  
18 necessary preconstruction costs including, but not limited to  
19 architectural, engineering, environmental, and legal services, and the  
20 cost of construction of the stadium, or to any associated public  
21 purpose separate from bond-financed property, including without  
22 limitation land acquisition, parking facilities, equipment,  
23 infrastructure, or other similar costs associated with the project,  
24 which contribution shall be made during a term not to exceed the term  
25 of the bonds issued to finance the initial construction of the stadium.  
26 If all or part of the contribution is made after the date of issuance  
27 of the bonds, the team shall contribute an additional amount equal to  
28 the accruing interest on the deferred portion of the contribution,  
29 calculated at the interest rate on the bonds maturing in the year in  
30 which the deferred contribution is made. No part of the contribution  
31 may be made without the consent of the county until a public facilities  
32 district is created under chapter 36.100 RCW to acquire, construct,  
33 own, remodel, maintain, equip, reequip, repair, and operate a baseball  
34 stadium. To the extent possible, contributions shall be structured in  
35 a manner that would allow for the issuance of bonds to construct the  
36 stadium that are exempt from federal income taxes; and

37 (c) Share a portion of the profits generated by the baseball team  
38 from the operation of the professional franchise for a period of time  
39 equal to the term of the bonds issued to finance the initial

1 construction of the stadium, after offsetting any losses incurred by  
2 the baseball team after the effective date of chapter 14, Laws of 1995  
3 1st sp. sess. Such profits and the portion to be shared shall be  
4 defined by agreement between the public facilities district and the  
5 baseball team. The shared profits shall be used to retire the bonds  
6 issued to finance the initial construction of the stadium. If the  
7 bonds are retired before the expiration of their term, the shared  
8 profits shall be paid to the public facilities district.

9 (5) No tax may be collected under this section before January 1,  
10 1996. Before collecting the taxes under this section or issuing bonds  
11 for a baseball stadium, the county shall create a public facilities  
12 district under chapter 36.100 RCW to acquire, construct, own, remodel,  
13 maintain, equip, reequip, repair, and operate a baseball stadium.

14 (6) The county shall assemble such real property as the district  
15 determines to be necessary as a site for the baseball stadium.  
16 Property which is necessary for this purpose that is owned by the  
17 county on October 17, 1995, shall be contributed to the district, and  
18 property which is necessary for this purpose that is acquired by the  
19 county on or after October 17, 1995, shall be conveyed to the district.

20 (7) The proceeds of any bonds issued for the baseball stadium shall  
21 be provided to the district.

22 (8) As used in this section, "baseball stadium" means "baseball  
23 stadium" as defined in RCW 82.14.0485.

24 (9) The taxes imposed under this section shall expire when the  
25 bonds issued for the construction of the baseball stadium are retired,  
26 but not later than twenty years after the taxes are first collected.

27 NEW SECTION. **Sec. 4.** This act is necessary for the immediate  
28 preservation of the public peace, health, or safety, or support of the  
29 state government and its existing public institutions, and takes effect  
30 immediately.

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