

2 **HB 2093** - H AMD **299 Adopted 3-20-91**
3 By Representatives Locke and Miller

4

5 Strike everything after the enacting clause and insert the
6 following:

7 "Sec. 1. RCW 67.28.180 and 1987 c 483 s 1 are each amended to read
8 as follows:

9 (1) Subject to the conditions set forth in subsections (2) and (3)
10 of this section, the legislative body of any county or any city, is
11 authorized to levy and collect a special excise tax of not to exceed
12 two percent on the sale of or charge made for the furnishing of lodging
13 by a hotel, rooming house, tourist court, motel, trailer camp, and the
14 granting of any similar license to use real property, as distinguished
15 from the renting or leasing of real property: PROVIDED, That it shall
16 be presumed that the occupancy of real property for a continuous period
17 of one month or more constitutes a rental or lease of real property and
18 not a mere license to use or to enjoy the same.

19 (2) Any levy authorized by this section shall be subject to the
20 following:

21 (a) Any county ordinance or resolution adopted pursuant to this
22 section shall contain, in addition to all other provisions required to
23 conform to this chapter, a provision allowing a credit against the
24 county tax for the full amount of any city tax imposed pursuant to this
25 section upon the same taxable event.

26 (b) In the event that any county has levied the tax authorized by
27 this section and has, prior to June 26, 1975, either pledged the tax
28 revenues for payment of principal and interest on city revenue or

1 general obligation bonds authorized and issued pursuant to RCW
2 67.28.150 through 67.28.160 or has authorized and issued revenue or
3 general obligation bonds pursuant to the provisions of RCW 67.28.150
4 through 67.28.160, such county shall be exempt from the provisions of
5 subsection (a), to the extent that the tax revenues are pledged for
6 payment of principal and interest on bonds issued at any time, and
7 maturing before January 1, 2013, pursuant to the provisions of RCW
8 67.28.150 through 67.28.160: PROVIDED, That so much of such pledged
9 tax revenues, together with any investment earnings thereon, not
10 immediately necessary for actual payment of principal and interest on
11 such bonds may be used: (i) In class AA counties, for repayment either
12 of limited tax levy general obligation bonds or of any county fund or
13 account from which a loan was made, the proceeds from the bonds or loan
14 being used to pay for constructing, installing, improving, and
15 equipping stadium capital improvement projects, and to pay for any
16 engineering, planning, financial, legal and professional services
17 incident to the development of such stadium capital improvement
18 projects, regardless of the date the debt for such capital improvement
19 projects was or may be incurred; or (ii) in counties other than class
20 AA counties, for county-owned facilities for agricultural promotion.

21 As used in this subsection (2)(b), "capital improvement projects"
22 may include, but not be limited to a stadium restaurant facility,
23 restroom facilities, artificial turf system, seating facilities,
24 parking facilities and scoreboard and information system adjacent to or
25 within a county owned stadium, together with equipment, utilities,
26 accessories and appurtenances necessary thereto. The stadium
27 restaurant authorized by this subsection (2)(b) shall be operated by a
28 private concessionaire under a contract with the county.

29 (c) No city within a county exempt under subsection (2)(b) of this
30 section may levy the tax authorized by this section so long as said

1 county is so exempt: PROVIDED, That in the event that any city in such
2 county has levied the tax authorized by this section and has, prior to
3 June 26, 1975, authorized and issued revenue or general obligation
4 bonds pursuant to the provisions of RCW 67.28.150 through 67.28.160,
5 such city may levy the tax so long as and to the extent that the tax
6 revenues are pledged for payment of principal and interest on bonds
7 issued pursuant to the provisions of RCW 67.28.150 through 67.28.160.

8 (3) Any levy authorized by this section by a county that has levied
9 the tax authorized by this section and has, prior to June 26, 1975,
10 either pledged the tax revenues for payment of principal and interest
11 on city revenue or general obligation bonds authorized and issued
12 pursuant to RCW 67.28.150 through 67.28.160 or has authorized and
13 issued revenue or general obligation bonds pursuant to the provisions
14 of RCW 67.28.150 through 67.28.160 shall be subject to the following:

15 (a) From January 1, 1992, through December 31, 2000, taxes
16 collected under this section in any calendar year in excess of five
17 million three hundred thousand dollars and not exceeding the limits
18 specified in this subsection (3) shall only be used for art
19 ((museums,)) and cultural museums, the arts, ((and/or)) and the
20 performing arts.

21 ((b)) (i) For the calendar year ending December 31, 1992, the
22 limit is \$828,000.

23 (ii) For the calendar year ending December 31, 1993, the limit is
24 \$1,318,000.

25 (iii) For the calendar year ending December 31, 1994, the limit is
26 \$1,848,000.

27 (iv) For the calendar year ending December 31, 1995, the limit is
28 \$2,420,000.

29 (v) For the calendar year ending December 31, 1996, the limit is
30 \$3,037,000.

1 (vi) For the calendar year ending December 31, 1997, the limit is
2 \$3,704,000.

3 (vii) For the calendar year ending December 31, 1998, the limit is
4 \$4,424,000.

5 (viii) For the calendar year ending December 31, 1999, the limit is
6 \$5,202,000.

7 (ix) For the calendar year ending December 31, 2000, the limit is
8 \$6,042,000.

9 (b) From January 1, 1992, through December 31, 2000, taxes
10 collected under this section in any calendar year in excess of the
11 limits specified in (a)(i) through (ix) of this subsection shall be
12 distributed as follows:

13 (i) Fifty percent to art and cultural museums, the arts, and the
14 performing arts.

15 (ii) Fifty percent to one or more of the following: Stadium
16 capital improvement projects, as defined in subsection (2)(b) of this
17 section, tourism promotion that is intended to attract visitors for
18 overnight stays, or promotion of professional, amateur, and
19 recreational sports activities. The legislative body of the county
20 levying the tax in this section shall direct a portion of any moneys
21 used for tourism and lodging promotion to benefit areas of the county
22 outside of any city with a population greater than five hundred
23 thousand.

24 (c) At least seventy percent of moneys spent under subsections
25 (3)(a) and (3)(b)(i) of this section shall be used only for the
26 purchase, design, construction, and remodeling of performing arts,
27 visual arts, and cultural facilities, and for the purchase of fixed
28 assets that will benefit art and cultural organizations. For purposes
29 of this subsection, fixed assets are tangible objects such as machinery
30 and other equipment intended to be held or used for ten years or more.

1 Arts organizations receiving moneys under this subsection must be
2 financially stable and have at least the following:

3 (i) A legally constituted and working board of directors;

4 (ii) A record of artistic and cultural accomplishments;

5 (iii) Been in existence and operating for at least two years;

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

8 (v) Demonstrated ability to sustain operational capacity subsequent
9 to completion of projects or purchase of machinery and equipment; and

10 (vi) Evidence that there has been independent financial review of
11 the organization.

12 (d) From January 1, 2001, through December 31, 2012, taxes
13 collected under this section in any calendar year in excess of five
14 million three hundred thousand dollars and not exceeding eleven million
15 three hundred forty-two thousand dollars shall be used only for art and
16 cultural museums, the arts, and the performing arts.

17 (e) From January 1, 2001, through December 31, 2012, taxes
18 collected under this section in any calendar year in excess of eleven
19 million three hundred forty-two thousand dollars shall be distributed
20 as follows:

21 (i) Sixty percent to art and cultural museums, the arts, and the
22 performing arts.

23 (ii) Forty percent to one or more of the following: Stadium
24 capital improvement projects, as defined in subsection (2)(b) of this
25 section, tourism promotion that is intended to attract visitors for
26 overnight stays, or promotion of professional, amateur, and
27 recreational sports activities. The legislative body of the county
28 levying the tax in this section shall direct a portion of any moneys
29 used for tourism and lodging promotion to benefit areas of the county

1 outside of any city with a population greater than five hundred
2 thousand.

3 (f) At least forty percent of the revenues distributed pursuant to
4 subsections (3)(d) and (3)(e)(i) of this section shall be deposited in
5 an account and shall be used to establish an endowment. Principal in
6 the account shall remain permanent and irreducible. The earnings from
7 investments of balances in the account may only be used for the
8 purposes of subsections (3)(d) and (3)(e)(i) of this section.

9 (g) Moneys distributed to art and cultural museums, the arts, and
10 performing arts shall be in addition to and may not be used to replace
11 or supplant any other arts or cultural funding by the legislative body
12 of the county.

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

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

25 ~~((d))~~ (j) If a substantial part of the operation and management
26 of a public stadium that is financed directly or indirectly by bonds to
27 which the tax is pledged is performed by a nonpublic entity or if a
28 public stadium is sold that is financed directly or indirectly by bonds
29 to which the tax is pledged, any bonds to which the tax is pledged
30 shall be retired.

1 (~~(e)~~) (k) The county shall not lease a public stadium that is
2 financed directly or indirectly by bonds to which the tax is pledged
3 to, or authorize the use of the public stadium by, a professional major
4 league sports franchise unless the sports franchise gives the right of
5 first refusal to purchase the sports franchise, upon its sale, to local
6 government. This subsection (3)(~~(e)~~) (k) does not apply to contracts
7 in existence on April 1, 1986.

8 If a court of competent jurisdiction declares any provision of this
9 subsection (3) invalid, then that invalid provision shall be null and
10 void and the remainder of this section is not affected."

11 "NEW SECTION. Sec. 2. This act shall take effect January 1,
12 1992."

13 **HB 2093** - H AMD
14 By Representative

15
16 On page 1, line 4 of the title, after "facilities;" strike the
17 remainder of the title and insert "amending RCW 67.28.180; and
18 providing an effective date."