

HB 2110 - S COMM AMD

By Committee on Housing Stability & Affordability

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

3 **"Sec. 1.** RCW 67.28.180 and 2015 c 102 s 3 are each amended to  
4 read as follows:

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

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

12 (a) Any county ordinance or resolution adopted pursuant to this  
13 section must contain, in addition to all other provisions required to  
14 conform to this chapter, a provision allowing a credit against the  
15 county tax for the full amount of any city tax imposed pursuant to  
16 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  
19 tax 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 [and]))~~) and 67.28.160 or has authorized and  
22 issued revenue or general obligation bonds pursuant to the provisions  
23 of RCW 67.28.150 (~~((through [and]))~~) and 67.28.160, such county is  
24 exempt from the provisions of (a) of this subsection, to the extent  
25 that the tax revenues are pledged for payment of principal and  
26 interest on bonds issued at any time pursuant to the provisions of  
27 RCW 67.28.150 (~~((through [and]))~~) and 67.28.160. However, so much of  
28 such pledged tax revenues, together with any investment earnings  
29 thereon, not immediately necessary for actual payment of principal  
30 and interest on such bonds may be used: (A) In any county with a  
31 population of one million five hundred thousand or more, for  
32 repayment either of limited tax levy general obligation bonds or of

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

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

32 (iii) As used in this subsection (2)(b), "capital improvement  
33 projects" may include, but not be limited to a stadium restaurant  
34 facility, restroom facilities, artificial turf system, seating  
35 facilities, parking facilities and scoreboard and information system  
36 adjacent to or within a county owned stadium, together with  
37 equipment, utilities, accessories and appurtenances necessary  
38 thereto. The stadium restaurant authorized by this subsection (2)(b)  
39 must be operated by a private concessionaire under a contract with  
40 the county.

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

4 (ii) No city within a county with a population of one million  
5 five hundred thousand or more may levy the tax authorized by this  
6 section.

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

16 (3) Any levy authorized by this section by a county that has a  
17 population of one million five hundred thousand or more is subject to  
18 the following:

19 (a) Taxes collected under this section in any calendar year  
20 before 2013 in excess of five million three hundred thousand dollars  
21 may only be used as follows:

22 (i) Seventy percent from January 1, 2001, through December 31,  
23 2012, for art museums, cultural museums, heritage museums, the arts,  
24 and the performing arts. Moneys spent under this subsection (3) (a) (i)  
25 must be used for the purposes of this subsection (3) (a) (i) in all  
26 parts of the county.

27 (ii) Thirty percent from January 1, 2001, through December 31,  
28 2012, for the following purposes and in a manner reflecting the  
29 following order of priority: Stadium purposes as authorized under  
30 subsection (2) (b) of this section; acquisition of open space lands;  
31 youth sports activities; and tourism promotion. If all or part of the  
32 debt on the stadium is refinanced, all revenues under this subsection  
33 (3) (a) (ii) must be used to retire the debt.

34 (b) From January 1, 2013, through December 31, 2015, all revenues  
35 under this section must be used to retire the debt on the stadium,  
36 until the debt on the stadium is retired. On and after the date the  
37 debt on the stadium is retired, and through December 31, 2015, all  
38 revenues under this section in a county of one million five hundred  
39 thousand or more must be deposited in the special account under (e)  
40 of this subsection.

1 (c) From January 1, 2016, through December 31, 2020, all revenues  
2 under this section must be deposited in the stadium and exhibition  
3 center account under RCW 43.99N.060.

4 (d) On and after January 1, 2021, the revenues under this section  
5 must be used as follows:

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

9 (ii) At least thirty-seven and one-half percent of the revenues  
10 under this section must be used:

11 (A) For contracts, loans, or grants to nonprofit organizations or  
12 public housing authorities for affordable workforce housing within  
13 one-half mile of a transit station, as described under RCW 9.91.025  
14 or for facilities or services for homeless youth; or

15 (B) To repay:

16 (I) General obligation bonds issued pursuant to RCW 67.28.150 to  
17 finance such contracts, loans, or grants; or

18 (II) Revenue bonds issued pursuant to RCW 67.28.160 to finance a  
19 fund to make such contracts, loans, or grants; or

20 (III) Revenue bonds issued pursuant to RCW 67.28.160 to finance  
21 projects authorized by an authority under chapter 43.167 RCW to  
22 promote sustainable workplace opportunities near a community impacted  
23 by the construction or operation of tourism-related facilities.

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

26 (e) At least forty percent of the revenues distributed pursuant  
27 to (a)(i) of this subsection must be deposited in a special account.  
28 The account may only be used for the purposes of (a)(i) of this  
29 subsection.

30 (f) School districts and schools may not receive revenues  
31 distributed pursuant to (a)(i) of this subsection.

32 (g) Moneys distributed to art museums, cultural museums, heritage  
33 museums, the arts, and the performing arts, and moneys distributed  
34 for tourism promotion must be in addition to and may not be used to  
35 replace or supplant any other funding by the legislative body of the  
36 county.

37 (h) For the purposes of this section:

38 (i) "Affordable workforce housing" means housing for a single  
39 person, family, or unrelated persons living together whose income is  
40 (~~between thirty percent and~~) at or below eighty percent of the

1 median income, adjusted for household size, for the county where the  
2 housing is located; and

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

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

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

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

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

39 (4) If a court of competent jurisdiction declares any provision  
40 of subsection (3) of this section invalid, then that invalid

1 provision is null and void and the remainder of this section is not  
2 affected."

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3 On page 1, line 3 of the title, after "expenditures;" strike the  
4 remainder of the title and insert "and amending RCW 67.28.180."

EFFECT: Adds facilities for homeless youth as an allowable use of  
the revenues from lodging tax revenues.

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