

2 **SB 6085** - S AMD - 0002
3 By Senator Gaspard

4 AMENDED BY DELETING SEC. 307; NOT ADOPTED 10/13/95

5 On page 1, strike everything after the enacting clause and insert
6 the following:

7 "PART I
8 STATE CONTRIBUTION

9 NEW SECTION. **Sec. 101.** A new section is added to chapter 82.14
10 RCW to read as follows:

11 (1) The legislative authority of a county with a population of one
12 million or more may impose a sales and use tax in accordance with the
13 terms of this chapter. The tax is in addition to other taxes
14 authorized by law and shall be collected from those persons who are
15 taxable by the state under chapters 82.08 and 82.12 RCW upon the
16 occurrence of any taxable event within the county. The rate of tax
17 shall not exceed 0.017 percent of the selling price in the case of a
18 sales tax or value of the article used in the case of a use tax.

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

24 (3) Moneys collected under this section shall only be used for the
25 purpose of paying the principal and interest payments on bonds issued
26 by a county to construct a baseball stadium. Moneys collected in
27 excess of the amount necessary to pay one-fourth of the principal and
28 interest payments, as defined in section 107 of this act, on the bonds
29 that are issued for the construction of the stadium shall be used to
30 reduce the payments on the bonds from the sports bond retirement
31 account, as provided in section 107 of this act.

32 (4) No tax may be collected under this section before January 1,
33 1996, and no tax may be collected under this section until the county
34 legislative authority has adopted resolutions imposing the taxes under
35 RCW 82.14.360. The tax imposed in this section shall expire when the

1 taxes imposed under RCW 82.14.360 expire or when the bonds issued for
2 the construction of the baseball stadium are retired, but not more than
3 twenty years after the bonds are issued.

4 (5) As used in this section, "baseball stadium" means a baseball
5 stadium with natural turf and a retractable roof or canopy, together
6 with associated parking facilities, constructed in the largest city in
7 a county with a population of one million or more.

8 **Sec. 102.** RCW 46.16.301 and 1994 c 194 s 2 are each amended to
9 read as follows:

10 (1) The department may create, design, and issue special license
11 plates that may be used in lieu of regular or personalized license
12 plates for motor vehicles required to display two motor vehicle license
13 plates, excluding vehicles registered under chapter 46.87 RCW, upon
14 terms and conditions established by the department. The special plates
15 may:

16 (a) Denote the age or type of vehicle; or

17 (b) Denote special activities or interests; or

18 (c) Denote the status, or contribution or sacrifice for the United
19 States, the state of Washington, or the citizens of the state of
20 Washington, of a registered owner of that vehicle; or

21 (d) Display a depiction of the name and mascot or symbol of a state
22 university, regional university, or state college as defined in RCW
23 28B.10.016.

24 (2) The department shall create, design, and issue a special
25 baseball stadium license plate that may be used in lieu of regular or
26 personalized license plates for motor vehicles required to display two
27 motor vehicle license plates, excluding vehicles registered under
28 chapter 46.87 RCW, upon terms and conditions established by the
29 department. The special plates shall commemorate the construction of
30 a baseball stadium, as defined in section 101 of this act. The
31 department shall also issue to each recipient of a special baseball
32 stadium license plate a certificate of participation in the
33 construction of the baseball stadium.

34 (3) The department has the sole discretion to determine whether or
35 not to create, design, or issue any series of special license plates,
36 other than the special baseball stadium license plate under subsection
37 (2) of this section, and whether any interest or status merits the
38 issuance of a series of special license plates. In making this

1 determination, the department shall consider whether or not an interest
2 or status contributes or has contributed significantly to the public
3 health, safety, or welfare of the citizens of the United States or of
4 this state or to their significant benefit, or whether the interest or
5 status is recognized by the United States, this state, or other states,
6 in other settings or contexts. The department may also consider the
7 potential number of persons who may be eligible for the plates and the
8 cost and efficiency of producing limited numbers of the plates. The
9 design of a special license plate shall conform to all requirements for
10 plates for the type of vehicle for which it is issued, as provided
11 elsewhere in this chapter.

12 **Sec. 103.** RCW 46.16.313 and 1994 c 194 s 4 are each amended to
13 read as follows:

14 (1) The department may establish a fee for each type of special
15 license plates issued under RCW 46.16.301(1) (a), (b), or (c) in an
16 amount calculated to offset the cost of production of the special
17 license plates and the administration of this program. The fee shall
18 not exceed thirty-five dollars and is in addition to all other fees
19 required to register and license the vehicle for which the plates have
20 been requested. All such additional special license plate fees
21 collected by the department shall be deposited in the state treasury
22 and credited to the motor vehicle fund.

23 (2) In addition to all fees and taxes required to be paid upon
24 application, registration, and renewal registration of a motor vehicle,
25 the holder of a collegiate license plate shall pay a fee of thirty
26 dollars. The department shall deduct an amount not to exceed two
27 dollars of each fee collected under this subsection for administration
28 and collection expenses incurred by it. The remaining proceeds, minus
29 the cost of plate production, shall be remitted to the custody of the
30 state treasurer with a proper identifying detailed report. The state
31 treasurer shall credit the funds to the appropriate collegiate license
32 plate fund as provided in RCW 28B.10.890.

33 (3) In addition to all fees and taxes required to be paid upon
34 application, registration, and renewal registration of a motor vehicle,
35 the holder of a special baseball stadium license plate shall pay a fee
36 of thirty dollars. The department shall deduct an amount not to exceed
37 two dollars of each fee collected under this subsection for
38 administration and collection expenses incurred by it. The remaining

1 proceeds, minus the cost of plate production, shall be remitted to the
2 custody of the state treasurer with a proper identifying detailed
3 report. The state treasurer shall credit the funds to the sports bond
4 retirement account under section 107 of this act through the date of
5 the retirement of the bonds issued by a county to construct a baseball
6 stadium, as defined in section 101 of this act. After this date, the
7 state treasurer shall credit the funds to the state general fund.

8 NEW SECTION. Sec. 104. A new section is added to chapter 43.79
9 RCW to read as follows:

10 Any moneys that may be donated to the state for the purpose of
11 constructing a baseball stadium as defined in section 101 of this act
12 shall be deposited in the sports bond retirement account under section
13 107 of this act.

14 NEW SECTION. Sec. 105. A new section is added to chapter 67.70
15 RCW to read as follows:

16 The lottery commission shall conduct at least two but not more than
17 four games with sports themes per year. Revenues from these games
18 shall be deposited into the sports bond retirement account under
19 section 107 of this act. Three million dollars shall be deposited
20 under this section during calendar year 1996. During subsequent years,
21 such deposits shall equal the prior year's distributions increased by
22 four percent. Deposits under this section shall cease when the bonds
23 issued for the construction of the baseball stadium, as defined in
24 section 101 of this act, are retired, but not more than twenty years
25 after the bonds are issued.

26 **Sec. 106.** RCW 67.70.240 and 1987 c 513 s 7 are each amended to
27 read as follows:

28 The moneys in the state lottery account shall be used only: (1)
29 For the payment of prizes to the holders of winning lottery tickets or
30 shares; (2) for purposes of making deposits into the reserve account
31 created by RCW 67.70.250 and into the lottery administrative account
32 created by RCW 67.70.260; (3) for purposes of making deposits into the
33 state's general fund; (4) for purposes of making deposits into the
34 housing trust fund under the provisions of section 7 of this 1987 act;
35 (5) for purposes of making deposits into the sports bond retirement
36 account under section 107 of this act as provided in section 105 of

1 this act; (6) for the purchase and promotion of lottery games and game-
2 related services; and (~~(6)~~) (7) for the payment of agent
3 compensation.

4 The office of financial management shall require the allotment of
5 all expenses paid from the account and shall report to the ways and
6 means committees of the senate and house of representatives any changes
7 in the allotments.

8 NEW SECTION. Sec. 107. A new section is added to chapter 43.79
9 RCW to read as follows:

10 (1) The sports bond retirement account is created in the custody of
11 the state treasurer. The account shall be used exclusively for the
12 payment of up to one-fourth of the principal and interest payments on
13 bonds issued by a county with a population of one million or more to
14 construct a baseball stadium. Interest and earnings on investments of
15 moneys in the account shall be deposited into the account.

16 (2) The sports bond retirement account shall consist of all moneys
17 deposited into the account under RCW 46.16.313(3) and sections 104 and
18 105 of this act and interest and earnings on investments of moneys in
19 the account under subsection (1) of this section.

20 (3) A county with a population of one million or more that has
21 issued bonds to construct a baseball stadium shall, on or before June
22 30th of each year, certify to the state treasurer the amount needed in
23 the ensuing twelve months to meet one-fourth of the bond retirement and
24 interest requirements. Not less than thirty days prior to the date on
25 which any interest or principal and interest payment is due, the
26 department of revenue shall certify to the state treasurer the amount
27 of revenues accruing to the county under section 101 of this act in
28 excess of the amount needed to pay one-fourth of the prior principal
29 and interest payment. On the date on which any such interest or
30 principal and interest payment is due, the state treasurer shall
31 withdraw and transmit to the county from the sports bond retirement
32 account an amount equal to the amount certified by the county to be due
33 on the payment date, less the amount certified by the department of
34 revenue.

35 (5) The sports bond retirement account is abolished on the date of
36 the retirement of the bonds issued by a county with a population of one
37 million or more to construct a baseball stadium. Moneys remaining in

1 the account shall be transferred to the state general fund on that
2 date.

3 (6) As used in this section:

4 (a) "Baseball stadium" means "baseball stadium" as defined in
5 section 101 of this act; and

6 (b) "One-fourth of the principal and interest payments" means the
7 lesser of one-fourth of the principal and interest payments on the
8 bonds that are issued for the construction of the stadium or one-fourth
9 of the principal and interest payments on the bonds equal to an amount
10 of two hundred fifty-five million dollars.

11 **Sec. 108.** RCW 43.79A.040 and 1995 c 394 s 2 and 1995 c 365 s 1 are
12 each reenacted and amended to read as follows:

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

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

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

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

31 (b) The following accounts and funds shall receive their
32 proportionate share of earnings based upon each account's or fund's
33 average daily balance for the period: The agricultural local fund, the
34 American Indian scholarship endowment fund, the energy account, the
35 fair fund, the game farm alternative account, the grain inspection
36 revolving fund, the rural rehabilitation account, ~~((and))~~ the self-
37 insurance revolving fund, and the sports bond retirement account.
38 However, the earnings to be distributed shall first be reduced by the

1 allocation to the state treasurer's service fund pursuant to RCW
2 43.08.190.

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

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

12 NEW SECTION. **Sec. 109.** Sections 101 through 108 of this act
13 constitute the entire state contribution for a baseball stadium, as
14 defined in section 101 of this act, and assumes that the state share is
15 one-half of the total amount of bonds issued, but not exceeding one-
16 half of a total amount of two hundred fifty-five million dollars. The
17 state will not make any additional contributions based on revised cost
18 or revenue estimates, cost overruns, unforeseen circumstances, or any
19 other reason.

20 **PART II**
21 **LOCAL FUNDING**

22 **Sec. 201.** RCW 82.14.360 and 1995 1st sp.s. c 14 s 7 are each
23 amended to read as follows:

24 (1) The legislative authority of a county with a population of one
25 million or more (~~((operating under a county charter))~~) may impose a
26 special stadium sales and use tax (~~((by resolution adopted on or before
27 December 31, 1995, for collection following its approval by a majority
28 of the voters in the county at a general or special election))~~) upon the
29 retail sale or use within the county by restaurants, taverns, and bars
30 of food and beverages that are taxable by the state under chapters
31 82.08 and 82.12 RCW. The rate of the tax shall not exceed five-tenths
32 of one percent of the selling price in the case of a sales tax, or
33 value of the article used in the case of a use tax. The tax imposed
34 under this subsection is in addition to any other taxes authorized by
35 law and shall not be credited against any other tax imposed upon the
36 same taxable event.

1 (2) The legislative authority of a county with a population of one
2 million or more may impose a special stadium sales and use tax upon
3 retail car rentals within the county that are taxable by the state
4 under chapters 82.08 and 82.12 RCW. The rate of the tax shall ((equal
5 one-tenth of one)) not exceed two percent of the selling price in the
6 case of a sales tax, or rental value of the ((article-used)) vehicle in
7 the case of a use tax. The tax imposed under this ((section))
8 subsection is in addition to any other taxes authorized by law and
9 shall not be credited against any other tax imposed upon the same
10 taxable event.

11 (3) The revenue from the ((tax)) taxes imposed under this section
12 shall be used for the purpose of principal and interest payments on
13 bonds issued by ((a public facilities district, created within)) the
14 county ((under chapter 36.100 RCW,)) to acquire, construct, own,
15 remodel, maintain, equip, reequip, repair, and operate a baseball
16 stadium ((with a retractable roof or canopy and natural turf.)) The
17 county shall issue bonds, in an amount determined to be necessary by
18 the public facilities district, for the district to acquire, construct,
19 own, and equip the baseball stadium. Total bonds authorized for the
20 baseball stadium shall not exceed two hundred fifty-five million
21 dollars unless agreed otherwise by the public facilities district and
22 the county. If the revenue from the tax imposed under this section
23 exceeds the amount needed for such principal and interest payments in
24 any year, the excess shall be used solely:

25 (a) For either or both: ((+a)) (i) Early retirement of the bonds
26 issued for the baseball stadium; or ((+b)) (ii) retirement of bonds
27 issued for expanding, remodelling, repairing, or reequipping of a
28 multipurpose stadium that has a seating capacity over forty-five
29 thousand; and

30 (b) If the revenue from the taxes imposed under this section
31 exceeds the amount needed for the purposes in (a) of this subsection in
32 any year, the excess shall be placed in a contingency fund which may
33 only be used to pay unanticipated capital costs on the baseball
34 stadium, excluding any cost overruns on initial construction, or on a
35 multipurpose stadium that has a seating capacity over forty-five
36 thousand.

37 Revenues shall not be used as provided in this subsection (3) for
38 the retirement of bonds issued for expanding, remodelling, repairing,
39 or reequipping of a multipurpose stadium that has a seating capacity

1 over forty-five thousand or to pay unanticipated capital costs on a
2 multipurpose stadium that has a seating capacity over forty-five
3 thousand unless authorized in a separate resolution adopted by the
4 county legislative authority.

5 (4) Revenues from the taxes authorized in this section shall be
6 transferred by the county to the public facilities district for design
7 and other pre-construction costs of the baseball stadium until bonds
8 are issued for the baseball stadium. The taxes authorized under this
9 section may not be collected (~~(only)~~) after June 30, 1997, unless the
10 county executive has certified to the department of revenue that a
11 professional major league baseball team has made a binding and legally
12 enforceable contractual commitment to:

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

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

23 (6) As used in this section, "baseball stadium" means "baseball
24 stadium" as defined in section 101 of this act.

25 (7) The taxes imposed under this section shall expire when the
26 bonds issued for the construction of the ((new public facilities))
27 baseball stadium are retired, but not later than twenty years after the
28 tax is first collected.

29 **Sec. 202.** RCW 35.21.280 and 1995 1st sp.s. c 14 s 8 are each
30 amended to read as follows:

31 Every city and town may levy and fix a tax of not more than one
32 cent on twenty cents or fraction thereof to be paid by the person who
33 pays an admission charge to any place: PROVIDED, No city or town shall
34 impose such tax on persons paying an admission to any activity of any
35 elementary or secondary school. This includes a tax on persons who are
36 admitted free of charge or at reduced rates to any place for which
37 other persons pay a charge or a regular higher charge for the same
38 privileges or accommodations. A city that is located in a county with

1 a population of one million or more may not levy a tax on events in
2 stadia constructed on or after January 1, 1995, that are owned by
3 (~~county government or~~) a public facilities district under chapter
4 36.100 RCW and that have seating capacities over forty thousand. The
5 city or town may require anyone who receives payment for an admission
6 charge to collect and remit the tax to the city or town.

7 The term "admission charge" includes:

8 (1) A charge made for season tickets or subscriptions;

9 (2) A cover charge, or a charge made for use of seats and tables
10 reserved or otherwise, and other similar accommodations;

11 (3) A charge made for food and refreshment in any place where free
12 entertainment, recreation or amusement is provided;

13 (4) A charge made for rental or use of equipment or facilities for
14 purposes of recreation or amusement; if the rental of the equipment or
15 facilities is necessary to the enjoyment of a privilege for which a
16 general admission is charged, the combined charges shall be considered
17 as the admission charge;

18 (5) Automobile parking charges if the amount of the charge is
19 determined according to the number of passengers in the automobile.

20 **Sec. 203.** RCW 36.38.010 and 1995 1st sp.s. c 14 s 9 are each
21 amended to read as follows:

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

33 (2) As used in this chapter, the term "admission charge" includes
34 a charge made for season tickets or subscriptions, a cover charge, or
35 a charge made for use of seats and tables, reserved or otherwise, and
36 other similar accommodations; a charge made for food and refreshments
37 in any place where any free entertainment, recreation, or amusement is
38 provided; a charge made for rental or use of equipment or facilities

1 for purpose of recreation or amusement, and where the rental of the
2 equipment or facilities is necessary to the enjoyment of a privilege
3 for which a general admission is charged, the combined charges shall be
4 considered as the admission charge. It shall also include any
5 automobile parking charge where the amount of such charge is determined
6 according to the number of passengers in any automobile.

7 (3) The tax herein authorized shall not be exclusive and shall not
8 prevent any city or town within the taxing county, when authorized by
9 law, from imposing within its corporate limits a tax of the same or
10 similar kind: PROVIDED, That whenever the same or similar kind of tax
11 is imposed by any such city or town, no such tax shall be levied within
12 the corporate limits of such city or town by the county, except that
13 the legislative authority of a county with a population of one million
14 or more may: (a) Exclusively levy a tax on events in stadiums
15 constructed on or after January 1, 1995, that are owned by ((county
16 government or)) a public facilities district under chapter 36.100 RCW
17 and that have seating capacities over forty thousand at the rate of
18 ((not more than)) one cent on twenty cents or fraction thereof; (b)
19 exclusively levy an additional tax on events in stadiums constructed on
20 or after January 1, 1995, that are owned by a public facilities
21 district under chapter 36.100 RCW and that have seating capacities over
22 forty thousand at the rate of not more than one cent on twenty cents or
23 fraction thereof; and (c) additionally levy a tax on events in a
24 multipurpose stadium constructed before January 1, 1995, that has a
25 seating capacity of over forty-five thousand at the rate of not more
26 than one cent on twenty cents or fraction thereof. The revenues under
27 (a) of this subsection shall be used as provided in RCW 82.14.360(3).
28 The revenues under (b) of this subsection shall be used to pay
29 unanticipated capital costs on the baseball stadium, as defined in
30 section 101 of this act. The revenues under (c) of this subsection
31 shall be used for expanding, remodelling, repairing, or reequipping of
32 a multipurpose stadium that has a seating capacity over forty-five
33 thousand. No tax may be collected under (a) through (c) of this
34 subsection unless the conditions of RCW 82.14.360 have been met.

35 ~~((4) By contract, the county shall obligate itself to provide the~~
36 ~~revenue from the tax authorized by this section on events in stadia~~
37 ~~owned, managed, or operated by a public facilities district, having~~
38 ~~seating capacities over forty thousand, and constructed on or after~~
39 ~~January 1, 1995, to the public facilities district.))~~

PART III
MISCELLANEOUS

Sec. 301. RCW 36.100.010 and 1995 1st sp.s. c 14 s 1 are each amended to read as follows:

(1) A public facilities district may be created in any county and shall be coextensive with the boundaries of the county.

(2) A public facilities district shall be created upon adoption of a resolution providing for the creation of such a district by the county legislative authority in which the proposed district is located.

(3) A public facilities district is a municipal corporation, an independent taxing "authority" within the meaning of Article VII, section 1 of the state Constitution, and a "taxing district" within the meaning of Article VII, section 2 of the state Constitution.

(4) No taxes authorized under this chapter may be assessed or levied unless a majority of the voters of the public facilities district has approved such tax at a general or special election. A single ballot proposition may both validate the imposition of the sales and use tax under RCW 82.14.048 and the excise tax under RCW 36.100.040.

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

(6) The county legislative authority or the city council may transfer property to the public facilities district (~~(as part of the process of creating the public facilities district)~~) created under this chapter. No property that is encumbered with debt or that is in need of major capital renovation may be transferred to the district without the agreement of the district and revenues adequate to retire the existing indebtedness.

Sec. 302. RCW 36.100.020 and 1995 1st sp.s. c 14 s 2 are each amended to read as follows:

(1) A public facilities district shall be governed by a board of directors consisting of five or seven members as provided in this section. If the largest city in the county has a population that is at

1 least forty percent of the total county population, the board of
2 directors of the public facilities district shall consist of five
3 members selected as follows: (a) Two members appointed by the county
4 legislative authority to serve for four-year staggered terms; (b) two
5 members appointed by the city council of the largest city in the county
6 to serve for four-year staggered terms; and (c) one person to serve for
7 a four-year term who is selected by the other directors. If the
8 largest city in the county has a population of less than forty percent
9 of the total county population, the county legislative authority shall
10 establish in the resolution creating the public facilities district
11 whether the board of directors of the public facilities district has
12 either five or seven members, and the county legislative authority
13 shall appoint the members of the board of directors to reflect the
14 interests of cities and towns in the county, as well as the
15 unincorporated area of the county. However, if the county has a
16 population of one million or more, the largest city in the county has
17 a population of less than forty percent of the total county population,
18 and the county operates under a county charter, which provides for an
19 elected county executive, three members shall be appointed by the
20 governor and the remaining members shall be appointed by the county
21 executive subject to confirmation by the county legislative authority.
22 The speaker of the house of representatives and the majority leader of
23 the senate shall each recommend to the governor a person to be
24 appointed to the board.

25 (2) At least one member on the board of directors shall be
26 representative of the lodging industry in the public facilities
27 district before the public facilities district imposes the excise tax
28 under RCW 36.100.040.

29 (3) Members of the board of directors shall serve four-year terms
30 of office, except that two of the initial five board members or three
31 of the initial seven board members shall serve two-year terms of
32 office.

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

37 (5) A director appointed by the governor may be removed from office
38 by the governor. Any other director may be removed from office by

1 action of at least two-thirds of the members of the legislative
2 authority which made the appointment.

3 NEW SECTION. **Sec. 303.** A new section is added to chapter 36.100
4 RCW to read as follows:

5 In addition to other powers and restrictions on a public facilities
6 district, the following shall apply to a public facilities district,
7 located in a county with a population of one million or more, that
8 constructs a baseball stadium:

9 (1) The public facilities district, in consultation with the
10 professional baseball team that will use the stadium, shall have the
11 authority to determine the stadium site;

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

18 (3) The public facilities district, in consultation with the
19 professional baseball team that will use the stadium, shall have the
20 final authority to make the final determination of the stadium design
21 and specifications;

22 (4) The public facilities district shall have the authority to
23 contract with the baseball team that will use the stadium to obtain
24 architectural, engineering, environmental, and other professional
25 services related to the stadium site and design options, environmental
26 study requirements, and obtaining necessary permits for the stadium
27 facility;

28 (5) The public facilities district, in consultation with the
29 professional baseball team that will use the stadium, shall have the
30 authority to establish the project budget and bidding specifications
31 and requirements on the stadium project;

32 (6) The public facilities district, in consultation with the
33 professional baseball team that will use the stadium and the county in
34 which the public facilities district is located, shall have the
35 authority to structure the financing of the stadium facility project;

36 (7) The public facilities district may choose to use the provisions
37 of chapter 39.10 RCW in connection with the design, construction,
38 reconstruction, remodel, or alteration of any of its stadium facility

1 without respect to RCW 39.10.030 or the deadlines set forth in RCW
2 39.10.120; and

3 (8) The public facilities district shall consult with the house of
4 representatives executive rules committee and the senate facilities and
5 operations committee before selecting a name for the stadium.

6 As used in this section, "stadium" and "baseball stadium" mean a
7 "baseball stadium" as defined in section 101 of this act.

8 **Sec. 304.** RCW 39.10.120 and 1994 c 132 s 12 are each amended to
9 read as follows:

10 The alternative public works contracting procedures authorized
11 under this chapter are limited to public works contracts signed before
12 (~~(July 1)~~) December 31, 1997. Methods of public works contracting
13 authorized (~~(by RCW 39.10.050 and 39.10.060)~~) under this chapter shall
14 remain in full force and effect until completion of contracts signed
15 before (~~(July 1)~~) December 31, 1997.

16 NEW SECTION. **Sec. 305.** RCW 39.10.902 and 1994 c 132 s 15 are each
17 repealed.

18 **Sec. 306.** RCW 82.29A.130 and 1995 c 138 s 1 are each amended to
19 read as follows:

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

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

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

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

33 (4) All leasehold interests used for fair purposes of a nonprofit
34 fair association that sponsors or conducts a fair or fairs which
35 receive support from revenues collected pursuant to RCW 67.16.100 and
36 allocated by the director of the department of agriculture where the

1 fee ownership of such property is vested in the government of the
2 United States, the state of Washington or any of its political
3 subdivisions: PROVIDED, That this exemption shall not apply to the
4 leasehold interest of any sublessee of such nonprofit fair association
5 if such leasehold interest would be taxable if it were the primary
6 lease.

7 (5) All leasehold interests in any property of any public entity
8 used as a residence by an employee of that public entity who is
9 required as a condition of employment to live in the publicly owned
10 property.

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

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

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

29 (9) All leasehold interests which give use or possession of the
30 leased property for a continuous period of less than thirty days:
31 PROVIDED, That for purposes of this subsection, successive leases or
32 lease renewals giving substantially continuous use of possession of the
33 same property to the same lessee shall be deemed a single leasehold
34 interest: PROVIDED FURTHER, That no leasehold interest shall be deemed
35 to give use or possession for a period of less than thirty days solely
36 by virtue of the reservation by the public lessor of the right to use
37 the property or to allow third parties to use the property on an
38 occasional, temporary basis.

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

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

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

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

21 (14) All leasehold interests in the public or entertainment areas
22 of a baseball stadium with natural turf and a retractable roof or
23 canopy that is in a county with a population of over one million, that
24 has a seating capacity of over forty thousand, and that is constructed
25 on or after January 1, 1995. "Public or entertainment areas" include
26 ticket sales areas, ramps and stairs, lobbies and concourses, parking
27 areas, concession areas, restaurants, hospitality and stadium club
28 areas, kitchens or other work areas primarily servicing other public or
29 entertainment areas, public rest room areas, press and media areas,
30 control booths, broadcast and production areas, retail sales areas,
31 museum and exhibit areas, scoreboards or other public displays, storage
32 areas, loading, staging, and servicing areas, seating areas and suites,
33 the playing field, and any other areas to which the public has access
34 or which are used for the production of the entertainment event or
35 other public usage, and any other personal property used for these
36 purposes. "Public or entertainment areas" does not include locker
37 rooms or private offices exclusively used by the lessee.

