

SSB 5834 - S AMD 475

By Senators White, Murray, Fain, Hill, Eide, King

ADOPTED 05/24/2011

1 Strike everything after the enacting clause and insert the
2 following:

3 "Sec. 1. RCW 67.28.180 and 2010 1st sp.s. c 26 s 8 are each
4 amended to read as follows:

5 (1) Subject to the conditions set forth in subsections (2) and (3)
6 of this section, the legislative body of any county or any city, is
7 authorized to levy and collect a special excise tax of not to exceed
8 two percent on the sale of or charge made for the furnishing of lodging
9 that is subject to tax under chapter 82.08 RCW.

10 (2) Any levy authorized by this section (~~(shall be)~~) is subject to
11 the following:

12 (a) Any county ordinance or resolution adopted pursuant to this
13 section (~~(shall)~~) must contain, in addition to all other provisions
14 required to conform to this chapter, a provision allowing a credit
15 against the county tax for the full amount of any city tax imposed
16 pursuant to this section upon the same taxable event.

17 (b)(i) In the event that any county has levied the tax authorized
18 by this section and has, prior to June 26, 1975, either pledged the tax
19 revenues for payment of principal and interest on city revenue or
20 general obligation bonds authorized and issued pursuant to RCW
21 67.28.150 through 67.28.160 or has authorized and issued revenue or
22 general obligation bonds pursuant to the provisions of RCW 67.28.150
23 through 67.28.160, such county (~~(shall be)~~) is exempt from the
24 provisions of (a) of this subsection, to the extent that the tax
25 revenues are pledged for payment of principal and interest on bonds
26 issued at any time pursuant to the provisions of RCW 67.28.150 through
27 67.28.160 (~~(: PROVIDED, That)~~). However, so much of such pledged tax
28 revenues, together with any investment earnings thereon, not
29 immediately necessary for actual payment of principal and interest on
30 such bonds may be used: ~~((+))~~ (A) In any county with a population of

1 one million five hundred thousand or more, for repayment either of
2 limited tax levy general obligation bonds or of any county fund or
3 account from which a loan was made, the proceeds from the bonds or loan
4 being used to pay for constructing, installing, improving, and
5 equipping stadium capital improvement projects, and to pay for any
6 engineering, planning, financial, legal and professional services
7 incident to the development of such stadium capital improvement
8 projects, regardless of the date the debt for such capital improvement
9 projects was or may be incurred; ~~((+ii+))~~ (B) in any county with a
10 population of one million five hundred thousand or more, for repayment
11 or refinancing of bonded indebtedness incurred prior to January 1,
12 1997, for any purpose authorized by this section or relating to stadium
13 repairs or rehabilitation, including but not limited to the cost of
14 settling legal claims, reimbursing operating funds, interest payments
15 on short-term loans, and any other purpose for which such debt has been
16 incurred if the county has created a public stadium authority to
17 develop a stadium and exhibition center under RCW 36.102.030; or
18 ~~((+iii+))~~ (C) in other counties, for county-owned facilities for
19 agricultural promotion until January 1, 2009, and thereafter for any
20 purpose authorized in this chapter.

21 (ii) A county is exempt under this subsection with respect to city
22 revenue or general obligation bonds issued after April 1, 1991, only if
23 such bonds mature before January 1, 2013. If any county located east
24 of the crest of the Cascade mountains has levied the tax authorized by
25 this section and has, prior to June 26, 1975, pledged the tax revenue
26 for payment of principal and interest on city revenue or general
27 obligation bonds, the county is exempt under this subsection with
28 respect to revenue or general obligation bonds issued after January 1,
29 2007, only if the bonds mature before January 1, ~~((2021))~~ 2035. Such
30 a county may only use funds under this subsection (2)(b) for
31 constructing or improving facilities authorized under this chapter,
32 including county-owned facilities for agricultural promotion(~~(, and~~
33 ~~must perform an annual financial audit of organizations receiving~~
34 ~~funding on the use of the funds)~~).

35 (iii) As used in this subsection (2)(b), "capital improvement
36 projects" may include, but not be limited to a stadium restaurant
37 facility, restroom facilities, artificial turf system, seating
38 facilities, parking facilities and scoreboard and information system

1 adjacent to or within a county owned stadium, together with equipment,
2 utilities, accessories and appurtenances necessary thereto. The
3 stadium restaurant authorized by this subsection (2)(b) (~~shall~~) must
4 be operated by a private concessionaire under a contract with the
5 county.

6 (c)(i) No city within a county exempt under (~~subsection (2)~~)(b)
7 of this subsection may levy the tax authorized by this section so long
8 as said county is so exempt.

9 (ii) (~~If bonds have been issued under RCW 43.99N.020 and any~~
10 ~~necessary property transfers have been made under RCW 36.102.100,~~) No
11 city within a county with a population of one million five hundred
12 thousand or more may levy the tax authorized by this section (~~before~~
13 ~~January 1, 2021~~)).

14 (iii) However, in the event that any city in a county described in
15 (c)(i) or (ii) of this subsection (2)(~~e~~) has levied the tax
16 authorized by this section and has, prior to June 26, 1975, authorized
17 and issued revenue or general obligation bonds pursuant to the
18 provisions of RCW 67.28.150 through 67.28.160, such city may levy the
19 tax so long as the tax revenues are pledged for payment of principal
20 and interest on bonds issued at any time pursuant to the provisions of
21 RCW 67.28.150 through 67.28.160.

22 (3) Any levy authorized by this section by a county that has
23 (~~levied the tax authorized by this section and has, prior to June 26,~~
24 ~~1975, either pledged the tax revenues for payment of principal and~~
25 ~~interest on city revenue or general obligation bonds authorized and~~
26 ~~issued pursuant to RCW 67.28.150 through 67.28.160 or has authorized~~
27 ~~and issued revenue or general obligation bonds pursuant to the~~
28 ~~provisions of RCW 67.28.150 through 67.28.160 shall be~~) a population
29 of one million five hundred thousand or more is subject to the
30 following:

31 (a) Taxes collected under this section in any calendar year before
32 2013 in excess of five million three hundred thousand dollars (~~shall~~)
33 may only be used as follows:

34 (i) (~~Seventy five percent from January 1, 1992, through December~~
35 ~~31, 2000, and~~) Seventy percent from January 1, 2001, through December
36 31, 2012, for art museums, cultural museums, heritage museums, the
37 arts, and the performing arts. Moneys spent under this subsection

1 (3)(a)(i) (~~shall~~) must be used for the purposes of this subsection
2 (3)(a)(i) in all parts of the county.

3 (ii) (~~Twenty five percent from January 1, 1992, through December~~
4 ~~31, 2000, and~~) Thirty percent from January 1, 2001, through December
5 31, 2012, for the following purposes and in a manner reflecting the
6 following order of priority: Stadium purposes as authorized under
7 subsection (2)(b) of this section; acquisition of open space lands;
8 youth sports activities; and tourism promotion. If all or part of the
9 debt on the stadium is refinanced, all revenues under this subsection
10 (3)(a)(ii) (~~shall~~) must be used to retire the debt.

11 (b) From January 1, 2013, through December 31, 2015, (~~in a county~~
12 ~~with a population of one million or more,~~) all revenues under this
13 section shall be used to retire the debt on the stadium, (~~or deposited~~
14 ~~in the stadium and exhibition center account under RCW 43.99N.060~~
15 ~~after~~) until the debt on the stadium is retired. On and after the
16 date the debt on the stadium is retired, and through December 31, 2015,
17 all revenues under this section in a county of one million five hundred
18 thousand or more must be deposited in the special account under (e) of
19 this subsection.

20 (c) From January 1, 2016, through December 31, 2020, (~~in a county~~
21 ~~with a population of one million or more,~~) all revenues under this
22 section (~~shall~~) must be deposited in the stadium and exhibition
23 center account under RCW 43.99N.060.

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

- 36 (i) ~~A legally constituted and working board of directors;~~
- 37 (ii) ~~A record of artistic, heritage, or cultural accomplishments;~~
- 38 (iii) ~~Been in existence and operating for at least two years;~~

1 ~~(iv) Demonstrated ability to maintain net current liabilities at~~
2 ~~less than thirty percent of general operating expenses;~~

3 ~~(v) Demonstrated ability to sustain operational capacity subsequent~~
4 ~~to completion of projects or purchase of machinery and equipment; and~~

5 ~~(vi) Evidence that there has been independent financial review of~~
6 ~~the organization.))~~ On and after January 1, 2021, the revenues under
7 this section must be used as follows:

8 (i) At least thirty-seven and one-half percent of the revenues
9 under this section must be deposited in the special account under (e)
10 of this subsection.

11 (ii) At least thirty-seven and one-half percent of the revenues
12 under this section must be used for nonprofit organizations or public
13 housing authorities for affordable workforce housing within one-half of
14 a mile of a transit station, as described under RCW 9.91.025 or for
15 services for homeless youth.

16 (iii) The remainder must be used for capital or operating programs
17 that promote tourism and attract tourists to the county.

18 (e) At least forty percent of the revenues distributed pursuant to
19 (a)(i) of this subsection (~~for the period January 1, 2001, through~~
20 ~~December 31, 2012, shall)) must be deposited in (~~an~~) a special
21 account (~~and shall be used to establish an endowment. Principal in~~
22 ~~the account shall remain permanent and irreducible)). The (~~earnings~~
23 ~~from investments of balances in the~~) account may only be used for the
24 purposes of (a)(i) of this subsection.~~~~

25 (f) School districts and schools (~~shall~~) may not receive revenues
26 distributed pursuant to (a)(i) of this subsection.

27 (g) Moneys distributed to art museums, cultural museums, heritage
28 museums, the arts, and the performing arts, and moneys distributed for
29 tourism promotion (~~shall~~) must be in addition to and may not be used
30 to replace or supplant any other funding by the legislative body of the
31 county.

32 (h) (~~As used in~~) For the purposes of this section((7)):

33 (i) "Affordable workforce housing" means housing for a single
34 person, family, or unrelated persons living together whose income is
35 between thirty percent and eighty percent of the median income,
36 adjusted for household size, for the county where the housing is
37 located; and

1 (ii) "Tourism promotion" includes activities intended to attract
2 visitors for overnight stays, arts, heritage, and cultural events, and
3 recreational, professional, and amateur sports events. Moneys
4 allocated to tourism promotion in a county with a population of one
5 million or more (~~shall~~) must be allocated to local public
6 organizations and nonprofit organizations formed for the express
7 purpose of tourism promotion in the county. Such organizations
8 (~~shall~~) must use moneys from the taxes to promote events in all parts
9 of the county.

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

17 (j) No ad valorem property taxes may be used for debt service on
18 bonds issued for a public stadium that is financed by bonds to which
19 the tax is pledged, unless the taxes collected under this section are
20 or are projected to be insufficient to meet debt service requirements
21 on such bonds.

22 (k) If a substantial part of the operation and management of a
23 public stadium that is financed directly or indirectly by bonds to
24 which the tax is pledged is performed by a nonpublic entity or if a
25 public stadium is sold that is financed directly or indirectly by bonds
26 to which the tax is pledged, any bonds to which the tax is pledged
27 shall be retired. This subsection (3)(k) does not apply in respect to
28 a public stadium under chapter 36.102 RCW transferred to, owned by, or
29 constructed by a public facilities district under chapter 36.100 RCW or
30 a stadium and exhibition center.

31 (l) The county (~~shall~~) may not lease a public stadium that is
32 financed directly or indirectly by bonds to which the tax is pledged
33 to, or authorize the use of the public stadium by, a professional major
34 league sports franchise unless the sports franchise gives the right of
35 first refusal to purchase the sports franchise, upon its sale, to local
36 government. This subsection (3)(l) does not apply to contracts in
37 existence on April 1, 1986.

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

5 **Sec. 2.** RCW 36.38.010 and 1999 c 165 s 20 are each amended to read
6 as follows:

7 (1) Any county may by ordinance enacted by its county legislative
8 authority, levy and fix a tax of not more than one cent on twenty cents
9 or fraction thereof to be paid for county purposes by persons who pay
10 an admission charge to any place, including a tax on persons who are
11 admitted free of charge or at reduced rates to any place for which
12 other persons pay a charge or a regular higher charge for the same or
13 similar privileges or accommodations; and require that one who receives
14 any admission charge to any place (~~shall~~) must collect and remit the
15 tax to the county treasurer of the county(~~(:—PROVIDED,)~~). However, no
16 county (~~shall~~) may impose such tax on persons paying an admission to
17 any activity of any elementary or secondary school or any public
18 facility of a public facility district under chapter 35.57 or 36.100
19 RCW for which a tax is imposed under RCW 35.57.100 or 36.100.210.

20 (2) As used in this chapter, the term "admission charge" includes
21 a charge made for season tickets or subscriptions, a cover charge, or
22 a charge made for use of seats and tables, reserved or otherwise, and
23 other similar accommodations; a charge made for food and refreshments
24 in any place where any free entertainment, recreation, or amusement is
25 provided; a charge made for rental or use of equipment or facilities
26 for purpose of recreation or amusement, and where the rental of the
27 equipment or facilities is necessary to the enjoyment of a privilege
28 for which a general admission is charged, the combined charges
29 (~~shall~~) must be considered as the admission charge. (~~It shall~~)
30 Admission charge also includes any automobile parking charge where the
31 amount of such charge is determined according to the number of
32 passengers in any automobile.

33 (3) Subject to subsections (4) and (5) of this section, the tax
34 (~~herein~~) authorized (~~shall~~) in this section is not (~~be~~) exclusive
35 and (~~shall~~) does not prevent any city or town within the taxing
36 county, when authorized by law, from imposing within its corporate
37 limits a tax of the same or similar kind(~~(:—PROVIDED, That)~~).

1 However, whenever the same or similar kind of tax is imposed by any
2 such city or town, no such tax (~~shall~~) may be levied within the
3 corporate limits of such city or town by the county.

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

10 (a) Not more than one cent on twenty cents or fraction thereof, to
11 be used for the purpose of paying the principal and interest payments
12 on bonds issued by a county to construct a baseball stadium as defined
13 in RCW 82.14.0485. If the revenue from the tax exceeds the amount
14 needed for that purpose, the excess (~~shall~~) must be placed in a
15 contingency fund which (~~may only~~) must be used (~~to pay unanticipated~~
16 ~~capital costs on the baseball stadium, excluding any cost overruns on~~
17 ~~initial construction~~) exclusively by the public facilities district to
18 fund repair, reequipping, and capital improvement of the baseball
19 stadium; and

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

27 (5) Notwithstanding subsection (3) of this section, the legislative
28 authority of a county that has created a public stadium authority to
29 develop a stadium and exhibition center under RCW 36.102.050 may levy
30 and fix a tax on charges for admission to events in a stadium and
31 exhibition center, as defined in RCW 36.102.010, constructed in the
32 county on or after January 1, 1998, that is owned by a public stadium
33 authority under chapter 36.102 RCW. The tax (~~shall be~~) is exclusive
34 and (~~shall~~) precludes the city or town within which the stadium and
35 exhibition center is located from imposing a tax of the same or similar
36 kind on charges for admission to events in the stadium and exhibition
37 center, and (~~shall~~) precludes the imposition of a general county
38 admissions tax on charges for admission to events in the stadium and

1 exhibition center. For the purposes of this subsection, "charges for
2 admission to events" means only the actual admission charge, exclusive
3 of taxes and service charges and the value of any other benefit
4 conferred by the admission. The tax authorized under this subsection
5 (~~shall be~~) is at the rate of not more than one cent on ten cents or
6 fraction thereof. Revenues collected under this subsection (~~shall~~)
7 must be deposited in the stadium and exhibition center account under
8 RCW 43.99N.060 until the bonds issued under RCW 43.99N.020 for the
9 construction of the stadium and exhibition center are retired. After
10 the bonds issued for the construction of the stadium and exhibition
11 center are retired, the tax authorized under this section (~~shall be~~)
12 is used exclusively to fund repair, reequipping, and capital
13 improvement of the stadium and exhibition center. The tax under this
14 subsection may be levied upon the first use of any part of the stadium
15 and exhibition center but (~~shall~~) may not be collected at any
16 facility already in operation as of July 17, 1997.

17 **Sec. 3.** RCW 36.100.220 and 1999 c 165 s 18 are each amended to
18 read as follows:

19 (1) A public facility district may levy and fix a tax on any
20 vehicle parking charges imposed at any parking facility that is owned
21 or leased by the public facility district as part of a regional center,
22 as defined in RCW 35.57.020, or a baseball stadium, as defined in RCW
23 82.14.0485. No county (~~or~~), city, or town within which the regional
24 center or baseball stadium is located may impose a tax of the same or
25 similar kind on any vehicle parking charges at the facility.

26 (2) For the purposes of this section, "vehicle parking charges"
27 means only the actual parking charges exclusive of taxes and service
28 charges and the value of any other benefit conferred.

29 (3) The tax authorized under this section (~~shall~~) must be at the
30 rate of not more than ten percent. The tax authorized by this section
31 with respect to a parking facility associated with a baseball stadium
32 must be used exclusively to fund repair, reequipping, and capital
33 improvement of the baseball stadium, and is not subject to the
34 requirements of RCW 36.100.010(4)."

SSB 5834 - S AMD

By Senators White, Murray, Fain, Hill, Eide, King

ADOPTED 05/24/2011

1 On page 1, line 2 of the title, after "arts" strike the remainder
2 of the title and insert ", culture, heritage, tourism, and housing; and
3 amending RCW 67.28.180, 36.38.010, and 36.100.220."

EFFECT: The amendment contains all the provisions of SSB 5834 and adds a provision that beginning in 2021 at least 37.5% of the state shared hotel/motel tax in King County may be used for affordable workforce housing or services for homeless youth. Any remaining funds shall be used for tourism related purposes that attract visitors to the county.

Allows the admissions tax currently imposed at Safeco field to be used for repairs or capital improvements at Safeco field. Also allows the public facility district to impose a parking tax at Safeco field in lieu of the city tax currently imposed there.

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