
SECOND SUBSTITUTE HOUSE BILL 1811

State of Washington 60th Legislature 2007 Regular Session

By House Committee on Finance (originally sponsored by Representatives Pedersen, Simpson, Wood, Moeller and Quall)

READ FIRST TIME 3/5/07.

1 AN ACT Relating to the installation of automatic sprinkler systems
2 in nightclubs; amending RCW 19.27.500, 19.27.510, and 84.36.660; adding
3 a new section to chapter 82.04 RCW; providing an effective date; and
4 declaring an emergency.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 **Sec. 1.** RCW 19.27.500 and 2005 c 148 s 1 are each amended to read
7 as follows:

8 (1) The building code council shall adopt rules (~~by December 1,~~
9 ~~2005,~~) requiring that all nightclubs be provided with an automatic
10 sprinkler system. Rules adopted by the council shall consider
11 applicable nationally recognized fire and building code standards and
12 local conditions and require that the automatic sprinkler systems be
13 installed by December 1, 2009.

14 (~~By December 15, 2005,~~) (2) The council shall transmit to the
15 fire protection policy board copies of the rules as adopted. The fire
16 protection policy board shall respond to the council (~~by February 15,~~
17 ~~2006~~) within sixty days after receipt of the rules. If changes are
18 recommended by the fire protection policy board the council shall

1 immediately consider those changes to the rules through its rule-making
2 procedures. ((The rules shall be effective December 1, 2007.))

3 **Sec. 2.** RCW 19.27.510 and 2005 c 148 s 2 are each amended to read
4 as follows:

5 As used in this chapter:

6 "Nightclub" means an (~~establishment, other than a theater with~~
7 ~~fixed seating, which is characterized by all of the following:~~

8 ~~(1) Provides live entertainment by paid performing artists or by~~
9 ~~way of recorded music conducted by a person employed or engaged to do~~
10 ~~so;~~

11 ~~(2) Has as its primary source of revenue (a) the sale of beverages~~
12 ~~of any kind for consumption on the premises, (b) cover charges, or (c)~~
13 ~~both; and~~

14 ~~(3) Has an occupant load of one hundred or more where the occupant~~
15 ~~load for any portion of the occupancy is calculated at one person per~~
16 ~~ten square feet or less, excluding the entry foyer)) A-2 occupancy use
17 under the 2006 international building code in which the aggregate area
18 of concentrated use of unfixed chairs and standing space that is
19 specifically designated and primarily used for dancing or viewing
20 performers exceeds three hundred fifty square feet, excluding adjacent
21 lobby areas. "Nightclub" does not include theaters with fixed seating,
22 banquet halls, or lodge halls.~~

23 **Sec. 3.** RCW 84.36.660 and 2005 c 148 s 4 are each amended to read
24 as follows:

25 (1) Prior to installation of an automatic sprinkler system under
26 RCW 19.27.500 through 19.27.520, an owner or lessee of property who
27 meets the requirements of this section may apply to the assessor of the
28 county in which the property is located for a special property tax
29 exemption. This application shall be made upon forms prescribed by the
30 department of revenue and supplied by the county assessor.

31 (a)(i) If a lessee of the property has paid for all expenses
32 associated with the installation and purchase of the automatic
33 sprinkler system, then the benefit of the exemption must inure to the
34 lessee.

35 (ii) A lessee, otherwise eligible to receive the benefit of the
36 exemption under this section, is entitled to receive such benefit only

1 to the extent that the lessee maintains a valid lease agreement with
2 the property owner for the property in which the automatic sprinkler
3 system was installed pursuant to RCW 19.27.500.

4 (b)(i) No person is entitled to receive an exemption under this
5 section if credit has been earned under section 4 of this act.

6 (ii) An exemption may be granted under this section only to the
7 property owner or lessee that pays for all expenses associated with the
8 installation and purchase of the automatic sprinkler system. In no
9 event may both the property owner and the lessee receive an exemption
10 under this section in the same calendar year for the installation and
11 purchase of the same automatic sprinkler system.

12 (c) After December 31, 2009, no new application for a special tax
13 exemption under this section may be: Made by a property owner or
14 lessee; or accepted by the county assessor.

15 (2) As used in this chapter, "special property tax exemption" means
16 the determination of the assessed value of the property subtracting,
17 for ten years, the increase in value attributable to the installation
18 of an automatic sprinkler system under RCW 19.27.500 through 19.27.520.

19 (3) The county assessor shall, for ten consecutive assessment years
20 following the calendar year in which application is made, place a
21 special property tax exemption on property classified as eligible.

22 NEW SECTION. Sec. 4. A new section is added to chapter 82.04 RCW
23 to read as follows:

24 (1) In computing the tax imposed under this chapter, a credit is
25 allowed for fifty percent of the costs of purchasing and installing an
26 automatic sprinkler system required under RCW 19.27.500, as provided in
27 this section.

28 (2) A person taking the credit under this section is subject to all
29 the requirements of chapter 82.32 RCW. A credit may be carried over
30 until used. No refunds may be granted for credits under this section.

31 (3) No credit may be earned under this section if, with respect to
32 the sprinkler system, an application for a special property tax
33 exemption under RCW 84.36.660 has been made to the local assessor, and
34 the assessor has not yet ruled on the application. No credit may be
35 earned under this section if the assessor has exempted the sprinkler
36 system property under RCW 84.36.660.

1 (4) No credit may be earned under this section after December 31,
2 2009.

3 NEW SECTION. **Sec. 5.** This act is necessary for the immediate
4 preservation of the public peace, health, or safety, or support of the
5 state government and its existing public institutions, and takes effect
6 July 1, 2007.

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