

CERTIFICATION OF ENROLLMENT  
**ENGROSSED SUBSTITUTE HOUSE BILL 2192**

Chapter 220, Laws of 1997

55th Legislature  
1997 Regular Session

STADIUM AND EXHIBITION CENTER FINANCING

EFFECTIVE DATE: Sections 101 through 604 of this Referendum Bill No. 48 become effective on 7/17/97, if approved by the voters at a special election held on or before 6/20/97; sections 606 and 607 become effective on 4/26/97; and section 605 becomes effective on 7/27/97.

Passed by the House April 25, 1997  
Yeas 56 Nays 41

CLYDE BALLARD  
Speaker of the  
House of Representatives

Passed by the Senate April 26, 1997  
Yeas 28 Nays 21

BRAD OWEN  
President of the Senate

Approved April 26, 1997

GARY LOCKE  
Governor of the State of Washington

CERTIFICATE

I, Timothy A. Martin, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE HOUSE BILL 2192** as passed by the House of Representatives and the Senate on the dates hereon set forth.

TIMOTHY A. MARTIN  
Chief Clerk

FILED

April 26, 1997 - 10:59 p.m.

Secretary of State  
State of Washington



1 (1) "Design" includes architectural, engineering, and other related  
2 professional services.

3 (2) "Develop" means, generally, the process of planning, designing,  
4 financing, constructing, owning, operating, and leasing a project such  
5 as a stadium and exhibition center.

6 (3) "Permanent seat license" means a transferable license sold to  
7 a third party that, subject to certain conditions, restrictions, and  
8 limitations, entitles the third party to purchase a season ticket to  
9 professional football games of the professional football team played in  
10 the stadium and exhibition center for so long as the team plays its  
11 games in that facility.

12 (4) "Preconstruction" includes negotiations, including negotiations  
13 with any team affiliate, planning, studies, design, and other  
14 activities reasonably necessary before constructing a stadium and  
15 exhibition center.

16 (5) "Professional football team" means a team that is a member of  
17 the national football league or similar professional football  
18 association.

19 (6) "Public stadium authority operation" means the formation and  
20 ongoing operation of the public stadium authority, including the hiring  
21 of employees, agents, attorneys, and other contractors, and the  
22 acquisition and operation of office facilities.

23 (7) "Site acquisition" means the purchase or other acquisition of  
24 any interest in real property including fee simple interests and  
25 easements, which property interests constitute the site for a stadium  
26 and exhibition center.

27 (8) "Site preparation" includes demolition of existing  
28 improvements, environmental remediation, site excavation, shoring, and  
29 construction and maintenance of temporary traffic and pedestrian  
30 routing.

31 (9) "Stadium and exhibition center" means an open-air stadium  
32 suitable for national football league football and for Olympic and  
33 world cup soccer, with adjacent exhibition facilities, together with  
34 associated parking facilities and other ancillary facilities.

35 (10) "Team affiliate" means a professional football team that will  
36 use the stadium and exhibition center, and any affiliate of the team  
37 designated by the team. An "affiliate of the team" means any person or  
38 entity that controls, is controlled by, or is under common control with  
39 the team.

1        NEW SECTION.    **Sec. 102.**    (1) A public stadium authority may be  
2 created in any county that has entered into a letter of intent relating  
3 to the development of a stadium and exhibition center under chapter  
4 . . . , Laws of 1997 (this act) with a team affiliate or an entity that  
5 has a contractual right to become a team affiliate.

6        (2) A public stadium authority shall be created upon adoption of a  
7 resolution providing for the creation of such an authority by the  
8 county legislative authority in which the proposed authority is  
9 located.

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

16       (4) The legislative authority of the county in which the public  
17 stadium authority is located, or the council of any city located in  
18 that county, may transfer property to the public stadium authority  
19 created under this chapter. Property encumbered by debt may be  
20 transferred by a county legislative authority or a city council to a  
21 public stadium authority created to develop a stadium and exhibition  
22 center under section 105 of this act, but obligation for payment of the  
23 debt may not be transferred.

24       NEW SECTION.    **Sec. 103.**    (1) A public stadium authority shall be  
25 governed by a board of directors consisting of seven members appointed  
26 by the governor. The speaker of the house of representatives, the  
27 minority leader of the house of representatives, the majority leader of  
28 the senate, and the minority leader of the senate shall each recommend  
29 to the governor a person to be appointed to the board.

30       (2) Members of the board of directors shall serve four-year terms  
31 of office, except that three of the initial seven board members shall  
32 serve two-year terms of office. The governor shall designate the  
33 initial terms of office for the initial members who are appointed.

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

1 (4) A director appointed by the governor may be removed from office  
2 by the governor.

3 NEW SECTION. **Sec. 104.** (1) There is created a public stadium  
4 authority advisory committee comprised of five members. The advisory  
5 committee consists of: The director of the office of financial  
6 management, who shall serve as chair; two members appointed by the  
7 house of representatives, one each appointed by the speaker of the  
8 house of representatives and the minority leader of the house of  
9 representatives; and two members appointed by the senate, one each  
10 appointed by the majority leader of the senate and the minority leader  
11 of the senate.

12 (2) The advisory committee, prior to the final approval of any  
13 lease with the master tenant or sale of stadium naming rights, shall  
14 review and comment on the proposed lease agreement or sale of stadium  
15 naming rights.

16 NEW SECTION. **Sec. 105.** (1) The public stadium authority is  
17 authorized to acquire, construct, own, remodel, maintain, equip,  
18 reequip, repair, and operate a stadium and exhibition center as defined  
19 in section 101 of this act.

20 (2) The public stadium authority may enter into agreements under  
21 chapter 39.34 RCW for the joint provision and operation of a stadium  
22 and exhibition center and may enter into contracts under chapter 39.34  
23 RCW where any party to the contract provides and operates the stadium  
24 and exhibition center for the other party or parties to the contract.

25 (3) Any employees of the public stadium authority shall be  
26 unclassified employees not subject to the provisions of chapter 41.06  
27 RCW and a public stadium authority may contract with a public or  
28 private entity for the operation or management of the stadium and  
29 exhibition center.

30 (4) The public stadium authority is authorized to use the  
31 alternative supplemental public works contracting procedures set forth  
32 in chapter 39.10 RCW in connection with the design, construction,  
33 reconstruction, remodel, or alteration of a stadium and exhibition  
34 center.

35 (5) The public stadium authority may impose charges and fees for  
36 the use of the stadium and exhibition center, and may accept and expend  
37 or use gifts, grants, and donations.

1 (6) The public stadium authority shall comply with the prevailing  
2 wage requirements of chapter 39.12 RCW and goals established for women  
3 and minority-business participation for the county.

4 NEW SECTION. **Sec. 106.** In addition to other powers and  
5 restrictions on a public stadium authority, the following apply to a  
6 public stadium authority created to develop a stadium and exhibition  
7 center under section 105 of this act:

8 (1) The public stadium authority, in consultation with the team  
9 affiliate, shall have the authority to determine the stadium and  
10 exhibition center site;

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

18 (3) The public stadium authority, in consultation with the team  
19 affiliate, shall have the authority to make the final determination of  
20 the stadium and exhibition center overall design and specification;

21 (4) The public stadium authority shall have the authority to  
22 contract with a team affiliate for the provision of architectural,  
23 engineering, environmental, and other professional services related to  
24 the stadium and exhibition center site, design options, required  
25 environmental studies, and necessary permits for the stadium and  
26 exhibition center;

27 (5) The public stadium authority, in consultation with the team  
28 affiliate, shall have the authority to establish the project budget on  
29 the stadium and exhibition center project;

30 (6) The public stadium authority, in consultation with the team  
31 affiliate, shall have the authority to make recommendations to the  
32 state finance committee regarding the structure of the financing of the  
33 stadium and exhibition center project;

34 (7) The public stadium authority shall have the authority to enter  
35 into a development agreement with a team affiliate whereby the team  
36 affiliate may control the development of the stadium and exhibition  
37 center project, consistent with subsections (1) through (6) of this  
38 section, in consideration of which the team affiliate assumes the risk

1 of costs of development that are in excess of the project budget  
2 established under subsection (5) of this section. Under the  
3 development agreement, the team affiliate shall determine bidding  
4 specifications and requirements, and other aspects of development.  
5 Under the development agreement, the team affiliate shall determine  
6 procurement procedures and other aspects of development, and shall  
7 select and engage an architect or architects and a contractor or  
8 contractors for the stadium and exhibition center project, provided  
9 that the construction, alterations, repairs, or improvements of the  
10 stadium and exhibition center shall be subject to the prevailing wage  
11 requirements of chapter 39.12 RCW and all phases of the development  
12 shall be subject to the goals established for women and minority-  
13 business participation for the county where the stadium and exhibition  
14 center is located. The team affiliate shall, to the extent feasible,  
15 hire local residents and in particular residents from the areas  
16 immediately surrounding the stadium and exhibition center during the  
17 construction and ongoing operation of the stadium and exhibition  
18 center;

19 (8) The public stadium authority shall have the authority to enter  
20 into a long-term lease agreement with a team affiliate whereby, in  
21 consideration of the payment of fair rent and assumption of operating  
22 and maintenance responsibilities, risk, legal liability, and costs  
23 associated with the stadium and exhibition center, the team affiliate  
24 becomes the sole master tenant of the stadium and exhibition center.  
25 The master tenant lease agreement must require the team affiliate to  
26 publicly disclose, on an annual basis, an audited profit and loss  
27 financial statement. The team affiliate shall provide a guarantee,  
28 security, or a letter of credit from a person or entity with a net  
29 worth in excess of one hundred million dollars that guarantees a  
30 maximum of ten years' payments of fair rent under the lease in the  
31 event of the bankruptcy or insolvency of the team affiliate. The  
32 master tenant shall have the power to sublease and enter into use,  
33 license, and concession agreements with various users of the stadium  
34 and exhibition center including the professional football team, and the  
35 master tenant has the right to name the stadium and exhibition center,  
36 subject to section 107 of this act. The master tenant shall meet  
37 goals, established by the county where the stadium and exhibition  
38 center is located, for women and minority employment for the operation  
39 of the stadium and exhibition center. Except as provided in subsection

1 (10) of this section, the master tenant shall have the right to retain  
2 revenues derived from the operation of the stadium and exhibition  
3 center, including revenues from the sublease and uses, license and  
4 concession agreements, revenues from suite licenses, concessions,  
5 advertising, long-term naming rights subject to section 107 of this  
6 act, and parking revenue. If federal law permits interest on bonds  
7 issued to finance the stadium and exhibition center to be treated as  
8 tax exempt for federal income tax purposes, the public stadium  
9 authority and the team affiliate shall endeavor to structure and limit  
10 the amounts, sources, and uses of any payments received by the state,  
11 the county, the public stadium authority, or any related governmental  
12 entity for the use or in respect to the stadium and exhibition center  
13 in such a manner as to permit the interest on those bonds to be tax  
14 exempt. As used in this subsection, "fair rent" is solely intended to  
15 cover the reasonable operating expenses of the public stadium authority  
16 and shall be not less than eight hundred fifty thousand dollars per  
17 year with annual increases based on the consumer price index;

18 (9) Subject to section 210(2)(b)(ix) of this act, the public  
19 stadium authority may reserve the right to discuss profit sharing from  
20 the stadium and exhibition center from sources that have not been  
21 identified at the time the long-term lease agreement is executed;

22 (10) The master tenant may retain an amount to cover the actual  
23 cost of preparing the stadium and exhibition center for activities  
24 involving the Olympic Games and world cup soccer. Revenues derived  
25 from the operation of the stadium and exhibition center for activities  
26 identified in this subsection that exceed the master tenant's actual  
27 costs of preparing, operating, and restoring the stadium and exhibition  
28 center must be deposited into the tourism development and promotion  
29 account created in section 223 of this act;

30 (11) The public stadium authority, in consultation with a public  
31 facilities district that is located within the county, shall work to  
32 eliminate the use of the stadium and exhibition center for events  
33 during the same time as events are held in the baseball stadium as  
34 defined in RCW 82.14.0485;

35 (12) The public stadium authority, in consultation with the team  
36 affiliate, must work to secure the hosting of a Super Bowl, if the  
37 hosting requirements are changed by the national football league or  
38 similar professional football association;



1 (13) The public stadium authority shall work with surrounding areas  
2 to mitigate the impact of the construction and operation of the stadium  
3 and exhibition center;

4 (14) The public stadium authority, in consultation with the office  
5 of financial management, shall negotiate filming rights of the  
6 demolition of the existing domed stadium on the stadium and exhibition  
7 center site. All revenues derived from the filming of the demolition  
8 of the existing domed stadium shall be deposited into the film and  
9 video promotion account created in section 222 of this act; and

10 (15) The public stadium authority shall have the authority, upon  
11 the agreement of the team affiliate, to sell permanent seat licenses,  
12 and the team affiliate may act as the sales agent for this purpose.

13 NEW SECTION. **Sec. 107.** Revenues from the sales of naming rights  
14 of a stadium and exhibition center developed under section 105 of this  
15 act may only be used for costs associated with capital improvements  
16 associated with modernization and maintenance of the stadium and  
17 exhibition center. The sales of naming rights are subject to the  
18 reasonable approval of the public stadium authority.

19 NEW SECTION. **Sec. 108.** A public stadium authority may accept and  
20 expend moneys that may be donated for the purpose of a stadium and  
21 exhibition center.

22 NEW SECTION. **Sec. 109.** (1) The public stadium authority, the  
23 county, and the city, if any, in which the stadium and exhibition  
24 center is to be located shall enter into one or more agreements  
25 regarding the construction of a stadium and exhibition center. The  
26 agreements shall address, but not be limited to:

27 (a) Expedited permit processing for the design and construction of  
28 the stadium and exhibition center project;

29 (b) Expedited environmental review processing;

30 (c) Expedited processing of requests for street, right of way, or  
31 easement vacations necessary for the construction of the stadium and  
32 exhibition center project; and

33 (d) Other items deemed necessary for the design and construction of  
34 the stadium and exhibition center project.

35 (2) The county shall assemble such real property and associated  
36 personal property as the public stadium authority and the county

1 mutually determine to be necessary as a site for the stadium and  
2 exhibition center. Property that is necessary for this purpose that is  
3 owned by the county on or after the effective date of this section  
4 shall be contributed to the authority, and property that is necessary  
5 for this purpose that is acquired by the county on or after the  
6 effective date of this section shall be conveyed to the authority.  
7 Property that is encumbered by debt may be transferred by the county to  
8 the authority, but obligation for payment of the debt may not be  
9 transferred.

10 (3) A new exhibition facility of at least three hundred twenty-five  
11 thousand square feet, with adequate on-site parking, shall be  
12 constructed and operational before any domed stadium in the county is  
13 demolished or rendered unusable. Demolition of any existing structure  
14 and construction of the stadium and exhibition center shall be  
15 reasonably executed in a manner that minimizes impacts, including  
16 access and parking, upon existing facilities, users, and neighborhoods.  
17 No county or city may exercise authority under any landmarks  
18 preservation statute or ordinance in order to prevent or delay the  
19 demolition of any existing domed stadium at the site of the stadium and  
20 exhibition center.

21 NEW SECTION. **Sec. 110.** A public stadium authority may acquire and  
22 transfer real and personal property by lease, sublease, purchase, or  
23 sale.

24 NEW SECTION. **Sec. 111.** (1) The board of directors of the public  
25 stadium authority shall adopt a resolution that may be amended from  
26 time to time that shall establish the basic requirements governing  
27 methods and amounts of reimbursement payable to such authority and  
28 employees for travel and other business expenses incurred on behalf of  
29 the authority. The resolution shall, among other things, establish  
30 procedures for approving such expenses; the form of the travel and  
31 expense voucher; and requirements governing the use of credit cards  
32 issued in the name of the authority. The resolution may also establish  
33 procedures for payment of per diem to board members. The state auditor  
34 shall, as provided by general law, cooperate with the public stadium  
35 authority in establishing adequate procedures for regulating and  
36 auditing the reimbursement of all such expenses.

1 (2) The board of directors shall transmit a copy of the adopted  
2 annual operating budget of the public stadium authority to the governor  
3 and the majority leader and minority leader of the house of  
4 representatives and the senate. The budget information shall include,  
5 but is not limited to a statement of income and expenses of the public  
6 stadium authority.

7 NEW SECTION. **Sec. 112.** The board of directors of the public  
8 stadium authority may authorize payment of actual and necessary  
9 expenses of officers and employees for lodging, meals, and travel-  
10 related costs incurred in attending meetings or conferences on behalf  
11 of the public stadium authority and strictly in the public interest and  
12 for public purposes. Officers and employees may be advanced sufficient  
13 sums to cover their anticipated expenses in accordance with rules  
14 adopted by the state auditor, which shall substantially conform to the  
15 procedures provided in RCW 43.03.150 through 43.03.210.

16 NEW SECTION. **Sec. 113.** Each member of the board of directors of  
17 the public stadium authority may receive compensation of fifty dollars  
18 per day for attending meetings or conferences on behalf of the  
19 authority, not to exceed three thousand dollars per year. A director  
20 may waive all or a portion of his or her compensation under this  
21 section as to a month or months during his or her term of office, by a  
22 written waiver filed with the public stadium authority. The  
23 compensation provided in this section is in addition to reimbursement  
24 for expenses paid to the directors by the public stadium authority.

25 NEW SECTION. **Sec. 114.** The board of directors of the public  
26 stadium authority may purchase liability insurance with such limits as  
27 the directors may deem reasonable for the purpose of protecting and  
28 holding personally harmless authority officers and employees against  
29 liability for personal or bodily injuries and property damage arising  
30 from their acts or omissions while performing or in good faith  
31 purporting to perform their official duties.

32 NEW SECTION. **Sec. 115.** Whenever an action, claim, or proceeding  
33 is instituted against a person who is or was an officer or employee of  
34 the public stadium authority arising out of the performance of duties  
35 for or employment with the authority, the public stadium authority may

1 grant a request by the person that the attorney of the authority's  
2 choosing be authorized to defend the claim, suit, or proceeding, and  
3 the costs of defense, attorneys' fees, and obligation for payments  
4 arising from the action may be paid from the authority's funds. Costs  
5 of defense or judgment or settlement against the person shall not be  
6 paid in a case where the court has found that the person was not acting  
7 in good faith or within the scope of employment with or duties for the  
8 public stadium authority.

9 NEW SECTION. **Sec. 116.** The board of directors of the public  
10 stadium authority shall have authority to authorize the expenditure of  
11 funds for the public purposes of preparing and distributing information  
12 to the general public about the stadium and exhibition center.

13 NEW SECTION. **Sec. 117.** The public stadium authority shall have  
14 authority to create and fill positions, fix wages and salaries, pay  
15 costs involved in securing or arranging to secure employees, and  
16 establish benefits for employees, including holiday pay, vacations or  
17 vacation pay, retirement benefits, medical, life, accident, or health  
18 disability insurance, as approved by the board. Public stadium  
19 authority board members, at their own expense, shall be entitled to  
20 medical, life, accident, or health disability insurance. Insurance for  
21 employees and board members shall not be considered compensation.  
22 Authority coverage for the board is not to exceed that provided public  
23 stadium authority employees.

24 NEW SECTION. **Sec. 118.** The public stadium authority may secure  
25 services by means of an agreement with a service provider. The public  
26 stadium authority shall publish notice, establish criteria, receive and  
27 evaluate proposals, and negotiate with respondents under requirements  
28 set forth by authority resolution.

29 NEW SECTION. **Sec. 119.** The public stadium authority may refuse to  
30 disclose financial information on the master tenant, concessioners, the  
31 team affiliate, or subleasee under RCW 42.17.310.

32 **Sec. 120.** RCW 42.17.310 and 1996 c 305 s 2, 1996 c 253 s 302, 1996  
33 c 191 s 88, and 1996 c 80 s 1 are each reenacted and amended to read as  
34 follows:

1 (1) The following are exempt from public inspection and copying:

2 (a) Personal information in any files maintained for students in  
3 public schools, patients or clients of public institutions or public  
4 health agencies, or welfare recipients.

5 (b) Personal information in files maintained for employees,  
6 appointees, or elected officials of any public agency to the extent  
7 that disclosure would violate their right to privacy.

8 (c) Information required of any taxpayer in connection with the  
9 assessment or collection of any tax if the disclosure of the  
10 information to other persons would (i) be prohibited to such persons by  
11 RCW 82.32.330 or (ii) violate the taxpayer's right to privacy or result  
12 in unfair competitive disadvantage to the taxpayer.

13 (d) Specific intelligence information and specific investigative  
14 records compiled by investigative, law enforcement, and penology  
15 agencies, and state agencies vested with the responsibility to  
16 discipline members of any profession, the nondisclosure of which is  
17 essential to effective law enforcement or for the protection of any  
18 person's right to privacy.

19 (e) Information revealing the identity of persons who are witnesses  
20 to or victims of crime or who file complaints with investigative, law  
21 enforcement, or penology agencies, other than the public disclosure  
22 commission, if disclosure would endanger any person's life, physical  
23 safety, or property. If at the time a complaint is filed the  
24 complainant, victim or witness indicates a desire for disclosure or  
25 nondisclosure, such desire shall govern. However, all complaints filed  
26 with the public disclosure commission about any elected official or  
27 candidate for public office must be made in writing and signed by the  
28 complainant under oath.

29 (f) Test questions, scoring keys, and other examination data used  
30 to administer a license, employment, or academic examination.

31 (g) Except as provided by chapter 8.26 RCW, the contents of real  
32 estate appraisals, made for or by any agency relative to the  
33 acquisition or sale of property, until the project or prospective sale  
34 is abandoned or until such time as all of the property has been  
35 acquired or the property to which the sale appraisal relates is sold,  
36 but in no event shall disclosure be denied for more than three years  
37 after the appraisal.

1 (h) Valuable formulae, designs, drawings, and research data  
2 obtained by any agency within five years of the request for disclosure  
3 when disclosure would produce private gain and public loss.

4 (i) Preliminary drafts, notes, recommendations, and intra-agency  
5 memorandums in which opinions are expressed or policies formulated or  
6 recommended except that a specific record shall not be exempt when  
7 publicly cited by an agency in connection with any agency action.

8 (j) Records which are relevant to a controversy to which an agency  
9 is a party but which records would not be available to another party  
10 under the rules of pretrial discovery for causes pending in the  
11 superior courts.

12 (k) Records, maps, or other information identifying the location of  
13 archaeological sites in order to avoid the looting or depredation of  
14 such sites.

15 (l) Any library record, the primary purpose of which is to maintain  
16 control of library materials, or to gain access to information, which  
17 discloses or could be used to disclose the identity of a library user.

18 (m) Financial information supplied by or on behalf of a person,  
19 firm, or corporation for the purpose of qualifying to submit a bid or  
20 proposal for (i) a ferry system construction or repair contract as  
21 required by RCW 47.60.680 through 47.60.750 or (ii) highway  
22 construction or improvement as required by RCW 47.28.070.

23 (n) Railroad company contracts filed prior to July 28, 1991, with  
24 the utilities and transportation commission under RCW 81.34.070, except  
25 that the summaries of the contracts are open to public inspection and  
26 copying as otherwise provided by this chapter.

27 (o) Financial and commercial information and records supplied by  
28 private persons pertaining to export services provided pursuant to  
29 chapter 43.163 RCW and chapter 53.31 RCW, and by persons pertaining to  
30 export projects pursuant to RCW 43.23.035.

31 (p) Financial disclosures filed by private vocational schools under  
32 chapters 28B.85 and 28C.10 RCW.

33 (q) Records filed with the utilities and transportation commission  
34 or attorney general under RCW 80.04.095 that a court has determined are  
35 confidential under RCW 80.04.095.

36 (r) Financial and commercial information and records supplied by  
37 businesses or individuals during application for loans or program  
38 services provided by chapters 43.163, 43.160, 43.330, and 43.168 RCW,

1 or during application for economic development loans or program  
2 services provided by any local agency.

3 (s) Membership lists or lists of members or owners of interests of  
4 units in timeshare projects, subdivisions, camping resorts,  
5 condominiums, land developments, or common-interest communities  
6 affiliated with such projects, regulated by the department of  
7 licensing, in the files or possession of the department.

8 (t) All applications for public employment, including the names of  
9 applicants, resumes, and other related materials submitted with respect  
10 to an applicant.

11 (u) The residential addresses and residential telephone numbers of  
12 employees or volunteers of a public agency which are held by the agency  
13 in personnel records, employment or volunteer rosters, or mailing lists  
14 of employees or volunteers.

15 (v) The residential addresses and residential telephone numbers of  
16 the customers of a public utility contained in the records or lists  
17 held by the public utility of which they are customers.

18 (w)(i) The federal social security number of individuals governed  
19 under chapter 18.130 RCW maintained in the files of the department of  
20 health, except this exemption does not apply to requests made directly  
21 to the department from federal, state, and local agencies of  
22 government, and national and state licensing, credentialing,  
23 investigatory, disciplinary, and examination organizations; (ii) the  
24 current residential address and current residential telephone number of  
25 a health care provider governed under chapter 18.130 RCW maintained in  
26 the files of the department, if the provider requests that this  
27 information be withheld from public inspection and copying, and  
28 provides to the department an accurate alternate or business address  
29 and business telephone number. On or after January 1, 1995, the  
30 current residential address and residential telephone number of a  
31 health care provider governed under RCW 18.130.140 maintained in the  
32 files of the department shall automatically be withheld from public  
33 inspection and copying unless the provider specifically requests the  
34 information be released, and except as provided for under RCW  
35 42.17.260(9).

36 (x) Information obtained by the board of pharmacy as provided in  
37 RCW 69.45.090.

1 (y) Information obtained by the board of pharmacy or the department  
2 of health and its representatives as provided in RCW 69.41.044,  
3 69.41.280, and 18.64.420.

4 (z) Financial information, business plans, examination reports, and  
5 any information produced or obtained in evaluating or examining a  
6 business and industrial development corporation organized or seeking  
7 certification under chapter 31.24 RCW.

8 (aa) Financial and commercial information supplied to the state  
9 investment board by any person when the information relates to the  
10 investment of public trust or retirement funds and when disclosure  
11 would result in loss to such funds or in private loss to the providers  
12 of this information.

13 (bb) Financial and valuable trade information under RCW 51.36.120.

14 (cc) Client records maintained by an agency that is a domestic  
15 violence program as defined in RCW 70.123.020 or 70.123.075 or a rape  
16 crisis center as defined in RCW 70.125.030.

17 (dd) Information that identifies a person who, while an agency  
18 employee: (i) Seeks advice, under an informal process established by  
19 the employing agency, in order to ascertain his or her rights in  
20 connection with a possible unfair practice under chapter 49.60 RCW  
21 against the person; and (ii) requests his or her identity or any  
22 identifying information not be disclosed.

23 (ee) Investigative records compiled by an employing agency  
24 conducting a current investigation of a possible unfair practice under  
25 chapter 49.60 RCW or of a possible violation of other federal, state,  
26 or local laws prohibiting discrimination in employment.

27 (ff) Business related information protected from public inspection  
28 and copying under RCW 15.86.110.

29 (gg) Financial, commercial, operations, and technical and research  
30 information and data submitted to or obtained by the clean Washington  
31 center in applications for, or delivery of, program services under  
32 chapter 70.95H RCW.

33 (hh) Information and documents created specifically for, and  
34 collected and maintained by a quality improvement committee pursuant to  
35 RCW 43.70.510, regardless of which agency is in possession of the  
36 information and documents.

37 (ii) Personal information in files maintained in a data base  
38 created under RCW 43.07.360.





1 (2) The department of revenue shall issue a sales and use tax  
2 deferral certificate for state and local sales and use taxes due under  
3 chapters 82.08, 82.12, and 82.14 RCW on the public facility.

4 (3) The public stadium authority shall begin paying the deferred  
5 taxes in the fifth year after the date certified by the department of  
6 revenue as the date on which the stadium and exhibition center is  
7 operationally complete. The first payment is due on December 31st of  
8 the fifth calendar year after such certified date, with subsequent  
9 annual payments due on December 31st of the following nine years. Each  
10 payment shall equal ten percent of the deferred tax.

11 (4) The department of revenue may authorize an accelerated  
12 repayment schedule upon request of the public stadium authority.

13 (5) Interest shall not be charged on any taxes deferred under this  
14 section for the period of deferral, although all other penalties and  
15 interest applicable to delinquent excise taxes may be assessed and  
16 imposed for delinquent payments under this section. The debt for  
17 deferred taxes is not extinguished by insolvency or other failure of  
18 the public stadium authority.

19 (6) The repayment of deferred taxes and interest, if any, shall be  
20 deposited into the stadium and exhibition center account created in  
21 section 214 of this act and used to retire bonds issued under section  
22 210 of this act to finance the construction of the stadium and  
23 exhibition center.

24 (7) Applications and any other information received by the  
25 department of revenue under this section are not confidential and are  
26 subject to disclosure. Chapter 82.32 RCW applies to the administration  
27 of this section.

28 **Sec. 202.** RCW 82.29A.130 and 1995 3rd sp.s. c 1 s 307 are each  
29 amended to read as follows:

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

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

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

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

5 (4) All leasehold interests used for fair purposes of a nonprofit  
6 fair association that sponsors or conducts a fair or fairs which  
7 receive support from revenues collected pursuant to RCW 67.16.100 and  
8 allocated by the director of the department of agriculture where the  
9 fee ownership of such property is vested in the government of the  
10 United States, the state of Washington or any of its political  
11 subdivisions: PROVIDED, That this exemption shall not apply to the  
12 leasehold interest of any sublessee of such nonprofit fair association  
13 if such leasehold interest would be taxable if it were the primary  
14 lease.

15 (5) All leasehold interests in any property of any public entity  
16 used as a residence by an employee of that public entity who is  
17 required as a condition of employment to live in the publicly owned  
18 property.

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

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

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

37 (9) All leasehold interests which give use or possession of the  
38 leased property for a continuous period of less than thirty days:  
39 PROVIDED, That for purposes of this subsection, successive leases or

1 lease renewals giving substantially continuous use of possession of the  
2 same property to the same lessee shall be deemed a single leasehold  
3 interest: PROVIDED FURTHER, That no leasehold interest shall be deemed  
4 to give use or possession for a period of less than thirty days solely  
5 by virtue of the reservation by the public lessor of the right to use  
6 the property or to allow third parties to use the property on an  
7 occasional, temporary basis.

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

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

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

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

28 (14) All leasehold interests in the public or entertainment areas  
29 of a baseball stadium with natural turf and a retractable roof or  
30 canopy that is in a county with a population of over one million, that  
31 has a seating capacity of over forty thousand, and that is constructed  
32 on or after January 1, 1995. "Public or entertainment areas" include  
33 ticket sales areas, ramps and stairs, lobbies and concourses, parking  
34 areas, concession areas, restaurants, hospitality and stadium club  
35 areas, kitchens or other work areas primarily servicing other public or  
36 entertainment areas, public rest room areas, press and media areas,  
37 control booths, broadcast and production areas, retail sales areas,  
38 museum and exhibit areas, scoreboards or other public displays, storage  
39 areas, loading, staging, and servicing areas, seating areas and suites,

1 the playing field, and any other areas to which the public has access  
2 or which are used for the production of the entertainment event or  
3 other public usage, and any other personal property used for these  
4 purposes. "Public or entertainment areas" does not include locker  
5 rooms or private offices exclusively used by the lessee.

6 (15) All leasehold interests in the public or entertainment areas  
7 of a stadium and exhibition center, as defined in section 101 of this  
8 act, that is constructed on or after January 1, 1998. For the purposes  
9 of this subsection, "public or entertainment areas" has the same  
10 meaning as in subsection (14) of this section, and includes exhibition  
11 areas.

12 NEW SECTION. Sec. 203. A new section is added to chapter 82.08  
13 RCW to read as follows:

14 The tax levied by RCW 82.08.020 does not apply to vehicle parking  
15 charges that are subject to tax under section 302 of this act.

16 NEW SECTION. Sec. 204. A new section is added to chapter 82.14  
17 RCW to read as follows:

18 (1) The legislative authority of a county that has created a public  
19 stadium authority to develop a stadium and exhibition center under  
20 section 105 of this act may impose a sales and use tax in accordance  
21 with this chapter. The tax is in addition to other taxes authorized by  
22 law and shall be collected from those persons who are taxable by the  
23 state under chapters 82.08 and 82.12 RCW upon the occurrence of any  
24 taxable event within the county. The rate of tax shall be 0.016  
25 percent of the selling price in the case of a sales tax or value of the  
26 article used in the case of a use tax.

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

32 (3) Before the issuance of bonds in section 210 of this act, all  
33 revenues collected on behalf of the county under this section shall be  
34 transferred to the public stadium authority. After bonds are issued  
35 under section 210 of this act, all revenues collected on behalf of the  
36 county under this section shall be deposited in the stadium and  
37 exhibition center account under section 214 of this act.

1 (4) The definitions in section 101 of this act apply to this  
2 section.

3 (5) This section expires on the earliest of the following dates:

4 (a) December 31, 1999, if the conditions for issuance of bonds  
5 under section 210 of this act have not been met before that date;

6 (b) The date on which all bonds issued under section 210 of this  
7 act have been retired; or

8 (c) Twenty-three years after the date the tax under this section is  
9 first imposed.

10 NEW SECTION. **Sec. 205.** A new section is added to chapter 67.70  
11 RCW to read as follows:

12 The lottery commission shall conduct new games that are in addition  
13 to any games conducted under RCW 67.70.042 and are intended to generate  
14 additional moneys sufficient to cover the distributions under RCW  
15 67.70.240(5). No game may be conducted under this section before  
16 January 1, 1998. No game may be conducted under this section after  
17 December 31, 1999, unless the conditions for issuance of the bonds  
18 under section 210(2) of this act are met, and no game is required to be  
19 conducted after the distributions cease under RCW 67.70.240(5).

20 For the purposes of this section, the lottery may accept and market  
21 prize promotions provided in conjunction with private-sector marketing  
22 efforts.

23 **Sec. 206.** RCW 67.70.240 and 1995 3rd sp.s. c 1 s 105 are each  
24 amended to read as follows:

25 The moneys in the state lottery account shall be used only:

26 (1) For the payment of prizes to the holders of winning lottery  
27 tickets or shares;

28 (2) For purposes of making deposits into the reserve account  
29 created by RCW 67.70.250 and into the lottery administrative account  
30 created by RCW 67.70.260;

31 (3) For purposes of making deposits into the state's general fund;

32 (4) (~~for purposes of making deposits into the housing trust fund~~  
33 ~~under the provisions of section 7 of this 1987 act; (5)) For~~  
34 distribution to a county for the purpose of paying the principal and  
35 interest payments on bonds issued by the county to construct a baseball  
36 stadium, as defined in RCW 82.14.0485, including reasonably necessary  
37 preconstruction costs(~~(; (6) for the purchase and promotion of lottery~~

1 ~~games and game related services; and (7) for the payment of agent~~  
2 ~~compensation)).~~ Three million dollars shall be distributed under this  
3 ~~subsection ((5) of this section))~~ during calendar year 1996. During  
4 subsequent years, such distributions shall equal the prior year's  
5 distributions increased by four percent. Distributions under this  
6 ~~subsection ((5) of this section))~~ shall cease when the bonds issued  
7 for the construction of the baseball stadium are retired, but not more  
8 than twenty years after the tax under RCW 82.14.0485 is first imposed;

9 (5) For distribution to the stadium and exhibition center account,  
10 created in section 214 of this act. Subject to the conditions of  
11 section 215 of this act, six million dollars shall be distributed under  
12 this subsection during the calendar year 1998. During subsequent  
13 years, such distribution shall equal the prior year's distributions  
14 increased by four percent. No distribution may be made under this  
15 subsection after December 31, 1999, unless the conditions for issuance  
16 of the bonds under section 210(2) of this act are met. Distributions  
17 under this subsection shall cease when the bonds are retired, but not  
18 later than December 31, 2020;

19 (6) For the purchase and promotion of lottery games and game-  
20 related services; and

21 (7) For the payment of agent compensation.

22 The office of financial management shall require the allotment of  
23 all expenses paid from the account and shall report to the ways and  
24 means committees of the senate and house of representatives any changes  
25 in the allotments.

26 **Sec. 207.** RCW 67.70.042 and 1995 3rd sp.s. c 1 s 104 are each  
27 amended to read as follows:

28 The lottery commission shall conduct at least two but not more than  
29 four scratch games with sports themes per year. These games are  
30 intended to generate additional moneys sufficient to cover the  
31 distributions under RCW 67.70.240(~~((5))~~) (4).

32 NEW SECTION. **Sec. 208.** A new section is added to chapter 67.70  
33 RCW to read as follows:

34 The person or entity responsible for operating a stadium and  
35 exhibition center as defined in section 101 of this act shall promote  
36 the lottery with any combination of in-kind advertising, sponsorship,  
37 or prize promotions, valued at one million dollars annually beginning

1 January 1998 and increased by four percent each year thereafter for the  
2 purpose of increasing lottery sales of games authorized under section  
3 205 of this act. The content and value of the advertising sponsorship  
4 or prize promotions are subject to reasonable approval in advance by  
5 the lottery commission. The obligation of this section shall cease  
6 when the distributions under RCW 67.70.240(5) end, but not later than  
7 December 31, 2020.

8 NEW SECTION. **Sec. 209.** The definitions in section 101 of this act  
9 apply to this chapter.

10 NEW SECTION. **Sec. 210.** (1) For the purpose of providing funds to  
11 pay for operation of the public stadium authority created under section  
12 102 of this act, to pay for the preconstruction, site acquisition,  
13 design, site preparation, construction, owning, leasing, and equipping  
14 of the stadium and exhibition center, and to reimburse the county or  
15 the public stadium authority for its direct or indirect expenditures or  
16 to repay other indebtedness incurred for these purposes, the state  
17 finance committee is authorized to issue general obligation bonds of  
18 the state of Washington in the sum of three hundred million dollars, or  
19 so much thereof as may be required, for these purposes and all costs  
20 incidental thereto. Bonds authorized in this section may be sold at  
21 such price as the state finance committee shall determine.

22 (2) Bonds shall not be issued under this section unless the public  
23 stadium authority has certified to the director of financial management  
24 that:

25 (a) A professional football team has made a binding and legally  
26 enforceable contractual commitment to play all of its regular season  
27 and playoff home games in the stadium and exhibition center, other than  
28 games scheduled elsewhere by the league, for a period of time not  
29 shorter than the term of the bonds issued or to be issued to finance  
30 the initial construction of the stadium and exhibition center;

31 (b) A team affiliate has entered into one or more binding and  
32 legally enforceable contractual commitments with a public stadium  
33 authority under section 105 of this act that provide that:

34 (i) The team affiliate assumes the risks of cost overruns;

35 (ii) The team affiliate shall raise at least one hundred million  
36 dollars, less the amount, if any, raised by the public stadium  
37 authority under section 106(15) of this act. The total one hundred



1 million dollars raised, which may include cash payments and in-kind  
2 contributions, but does not include any interest earned on the escrow  
3 account described in section 211 of this act, shall be applied toward  
4 the reasonably necessary preconstruction, site acquisition, design,  
5 site preparation, construction, and equipping of the stadium and  
6 exhibition center, or to any associated public purpose separate from  
7 bond-financed expenses. No part of the payment may be made without the  
8 consent of the public stadium authority. In any event, all amounts to  
9 be raised by the team affiliate under (b)(ii) of this subsection shall  
10 be paid or expended before the completion of the construction of the  
11 stadium and exhibition center. To the extent possible, contributions  
12 shall be structured in a manner that would allow for the issuance of  
13 bonds to construct the stadium and exhibition center that are exempt  
14 from federal income taxes;

15 (iii) The team affiliate shall deposit at least ten million dollars  
16 into the youth athletic facility grant account created in section 214  
17 of this act upon execution of the lease and development agreements in  
18 section 106 (7) and (8) of this act;

19 (iv) At least ten percent of the seats in the stadium for home  
20 games of the professional football team shall be for sale at an  
21 affordable price. For the purposes of this subsection, "affordable  
22 price" means that the price is the average of the lowest ticket prices  
23 charged by all other national football league teams;

24 (v) One executive suite with a minimum of twenty seats must be made  
25 available, on a lottery basis, as a free upgrade, at home games of the  
26 professional football team, to purchasers of tickets that are not  
27 located in executive suites or club seat areas;

28 (vi) A nonparticipatory interest in the professional football team  
29 has been granted to the state beginning on the date on which bonds are  
30 issued under this section which only entitles the state to receive ten  
31 percent of the gross selling price of the interest in the team that is  
32 sold if a majority interest or more of the professional football team  
33 is sold within twenty-five years of the date on which bonds are issued  
34 under the section. The ten percent shall apply to all preceding sales  
35 of interests in the team which comprise the majority interest sold.  
36 This provision shall apply only to the first sale of such a majority  
37 interest. The ten percent must be deposited in the permanent common  
38 school fund. If the debt is retired at the time of the sale, then the  
39 ten percent may only be used for costs associated with capital

1 maintenance, capital improvements, renovations, reequipping,  
2 replacement, and operations of the stadium and exhibition center;

3 (vii) The team affiliate must provide reasonable office space to  
4 the public stadium authority without charge;

5 (viii) The team affiliate, in consultation with the public stadium  
6 authority, shall work with surrounding areas to mitigate the impact of  
7 the construction and operation of the stadium and exhibition center  
8 with a budget of at least ten million dollars dedicated to area  
9 mitigation. For purposes of this subsection, "mitigation" includes,  
10 but is not limited to, parking facilities and amenities, neighborhood  
11 beautification projects and landscaping, financial grants for  
12 neighborhood programs intended to mitigate adverse impacts caused by  
13 the construction and operation of the stadium and exhibition center,  
14 and mitigation measures identified in the environmental impact  
15 statement required for the stadium and exhibition center under chapter  
16 43.21C RCW; and

17 (ix) Twenty percent of the net profit from the operation of the  
18 exhibition facility of the stadium and exhibition center shall be  
19 deposited into the permanent common school fund. Profits shall be  
20 verified by the public stadium authority.

21 NEW SECTION. **Sec. 211.** On or before August 1, 1997: (1) The state  
22 treasurer and a team affiliate or an entity that has an option to  
23 become a team affiliate shall enter into an escrow agreement creating  
24 an escrow account; and (2) the team affiliate or the entity that has an  
25 option to become a team affiliate shall deposit the sum of fifty  
26 million dollars into the escrow account as a credit against the  
27 obligation of the team affiliate in section 210(2)(b)(ii) of this act.

28 The escrow agreement shall provide that the fifty million dollar  
29 deposit shall be invested by the state treasurer and shall earn  
30 interest. If the stadium and exhibition center project proceeds, then  
31 the interest on amounts in the escrow account shall be for the benefit  
32 of the state, and all amounts in the escrow account, including all  
33 principal and interest, shall be distributed to the stadium and  
34 exhibition center account. The escrow agreement shall provide for  
35 appropriate adjustments based on amounts previously and subsequently  
36 raised by the team affiliate under section 210(2)(b)(ii) of this act  
37 and amounts previously and subsequently raised by the public stadium  
38 authority under section 106(15) of this act. If the stadium and

1 exhibition center project does not proceed, all principal and the  
2 interest in the escrow account shall be distributed to the team  
3 affiliate or the entity that has an option to become a team affiliate.

4 NEW SECTION. **Sec. 212.** The proceeds from the sale of the bonds  
5 authorized in section 210 of this act shall be deposited in the stadium  
6 and exhibition center construction account, hereby created in the  
7 custody of the state treasurer, and shall be used exclusively for the  
8 purposes specified in section 210 of this act and for the payment of  
9 expenses incurred in the issuance and sale of the bonds. These  
10 proceeds shall be administered by the office of financial management.  
11 Only the director of the office of financial management or the  
12 director's designee may authorize expenditures from the account. The  
13 account is subject to the allotment procedures under chapter 43.88 RCW,  
14 but an appropriation is not required for expenditures. At the  
15 direction of the office of financial management the state treasurer  
16 shall transfer moneys from the stadium and exhibition center  
17 construction account to the public stadium authority created in section  
18 102 of this act as required by the public stadium authority.

19 NEW SECTION. **Sec. 213.** The nondebt-limit reimbursable bond  
20 retirement account shall be used for the payment of the principal of  
21 and interest on the bonds authorized in section 210 of this act.

22 The state finance committee shall, on or before June 30th of each  
23 year, certify to the state treasurer the amount needed in the ensuing  
24 twelve months to meet the bond retirement and interest requirements.  
25 On each date on which any interest or principal and interest payment is  
26 due, the state treasurer shall transfer from the stadium and exhibition  
27 center account to the nondebt-limit reimbursable bond retirement  
28 account an amount equal to the amount certified by the state finance  
29 committee to be due on the payment date.

30 Bonds issued under section 210 of this act shall state that they  
31 are a general obligation of the state of Washington, shall pledge the  
32 full faith and credit of the state to the payment of the principal  
33 thereof and the interest thereon, and shall contain an unconditional  
34 promise to pay the principal and interest as the same shall become due.  
35 If in any year the amount accumulated in the stadium and exhibition  
36 center account is insufficient for payment of the principal and  
37 interest on the bonds issued under section 210 of this act, the amount

1 of the insufficiency shall be a continuing obligation against the  
2 stadium and exhibition center account until paid.

3 The owner and holder of each of the bonds or the trustee for the  
4 owner and holder of any of the bonds may by mandamus or other  
5 appropriate proceeding require the transfer and payment of funds as  
6 directed in this section.

7 NEW SECTION. **Sec. 214.** (1) The stadium and exhibition center  
8 account is created in the custody of the state treasurer. All receipts  
9 from the taxes imposed under section 204 of this act and distributions  
10 under RCW 67.70.240(5) shall be deposited into the account. Only the  
11 director of the office of financial management or the director's  
12 designee may authorize expenditures from the account. The account is  
13 subject to allotment procedures under chapter 43.88 RCW. An  
14 appropriation is not required for expenditures from this account.

15 (2) Until bonds are issued under section 210 of this act, up to  
16 five million dollars per year beginning January 1, 1999, shall be used  
17 for the purposes of subsection (3)(b) of this section, all remaining  
18 moneys in the account shall be transferred to the public stadium  
19 authority, created under section 102 of this act, to be used for public  
20 stadium authority operations and development of the stadium and  
21 exhibition center.

22 (3) After bonds are issued under section 210 of this act, all  
23 moneys in the stadium and exhibition center account shall be used  
24 exclusively for the following purposes in the following priority:

25 (a) On or before June 30th of each year, the office of financial  
26 management shall accumulate in the stadium and exhibition center  
27 account an amount at least equal to the amount required in the next  
28 succeeding twelve months for the payment of principal of and interest  
29 on the bonds issued under section 210 of this act;

30 (b) An additional reserve amount not in excess of the expected  
31 average annual principal and interest requirements of bonds issued  
32 under section 210 of this act shall be accumulated and maintained in  
33 the account, subject to withdrawal by the state treasurer at any time  
34 if necessary to meet the requirements of (a) of this subsection, and,  
35 following any withdrawal, reaccumulated from the first tax revenues and  
36 other amounts deposited in the account after meeting the requirements  
37 of (a) of this subsection; and

1 (c) The balance, if any, shall be transferred to the youth athletic  
2 facility grant account under subsection (4) of this section.

3 Any revenues derived from the taxes authorized by RCW 36.38.010(5)  
4 and section 302 of this act or other amounts that if used as provided  
5 under (a) and (b) of this subsection would cause the loss of any tax  
6 exemption under federal law for interest on bonds issued under section  
7 210 of this act shall be deposited in and used exclusively for the  
8 purposes of the youth athletic facility grant account and shall not be  
9 used, directly or indirectly, as a source of payment of principal or  
10 interest on bonds issued under section 210 of this act, or to replace  
11 or reimburse other funds used for that purpose.

12 (4) Any moneys in the stadium and exhibition center account not  
13 required or permitted to be used for the purposes described in  
14 subsection (3)(a) and (b) of this section shall be deposited in the  
15 youth athletic facility grant account hereby created in the state  
16 treasury. Expenditures from the account may be used only for purposes  
17 of grants to cities, counties, and qualified nonprofit organizations  
18 for youth athletic facilities. Only the director of the interagency  
19 committee for outdoor recreation or the director's designee may  
20 authorize expenditures from the account. The account is subject to  
21 allotment procedures under chapter 43.88 RCW, but an appropriation is  
22 not required for expenditures. The athletic facility grants may be  
23 used for acquiring, developing, equipping, maintaining, and improving  
24 youth or community athletic facilities. Funds shall be divided equally  
25 between the development of new athletic facilities, the improvement of  
26 existing athletic facilities, and the maintenance of existing athletic  
27 facilities. Cities, counties, and qualified nonprofit organizations  
28 must submit proposals for grants from the account. To the extent that  
29 funds are available, cities, counties, and qualified nonprofit  
30 organizations must meet eligibility criteria as established by the  
31 director of the interagency committee for outdoor recreation. The  
32 grants shall be awarded on a competitive application process and the  
33 amount of the grant shall be in proportion to the population of the  
34 city or county for where the youth athletic facility is located.  
35 Grants awarded in any one year need not be distributed in that year.  
36 The director of the interagency committee for outdoor recreation may  
37 expend up to one and one-half percent of the moneys deposited in the  
38 account created in this subsection for administrative purposes.

1        NEW SECTION.    **Sec. 215.** Unless the office of financial management  
2 certifies by December 31, 1997, that the following conditions have been  
3 met, sections 201 through 208 of this act are null and void:

4        (1) The professional football team that will use the stadium and  
5 exhibition center is at least majority-owned and controlled by,  
6 directly or indirectly, one or more persons who are each residents of  
7 the state of Washington and who have been residents of the state of  
8 Washington continuously since at least January 1, 1993;

9        (2) The county in which the stadium and exhibition center is to be  
10 constructed has created a public stadium authority under this chapter  
11 to acquire property, construct, own, remodel, maintain, equip, reequip,  
12 repair, and operate a stadium and exhibition center;

13        (3) The county in which the stadium and exhibition center is to be  
14 constructed has enacted the taxes authorized in RCW 36.38.010(5) and  
15 section 302 of this act; and

16        (4) The county in which the stadium and exhibition center is to be  
17 constructed pledges to maintain and continue the taxes authorized in  
18 RCW 36.38.010(5), 67.28.180, and section 302 of this act until the  
19 bonds authorized in section 210 of this act are fully redeemed, both  
20 principal and interest.

21        NEW SECTION.    **Sec. 216.** The legislature may provide additional  
22 means for raising moneys for the payment of the principal of and  
23 interest on the bonds authorized in section 210 of this act, and  
24 section 213 of this act shall not be deemed to provide an exclusive  
25 method for the payment.

26        NEW SECTION.    **Sec. 217.** The bonds authorized in section 210 of  
27 this act shall be a legal investment for all state funds or funds under  
28 state control and for all funds of any other public body.

29        NEW SECTION.    **Sec. 218.** (1) The total public share of a stadium  
30 and exhibition center shall not exceed three hundred million dollars.  
31 For the purposes of this section, "total public share" means all state  
32 and local funds expended for preconstruction and construction costs of  
33 the stadium and exhibition center, including proceeds of any bonds  
34 issued for the purposes of the stadium and exhibition center, tax  
35 revenues, and interest earned on the escrow account described in

1 section 211 of this act and not including expenditures for deferred  
2 sales taxes.

3 (2) Sections 201 through 207, chapter . . ., Laws of 1997 (sections  
4 201 through 207 of this act) and this chapter constitute the entire  
5 state contribution for a stadium and exhibition center. The state will  
6 not make any additional contributions based on revised cost or revenue  
7 estimates, cost overruns, unforeseen circumstances, or any other  
8 reason.

9 NEW SECTION. **Sec. 219.** The bonds authorized for the purposes  
10 identified in section 210 of this act are exempt from the statutory  
11 limitations of indebtedness under RCW 39.42.060.

12 **Sec. 220.** RCW 39.42.060 and 1993 c 52 s 1 are each amended to read  
13 as follows:

14 No bonds, notes, or other evidences of indebtedness for borrowed  
15 money shall be issued by the state which will cause the aggregate debt  
16 contracted by the state to exceed that amount for which payments of  
17 principal and interest in any fiscal year would require the state to  
18 expend more than seven percent of the arithmetic mean of its general  
19 state revenues, as defined in section 1(c) of Article VIII of the  
20 Washington state Constitution for the three immediately preceding  
21 fiscal years as certified by the treasurer in accordance with RCW  
22 39.42.070. It shall be the duty of the state finance committee to  
23 compute annually the amount required to pay principal of and interest  
24 on outstanding debt. In making such computation, the state finance  
25 committee shall include all borrowed money represented by bonds, notes,  
26 or other evidences of indebtedness which are secured by the full faith  
27 and credit of the state or are required to be paid, directly or  
28 indirectly, from general state revenues and which are incurred by the  
29 state, any department, authority, public corporation or quasi public  
30 corporation of the state, any state university or college, or any other  
31 public agency created by the state but not by counties, cities, towns,  
32 school districts, or other municipal corporations, and shall include  
33 debt incurred pursuant to section 3 of Article VIII of the Washington  
34 state Constitution, but shall exclude the following:

35 (1) Obligations for the payment of current expenses of state  
36 government;

37 (2) Indebtedness incurred pursuant to RCW 39.42.080 or 39.42.090;

- 1 (3) Principal of and interest on bond anticipation notes;
- 2 (4) Any indebtedness which has been refunded;
- 3 (5) Financing contracts entered into under chapter 39.94 RCW;
- 4 (6) Indebtedness authorized or incurred before July 1, 1993,  
5 pursuant to statute which requires that the state treasury be  
6 reimbursed, in the amount of the principal of and the interest on such  
7 indebtedness, from money other than general state revenues or from the  
8 special excise tax imposed pursuant to chapter 67.40 RCW;
- 9 (7) Indebtedness authorized and incurred after July 1, 1993,  
10 pursuant to statute that requires that the state treasury be  
11 reimbursed, in the amount of the principal of and the interest on such  
12 indebtedness, from (a) moneys outside the state treasury, except higher  
13 education operating fees, (b) higher education building fees, (c)  
14 indirect costs recovered from federal grants and contracts, and (d)  
15 fees and charges associated with hospitals operated or managed by  
16 institutions of higher education; (~~and~~)
- 17 (8) Any agreement, promissory note, or other instrument entered  
18 into by the state finance committee under RCW 39.42.030 in connection  
19 with its acquisition of bond insurance, letters of credit, or other  
20 credit support instruments for the purpose of guaranteeing the payment  
21 or enhancing the marketability, or both, of any state bonds, notes, or  
22 other evidence of indebtedness; and
- 23 (9) Indebtedness incurred for the purposes identified in section  
24 210 of this act.

25 To the extent necessary because of the constitutional or statutory  
26 debt limitation, priorities with respect to the issuance or  
27 guaranteeing of bonds, notes, or other evidences of indebtedness by the  
28 state shall be determined by the state finance committee.

29 **Sec. 221.** RCW 43.79A.040 and 1996 c 253 s 409 are each amended to  
30 read as follows:

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

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



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

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

12 (b) The following accounts and funds shall receive their  
13 proportionate share of earnings based upon each account's or fund's  
14 average daily balance for the period: The agricultural local fund, the  
15 American Indian scholarship endowment fund, the Washington  
16 international exchange scholarship endowment fund, the energy account,  
17 the fair fund, the game farm alternative account, the grain inspection  
18 revolving fund, the rural rehabilitation account, the stadium and  
19 exhibition center account, the youth athletic facility grant account,  
20 and the self-insurance revolving fund. However, the earnings to be  
21 distributed shall first be reduced by the allocation to the state  
22 treasurer's service fund pursuant to RCW 43.08.190.

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

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

32 NEW SECTION. **Sec. 222.** A new section is added to chapter 43.330  
33 RCW to read as follows:

34 The film and video promotion account is created in the state  
35 treasury. All receipts from section 106(14) of this act must be  
36 deposited into the account. Moneys in the account may be spent only  
37 after appropriation. Expenditures from the account may be used by the  
38 department of community, trade, and economic development only for the

1 purposes of promotion of the film and video production industry in the  
2 state of Washington.

3 NEW SECTION. **Sec. 223.** A new section is added to chapter 43.330  
4 RCW to read as follows:

5 The tourism development and promotion account is created in the  
6 state treasury. All receipts from section 106(10) of this act must be  
7 deposited into the account. Moneys in the account may be spent only  
8 after appropriation. Expenditures from the account may be used by the  
9 department of community, trade, and economic development only for the  
10 purposes of promotion of the tourism industry in the state of  
11 Washington.

12 **PART III**  
13 **LOCAL CONTRIBUTION**

14 **Sec. 301.** RCW 36.38.010 and 1995 3rd sp.s. c 1 s 203 are each  
15 amended to read as follows:

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

27 (2) As used in this chapter, the term "admission charge" includes  
28 a charge made for season tickets or subscriptions, a cover charge, or  
29 a charge made for use of seats and tables, reserved or otherwise, and  
30 other similar accommodations; a charge made for food and refreshments  
31 in any place where any free entertainment, recreation, or amusement is  
32 provided; a charge made for rental or use of equipment or facilities  
33 for purpose of recreation or amusement, and where the rental of the  
34 equipment or facilities is necessary to the enjoyment of a privilege  
35 for which a general admission is charged, the combined charges shall be  
36 considered as the admission charge. It shall also include any

1 automobile parking charge where the amount of such charge is determined  
2 according to the number of passengers in any automobile.

3 (3) Subject to subsections (4) and (5) of this section, the tax  
4 herein authorized shall not be exclusive and shall not prevent any city  
5 or town within the taxing county, when authorized by law, from imposing  
6 within its corporate limits a tax of the same or similar kind:  
7 PROVIDED, That whenever the same or similar kind of tax is imposed by  
8 any such city or town, no such tax shall be levied within the corporate  
9 limits of such city or town by the county(~~(, except that)~~).

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

16 (a) Not more than one cent on twenty cents or fraction thereof, to  
17 be used for the purpose of paying the principal and interest payments  
18 on bonds issued by a county to construct a baseball stadium as defined  
19 in RCW 82.14.0485. If the revenue from the tax exceeds the amount  
20 needed for that purpose, the excess shall be placed in a contingency  
21 fund which may only be used to pay unanticipated capital costs on the  
22 baseball stadium, excluding any cost overruns on initial construction;  
23 and

24 (b) Not more than one cent on twenty cents or fraction thereof, to  
25 be used for the purpose of paying the principal and interest payments  
26 on bonds issued by a county to construct a baseball stadium as defined  
27 in RCW 82.14.0485. The tax imposed under this subsection ~~((+3))~~  
28 (4)(b) shall expire when the bonds issued for the construction of the  
29 baseball stadium are retired, but not later than twenty years after the  
30 tax is first collected.

31 (5) Notwithstanding subsection (3) of this section, the legislative  
32 authority of a county that has created a public stadium authority to  
33 develop a stadium and exhibition center under section 105 of this act  
34 may levy and fix a tax on charges for admission to events in a stadium  
35 and exhibition center, as defined in section 101 of this act,  
36 constructed in the county on or after January 1, 1998, that is owned by  
37 a public stadium authority under chapter 36.-- RCW (sections 101  
38 through 119 and 201 of this act). The tax shall be exclusive and shall  
39 preclude the city or town within which the stadium and exhibition

1 center is located from imposing a tax of the same or similar kind on  
2 charges for admission to events in the stadium and exhibition center,  
3 and shall preclude the imposition of a general county admissions tax on  
4 charges for admission to events in the stadium and exhibition center.  
5 For the purposes of this subsection, "charges for admission to events"  
6 means only the actual admission charge, exclusive of taxes and service  
7 charges and the value of any other benefit conferred by the admission.  
8 The tax authorized under this subsection shall be at the rate of not  
9 more than one cent on ten cents or fraction thereof. Revenues  
10 collected under this subsection shall be deposited in the stadium and  
11 exhibition center account under section 214 of this act until the bonds  
12 issued under section 210 of this act for the construction of the  
13 stadium and exhibition center are retired. After the bonds issued for  
14 the construction of the stadium and exhibition center are retired, the  
15 tax authorized under this section shall be used exclusively to fund  
16 repair, reequipping, and capital improvement of the stadium and  
17 exhibition center. The tax under this subsection may be levied upon  
18 the first use of any part of the stadium and exhibition center but  
19 shall not be collected at any facility already in operation as of the  
20 effective date of this section.

21 NEW SECTION. Sec. 302. A new section is added to chapter 36.38  
22 RCW to read as follows:

23 The legislative authority of a county that has created a public  
24 stadium authority to develop a stadium and exhibition center under  
25 section 105 of this act may levy and fix a tax on any vehicle parking  
26 charges imposed at any parking facility that is part of a stadium and  
27 exhibition center, as defined in section 101 of this act. The tax  
28 shall be exclusive and shall preclude the city or town within which the  
29 stadium and exhibition center is located from imposing within its  
30 corporate limits a tax of the same or similar kind on any vehicle  
31 parking charges imposed at any parking facility that is part of a  
32 stadium and exhibition center. For the purposes of this section,  
33 "vehicle parking charges" means only the actual parking charges  
34 exclusive of taxes and service charges and the value of any other  
35 benefit conferred. The tax authorized under this section shall be at  
36 the rate of not more than ten percent. Revenues collected under this  
37 section shall be deposited in the stadium and exhibition center account  
38 under section 214 of this act until the bonds issued under section 210

1 of this act for the construction of the stadium and exhibition center  
2 are retired. After the bonds issued for the construction of the  
3 stadium and exhibition center are retired, the tax authorized under  
4 this section shall be used exclusively to fund repair, reequipping, and  
5 capital improvement of the stadium and exhibition center. The tax  
6 under this section may be levied upon the first use of any part of the  
7 stadium and exhibition center but shall not be collected at any  
8 facility already in operation as of the effective date of this section.

9 **PART IV**

10 **PUBLIC WORKS PROVISIONS**

11 **Sec. 401.** RCW 36.32.235 and 1996 c 219 s 2 are each amended to  
12 read as follows:

13 (1) In each county with a population of one million or more which  
14 by resolution establishes a county purchasing department, the  
15 purchasing department shall enter into leases of personal property on  
16 a competitive basis and purchase all supplies, materials, and equipment  
17 on a competitive basis, for all departments of the county, as provided  
18 in this chapter and chapter 39.04 RCW, except that the county  
19 purchasing department is not required to make purchases that are paid  
20 from the county road fund or equipment rental and revolving fund.

21 (2) As used in this section, "public works" has the same definition  
22 as in RCW 39.04.010.

23 (3) Except as otherwise specified in this chapter or in chapter  
24 36.77 RCW, all counties subject to these provisions shall contract on  
25 a competitive basis for all public works after bids have been submitted  
26 to the county upon specifications therefor. Such specifications shall  
27 be in writing and shall be filed with the clerk of the county  
28 legislative authority for public inspection.

29 (4) An advertisement shall be published in the county official  
30 newspaper stating the time and place where bids will be opened, the  
31 time after which bids will not be received, the character of the work  
32 to be done, the materials and equipment to be furnished, and that  
33 specifications therefor may be seen at the office of the clerk of the  
34 county legislative authority. An advertisement shall also be published  
35 in a legal newspaper of general circulation in or as near as possible  
36 to that part of the county in which such work is to be done. If the  
37 county official newspaper is a newspaper of general circulation

1 covering at least forty percent of the residences in that part of the  
2 county in which such public works are to be done, then the publication  
3 of an advertisement of the applicable specifications in the county  
4 official newspaper is sufficient. Such advertisements shall be  
5 published at least once at least thirteen days prior to the last date  
6 upon which bids will be received.

7 (5) The bids shall be in writing, shall be filed with the clerk,  
8 shall be opened and read in public at the time and place named therefor  
9 in the advertisements, and after being opened, shall be filed for  
10 public inspection. No bid may be considered for public work unless it  
11 is accompanied by a bid deposit in the form of a surety bond, postal  
12 money order, cash, cashier's check, or certified check in an amount  
13 equal to five percent of the amount of the bid proposed.

14 (6) The contract for the public work shall be awarded to the lowest  
15 responsible bidder. Any or all bids may be rejected for good cause.  
16 The county legislative authority shall require from the successful  
17 bidder for such public work a contractor's bond in the amount and with  
18 the conditions imposed by law.

19 (7) If the bidder to whom the contract is awarded fails to enter  
20 into the contract and furnish the contractor's bond as required within  
21 ten days after notice of the award, exclusive of the day of notice, the  
22 amount of the bid deposit shall be forfeited to the county and the  
23 contract awarded to the next lowest and best bidder. The bid deposit  
24 of all unsuccessful bidders shall be returned after the contract is  
25 awarded and the required contractor's bond given by the successful  
26 bidder is accepted by the county legislative authority. Immediately  
27 after the award is made, the bid quotations obtained shall be recorded  
28 and open to public inspection and shall be available by telephone  
29 inquiry.

30 (8) As limited by subsection (10) of this section, a county subject  
31 to these provisions may have public works performed by county employees  
32 in any annual or biennial budget period equal to a dollar value not  
33 exceeding ten percent of the public works construction budget,  
34 including any amount in a supplemental public works construction  
35 budget, over the budget period.

36 Whenever a county subject to these provisions has had public works  
37 performed in any budget period up to the maximum permitted amount for  
38 that budget period, all remaining public works except emergency work  
39 under subsection (12) of this section within that budget period shall

1 be done by contract pursuant to public notice and call for competitive  
2 bids as specified in subsection (3) of this section. The state auditor  
3 shall report to the state treasurer any county subject to these  
4 provisions that exceeds this amount and the extent to which the county  
5 has or has not reduced the amount of public works it has performed by  
6 public employees in subsequent years.

7 (9) If a county subject to these provisions has public works  
8 performed by public employees in any budget period that are in excess  
9 of this ten percent limitation, the amount in excess of the permitted  
10 amount shall be reduced from the otherwise permitted amount of public  
11 works that may be performed by public employees for that county in its  
12 next budget period. Ten percent of the motor vehicle fuel tax  
13 distributions to that county shall be withheld if two years after the  
14 year in which the excess amount of work occurred, the county has failed  
15 to so reduce the amount of public works that it has performed by public  
16 employees. The amount withheld shall be distributed to the county when  
17 it has demonstrated in its reports to the state auditor that the amount  
18 of public works it has performed by public employees has been reduced  
19 as required.

20 (10) In addition to the percentage limitation provided in  
21 subsection (8) of this section, counties subject to these provisions  
22 containing a population of one million or more shall not have public  
23 employees perform a public works project in excess of seventy thousand  
24 dollars if more than a single craft or trade is involved with the  
25 public works project, or a public works project in excess of twenty-  
26 five thousand dollars if only a single craft or trade is involved with  
27 the public works project. A public works project means a complete  
28 project. The restrictions in this subsection do not permit the  
29 division of the project into units of work or classes of work to avoid  
30 the restriction on work that may be performed by public employees on a  
31 single project.

32 The cost of a separate public works project shall be the costs of  
33 materials, supplies, equipment, and labor on the construction of that  
34 project. The value of the public works budget shall be the value of  
35 all the separate public works projects within the budget.

36 (11) In addition to the accounting and recordkeeping requirements  
37 contained in chapter 39.04 RCW, any county which uses public employees  
38 to perform public works projects under RCW 36.32.240(1) shall prepare  
39 a year-end report to be submitted to the state auditor indicating the

1 total dollar amount of the county's public works construction budget  
2 and the total dollar amount for public works projects performed by  
3 public employees for that year.

4 The year-end report submitted pursuant to this subsection to the  
5 state auditor shall be in accordance with the standard form required by  
6 RCW 43.09.205.

7 (12) Notwithstanding any other provision in this section, counties  
8 may use public employees without any limitation for emergency work  
9 performed under an emergency declared pursuant to RCW 36.32.270, and  
10 any such emergency work shall not be subject to the limitations of this  
11 section. Publication of the description and estimate of costs relating  
12 to correcting the emergency may be made within seven days after the  
13 commencement of the work. Within two weeks of the finding that such an  
14 emergency existed, the county legislative authority shall adopt a  
15 resolution certifying the damage to public facilities and costs  
16 incurred or anticipated relating to correcting the emergency.  
17 Additionally this section shall not apply to architectural and  
18 engineering or other technical or professional services performed by  
19 public employees in connection with a public works project.

20 (13) In lieu of the procedures of subsections (3) through (11) of  
21 this section, a county may use a small works roster process and award  
22 contracts for public works projects with an estimated value of ten  
23 thousand dollars up to one hundred thousand dollars as provided in RCW  
24 39.04.155.

25 Whenever possible, the county shall invite at least one proposal  
26 from a minority or woman contractor who shall otherwise qualify under  
27 this section.

28 (14) The allocation of public works projects to be performed by  
29 county employees shall not be subject to a collective bargaining  
30 agreement.

31 (15) This section does not apply to performance-based contracts, as  
32 defined in RCW 39.35A.020(3), that are negotiated under chapter 39.35A  
33 RCW.

34 (16) Nothing in this section prohibits any county from allowing for  
35 preferential purchase of products made from recycled materials or  
36 products that may be recycled or reused.

37 (17) This section does not apply to contracts between the public  
38 stadium authority and a team affiliate under section 106(4) of this  
39 act, or development agreements between the public stadium authority and



1 a team affiliate under section 106(7) of this act or leases entered  
2 into under section 106(8) of this act.

3 **Sec. 402.** RCW 39.04.010 and 1993 c 174 s 1 are each amended to  
4 read as follows:

5 The term state shall include the state of Washington and all  
6 departments, supervisors, commissioners and agencies thereof.

7 The term municipality shall include every city, county, town,  
8 district or other public agency thereof which is authorized by law to  
9 require the execution of public work, except drainage districts, diking  
10 districts, diking and drainage improvement districts, drainage  
11 improvement districts, diking improvement districts, consolidated  
12 diking and drainage improvement districts, consolidated drainage  
13 improvement districts, consolidated diking improvement districts,  
14 irrigation districts or any such other districts as shall from time to  
15 time be authorized by law for the reclamation or development of waste  
16 or undeveloped lands.

17 The term public work shall include all work, construction,  
18 alteration, repair, or improvement other than ordinary maintenance,  
19 executed at the cost of the state or of any municipality, or which is  
20 by law a lien or charge on any property therein. All public works,  
21 including maintenance when performed by contract shall comply with the  
22 provisions of RCW 39.12.020. The term does not include work,  
23 construction, alteration, repair, or improvement performed under  
24 contracts entered into under section 106(4) of this act or under  
25 development agreements entered into under section 106(7) of this act or  
26 leases entered into under section 106(8) of this act.

27 The term contract shall mean a contract in writing for the  
28 execution of public work for a fixed or determinable amount duly  
29 awarded after advertisement and competitive bid. However, a contract  
30 which is awarded from a small works roster under the authority of RCW  
31 39.04.150, 35.22.620, 28B.10.355, 35.82.075, and 57.08.050 need not be  
32 advertised.

33 NEW SECTION. **Sec. 403.** A new section is added to chapter 39.30  
34 RCW to read as follows:

35 This chapter does not apply to contracts entered into under section  
36 106(4) of this act or development agreements entered into under section  
37 106(7) of this act.



1 (b) In the event that any county has levied the tax authorized by  
2 this section and has, prior to June 26, 1975, either pledged the tax  
3 revenues for payment of principal and interest on city revenue or  
4 general obligation bonds authorized and issued pursuant to RCW  
5 67.28.150 through 67.28.160 or has authorized and issued revenue or  
6 general obligation bonds pursuant to the provisions of RCW 67.28.150  
7 through 67.28.160, such county shall be exempt from the provisions of  
8 (a) of this subsection, to the extent that the tax revenues are pledged  
9 for payment of principal and interest on bonds issued at any time  
10 pursuant to the provisions of RCW 67.28.150 through 67.28.160:  
11 PROVIDED, That so much of such pledged tax revenues, together with any  
12 investment earnings thereon, not immediately necessary for actual  
13 payment of principal and interest on such bonds may be used: (i) In  
14 any county with a population of one million or more, for repayment  
15 either of limited tax levy general obligation bonds or of any county  
16 fund or account from which a loan was made, the proceeds from the bonds  
17 or loan being used to pay for constructing, installing, improving, and  
18 equipping stadium capital improvement projects, and to pay for any  
19 engineering, planning, financial, legal and professional services  
20 incident to the development of such stadium capital improvement  
21 projects, regardless of the date the debt for such capital improvement  
22 projects was or may be incurred; ((or)) (ii) in any county with a  
23 population of one million or more, for repayment or refinancing of  
24 bonded indebtedness incurred prior to January 1, 1997, for any purpose  
25 authorized by this section or relating to stadium repairs or  
26 rehabilitation, including but not limited to the cost of settling legal  
27 claims, reimbursing operating funds, interest payments on short-term  
28 loans, and any other purpose for which such debt has been incurred if  
29 the county has created a public stadium authority to develop a stadium  
30 and exhibition center under section 103 of this act; or (iii) in other  
31 counties, for county-owned facilities for agricultural promotion. A  
32 county is exempt under this subsection in respect to city revenue or  
33 general obligation bonds issued after April 1, 1991, only if such bonds  
34 mature before January 1, 2013.

35 As used in this subsection (2)(b), "capital improvement projects"  
36 may include, but not be limited to a stadium restaurant facility,  
37 restroom facilities, artificial turf system, seating facilities,  
38 parking facilities and scoreboard and information system adjacent to or  
39 within a county owned stadium, together with equipment, utilities,

1 accessories and appurtenances necessary thereto. The stadium  
2 restaurant authorized by this subsection (2)(b) shall be operated by a  
3 private concessionaire under a contract with the county.

4 (c)(i) No city within a county exempt under subsection (2)(b) of  
5 this section may levy the tax authorized by this section so long as  
6 said county is so exempt(~~(:—PROVIDED, That)~~).

7 (ii) If bonds have been issued under section 210 of this act and  
8 any necessary property transfers have been made under section 109 of  
9 this act, no city within a county with a population of one million or  
10 more may levy the tax authorized by this section before January 1,  
11 2021.

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

20 (3) Any levy authorized by this section by a county that has levied  
21 the tax authorized by this section and has, prior to June 26, 1975,  
22 either pledged the tax revenues for payment of principal and interest  
23 on city revenue or general obligation bonds authorized and issued  
24 pursuant to RCW 67.28.150 through 67.28.160 or has authorized and  
25 issued revenue or general obligation bonds pursuant to the provisions  
26 of RCW 67.28.150 through 67.28.160 shall be subject to the following:

27 (a) Taxes collected under this section in any calendar year before  
28 2013 in excess of five million three hundred thousand dollars shall  
29 only be used as follows:

30 (i) Seventy-five percent from January 1, 1992, through December 31,  
31 2000, and seventy percent from January 1, 2001, through December 31,  
32 2012, for art museums, cultural museums, heritage museums, the arts,  
33 and the performing arts. Moneys spent under this subsection (3)(a)(i)  
34 shall be used for the purposes of this subsection (3)(a)(i) in all  
35 parts of the county.

36 (ii) Twenty-five percent from January 1, 1992, through December 31,  
37 2000, and thirty percent from January 1, 2001, through December 31,  
38 2012, for the following purposes and in a manner reflecting the  
39 following order of priority: Stadium (~~capital improvements, as~~

1 ~~defined in~~) purposes as authorized under subsection (2)(b) of this  
2 section; acquisition of open space lands; youth sports activities; and  
3 tourism promotion. If all or part of the debt on the stadium is  
4 refinanced, all revenues under this subsection (3)(a)(ii) shall be used  
5 to retire the debt.

6 (b) From January 1, 2013, through December 31, 2015, in a county  
7 with a population of one million or more, all revenues under this  
8 section shall be used to retire the debt on the stadium, or deposited  
9 in the stadium and exhibition center account under section 214 of this  
10 act after the debt on the stadium is retired.

11 (c) From January 1, 2016, through December 31, 2020, in a county  
12 with a population of one million or more, all revenues under this  
13 section shall be deposited in the stadium and exhibition center account  
14 under section 214 of this act.

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

- 28 (i) A legally constituted and working board of directors;
- 29 (ii) A record of artistic, heritage, or cultural accomplishments;
- 30 (iii) Been in existence and operating for at least two years;
- 31 (iv) Demonstrated ability to maintain net current liabilities at  
32 less than thirty percent of general operating expenses;
- 33 (v) Demonstrated ability to sustain operational capacity subsequent  
34 to completion of projects or purchase of machinery and equipment; and
- 35 (vi) Evidence that there has been independent financial review of  
36 the organization.

37 ((~~e~~)) (e) At least forty percent of the revenues distributed  
38 pursuant to (a)(i) of this subsection for the period January 1, 2001,  
39 through December 31, 2012, shall be deposited in an account and shall

1 be used to establish an endowment. Principal in the account shall  
2 remain permanent and irreducible. The earnings from investments of  
3 balances in the account may only be used for the purposes of (a)(i) of  
4 this subsection.

5 ~~((d))~~ (f) School districts and schools shall not receive revenues  
6 distributed pursuant to (a)(i) of this subsection.

7 ~~((e))~~ (g) Moneys distributed to art museums, cultural museums,  
8 heritage museums, the arts, and the performing arts, and moneys  
9 distributed for tourism promotion shall be in addition to and may not  
10 be used to replace or supplant any other funding by the legislative  
11 body of the county.

12 ~~((f))~~ (h) As used in this section, "tourism promotion" includes  
13 activities intended to attract visitors for overnight stays, arts,  
14 heritage, and cultural events, and recreational, professional, and  
15 amateur sports events. Moneys allocated to tourism promotion in a  
16 class AA county shall be allocated to nonprofit organizations formed  
17 for the express purpose of tourism promotion in the county. Such  
18 organizations shall use moneys from the taxes to promote events in all  
19 parts of the class AA county.

20 ~~((g))~~ (i) No taxes collected under this section may be used for  
21 the operation or maintenance of a public stadium that is financed  
22 directly or indirectly by bonds to which the tax is pledged.  
23 Expenditures for operation or maintenance include all expenditures  
24 other than expenditures that directly result in new fixed assets or  
25 that directly increase the capacity, life span, or operating economy of  
26 existing fixed assets.

27 ~~((h))~~ (j) No ad valorem property taxes may be used for debt  
28 service on bonds issued for a public stadium that is financed by bonds  
29 to which the tax is pledged, unless the taxes collected under this  
30 section are or are projected to be insufficient to meet debt service  
31 requirements on such bonds.

32 ~~((i))~~ (k) If a substantial part of the operation and management  
33 of a public stadium that is financed directly or indirectly by bonds to  
34 which the tax is pledged is performed by a nonpublic entity or if a  
35 public stadium is sold that is financed directly or indirectly by bonds  
36 to which the tax is pledged, any bonds to which the tax is pledged  
37 shall be retired. This subsection (3)~~((i))~~ (k) does not apply in  
38 respect to a public stadium under chapter 36.-- RCW (sections 101  
39 through 119 and 201 of this act) transferred to, owned by, or

1 constructed by a public facilities district under chapter 36.100 RCW or  
2 a stadium and exhibition center.

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

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

13 **Sec. 502.** RCW 82.14.049 and 1992 c 194 s 3 are each amended to  
14 read as follows:

15 The legislative authority of any county may impose a sales and use  
16 tax, in addition to the tax authorized by RCW 82.14.030, upon retail  
17 car rentals within the county that are taxable by the state under  
18 chapters 82.08 and 82.12 RCW. The rate of tax shall be one percent of  
19 the selling price in the case of a sales tax or rental value of the  
20 vehicle in the case of a use tax. Proceeds of the tax shall not be  
21 used to subsidize any professional sports team and shall be used solely  
22 for the following purposes:

23 (1) Acquiring, constructing, maintaining, or operating public  
24 sports stadium facilities;

25 (2) Engineering, planning, financial, legal, or professional  
26 services incidental to public sports stadium facilities; ~~((or))~~

27 (3) Youth or amateur sport activities or facilities; or

28 (4) Debt or refinancing debt issued for the purposes of subsection  
29 (1) of this section.

30 At least seventy-five percent of the tax imposed under this section  
31 shall be used for the purposes of subsections (1), (2), and (4) of this  
32 section.

33 **PART VI**

34 **MISCELLANEOUS**

35 NEW SECTION. **Sec. 601.** Part headings used in this act are not any  
36 part of the law.

1        NEW SECTION.    **Sec. 602.**    If any provision of this act or its  
2 application to any person or circumstance is held invalid, the  
3 remainder of the act or the application of the provision to other  
4 persons or circumstances is not affected.

5        NEW SECTION.    **Sec. 603.**    (1) Sections 101 through 119 and 201 of  
6 this act constitute a new chapter in Title 36 RCW.

7        (2) Sections 209 through 219 of this act constitute a new chapter  
8 in Title 43 RCW.

9        NEW SECTION.    **Sec. 604.**    The referendum on this act is the only  
10 measure authorizing, levying, or imposing taxes for a stadium and  
11 exhibition center that may be put to a public vote. Should the act  
12 fail to be approved at the special election on or before June 20, 1997,  
13 the legislature shall not pass other legislation to build or finance a  
14 stadium and exhibition center, as defined in section 101 of this act,  
15 for the team affiliate.

16        NEW SECTION.    **Sec. 605.**    The legislature neither affirms nor  
17 refutes the value of this proposal, and by this legislation simply  
18 expresses its intent to provide the voter of the state of Washington  
19 an opportunity to express the voter's decision. It is also expressed  
20 that many legislators might personally vote against this proposal at  
21 the polls, or they might not.

22        NEW SECTION.    **Sec. 606.**    Notwithstanding any other provision of  
23 this act, this act shall be null and void in its entirety unless the  
24 team affiliate as defined in section 101 of this act enters into an  
25 agreement with the secretary of state to reimburse the state and the  
26 counties for the full cost of the special election to be held on or  
27 before June 20, 1997.

28        NEW SECTION.    **Sec. 607.**    (1) The secretary of state shall submit  
29 sections 101 through 604 of this act to the people for their adoption  
30 and ratification, or rejection, at a special election to be held in  
31 this state on or before June 20, 1997, in accordance with Article II,  
32 section 1 of the state Constitution and the laws adopted to facilitate  
33 its operation. The special election shall be limited to submission of  
34 this act to the people.



1 (2) The attorney general shall prepare the explanatory statement  
2 required by RCW 29.81.020 and transmit that statement regarding the  
3 referendum to the secretary of state no later than the last Monday of  
4 April before the special election.

5 (3) The secretary of state shall prepare and distribute a voters'  
6 pamphlet addressing this referendum measure following the procedures  
7 and requirements of chapter 29.81 RCW, except that the secretary of  
8 state may establish different deadlines for the appointment of  
9 committees to draft arguments for and against the referendum, for  
10 submitting arguments for and against the referendum, and for submitting  
11 rebuttal statements of arguments for and against the referendum. The  
12 voters' pamphlet description of the referendum measure shall include  
13 information to inform the public that ownership of the KingDome may be  
14 transferred to the public stadium authority and that the KingDome will  
15 be demolished in order to accommodate the new football stadium.

16 (4) A county auditor may conduct the voting at this special  
17 election in all precincts of the county by mail using the procedures  
18 set forth in RCW 29.36.121 through 29.36.139.

19 (5) Notwithstanding the provisions of RCW 29.62.020, the county  
20 canvassing board in each county shall canvass and certify the votes  
21 cast at this special election in that county to the secretary of state  
22 no later than the seventh day following the election. Notwithstanding  
23 the provisions of RCW 29.62.120, the secretary of state shall canvass  
24 and certify the returns from the counties no later than the ninth day  
25 following the special election.

26 (6) The secretary of state shall reimburse each county for the cost  
27 of conducting the special election in that county in the same manner as  
28 state primary and general election costs are reimbursed under RCW  
29 29.13.047 (1) and (3).

30 (7) No other state, county, or local election shall be required or  
31 held on any proposition related to or affecting the stadium and  
32 exhibition center defined in section 101 of this act.

33 NEW SECTION. **Sec. 608.** Sections 606 and 607 of this act are  
34 necessary for the immediate preservation of the public peace, health,  
35 or safety, or support of the state government and its existing public  
36 institutions, and take effect immediately.

Passed the House April 25, 1997.  
Passed the Senate April 26, 1997.  
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