
SENATE BILL 6767

State of Washington

60th Legislature

2008 Regular Session

By Senator Prentice

Read first time 01/23/08. Referred to Committee on Ways & Means.

1 AN ACT Relating to financing regional special events centers
2 promoting adult and youth-oriented sports activities; amending RCW
3 35.57.010; reenacting and amending RCW 82.14.390; and providing an
4 effective date.

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

6 **Sec. 1.** RCW 35.57.010 and 2007 c 486 s 1 are each amended to read
7 as follows:

8 (1)(a) The legislative authority of any town or city located in a
9 county with a population of less than one million may create a public
10 facilities district.

11 (b) The legislative authorities of any contiguous group of towns or
12 cities located in a county or counties each with a population of less
13 than one million may enter an agreement under chapter 39.34 RCW for the
14 creation and joint operation of a public facilities district.

15 (c) The legislative authority of any town or city, or any
16 contiguous group of towns or cities, located in a county with a
17 population of less than one million and the legislative authority of a
18 contiguous county, or the legislative authority of the county or

1 counties in which the towns or cities are located, may enter into an
2 agreement under chapter 39.34 RCW for the creation and joint operation
3 of a public facilities district.

4 (d) The legislative authority of a city located in a county with a
5 population greater than one million may create a public facilities
6 district((~~τ~~)):

7 (i) When the city has a total population of less than one hundred
8 fifteen thousand but greater than eighty thousand and commences
9 construction of a regional center prior to July 1, 2008; or

10 (ii) When the city is wholly contained in the county and has a
11 total population of less than nineteen thousand nine hundred but
12 greater than seventeen thousand nine hundred and commences construction
13 on the expansion of an existing regional center prior to July 1, 2008.

14 (2)(a) A public facilities district shall be coextensive with the
15 boundaries of the city or town or contiguous group of cities or towns
16 that created the district.

17 (b) A public facilities district created by an agreement between a
18 town or city, or a contiguous group of towns or cities, and a
19 contiguous county or the county in which they are located, shall be
20 coextensive with the boundaries of the towns or cities, and the
21 boundaries of the county or counties as to the unincorporated areas of
22 the county or counties. The boundaries shall not include incorporated
23 towns or cities that are not parties to the agreement for the creation
24 and joint operation of the district.

25 (3)(a) A public facilities district created by a single city or
26 town shall be governed by a board of directors consisting of five
27 members selected as follows: (i) Two members appointed by the
28 legislative authority of the city or town; and (ii) three members
29 appointed by legislative authority based on recommendations from local
30 organizations. The members appointed under (a)(i) of this subsection,
31 shall not be members of the legislative authority of the city or town.
32 The members appointed under (a)(ii) of this subsection, shall be based
33 on recommendations received from local organizations that may include,
34 but are not limited to the local chamber of commerce, local economic
35 development council, and local labor council. The members shall serve
36 four-year terms. Of the initial members, one must be appointed for a
37 one-year term, one must be appointed for a two-year term, one must be

1 appointed for a three-year term, and the remainder must be appointed
2 for four-year terms.

3 (b) A public facilities district created by a contiguous group of
4 cities and towns shall be governed by a board of directors consisting
5 of seven members selected as follows: (i) Three members appointed by
6 the legislative authorities of the cities and towns; and (ii) four
7 members appointed by the legislative authority based on recommendations
8 from local organizations. The members appointed under (b)(i) of this
9 subsection shall not be members of the legislative authorities of the
10 cities and towns. The members appointed under (b)(ii) of this
11 subsection, shall be based on recommendations received from local
12 organizations that include, but are not limited to the local chamber of
13 commerce, local economic development council, local labor council, and
14 a neighborhood organization that is directly affected by the location
15 of the regional center in their area. The members of the board of
16 directors shall be appointed in accordance with the terms of the
17 agreement under chapter 39.34 RCW for the joint operation of the
18 district and shall serve four-year terms. Of the initial members, one
19 must be appointed for a one-year term, one must be appointed for a two-
20 year term, one must be appointed for a three-year term, and the
21 remainder must be appointed for four-year terms.

22 (c) A public facilities district created by a town or city, or a
23 contiguous group of towns or cities, and a contiguous county or the
24 county or counties in which they are located, shall be governed by a
25 board of directors consisting of seven members selected as follows:
26 (i) Three members appointed by the legislative authorities of the
27 cities, towns, and county; and (ii) four members appointed by the
28 legislative authority based on recommendations from local
29 organizations. The members appointed under (c)(i) of this subsection
30 shall not be members of the legislative authorities of the cities,
31 towns, or county. The members appointed under (c)(ii) of this
32 subsection shall be based on recommendations received from local
33 organizations that include, but are not limited to, the local chamber
34 of commerce, the local economic development council, the local labor
35 council, and a neighborhood organization that is directly affected by
36 the location of the regional center in their area. The members of the
37 board of directors shall be appointed in accordance with the terms of
38 the agreement under chapter 39.34 RCW for the joint operation of the

1 district and shall serve four-year terms. Of the initial members, one
2 must be appointed for a one-year term, one must be appointed for a
3 two-year term, one must be appointed for a three-year term, and the
4 remainder must be appointed for four-year terms.

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

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

15 (6) A public facilities district may acquire and transfer real and
16 personal property by lease, sublease, purchase, or sale. No direct or
17 collateral attack on any public facilities district purported to be
18 authorized or created in conformance with this chapter may be commenced
19 more than thirty days after creation by the city and/or county
20 legislative authority.

21 **Sec. 2.** RCW 82.14.390 and 2007 c 486 s 2 and 2007 c 6 s 904 are
22 each reenacted and amended to read as follows:

23 (1) Except as provided in subsection (~~((7))~~) (8) of this section,
24 the governing body of a public facilities district (a) created before
25 July 31, 2002, under chapter 35.57 or 36.100 RCW that commences
26 construction of a new regional center, or improvement or rehabilitation
27 of an existing new regional center, before January 1, 2004; (b) created
28 before July 1, 2006, under chapter 35.57 RCW in a county or counties in
29 which there are no other public facilities districts on June 7, 2006,
30 and in which the total population in the public facilities district is
31 greater than ninety thousand that commences construction of a new
32 regional center before February 1, 2007; (c) created under the
33 authority of RCW 35.57.010(1)(d); or (d) created before September 1,
34 2007, under chapter 35.57 or 36.100 RCW, in a county or counties in
35 which there are no other public facilities districts on July 22, 2007,
36 and in which the total population in the public facilities district is
37 greater than seventy thousand, that commences construction of a new

1 regional center before January 1, 2009, may impose a sales and use tax
2 in accordance with the terms of this chapter. The tax is in addition
3 to other taxes authorized by law and shall be collected from those
4 persons who are taxable by the state under chapters 82.08 and 82.12 RCW
5 upon the occurrence of any taxable event within the public facilities
6 district. The rate of tax shall not exceed 0.033 percent of the
7 selling price in the case of a sales tax or value of the article used
8 in the case of a use tax.

9 (2)(a) The governing body of a public facilities district imposing
10 a sales and use tax under the authority of this section may increase
11 the rate of tax up to 0.037 percent if, within three fiscal years of
12 July 1, 2008, the department determines that, as a result of RCW
13 82.14.490 and the chapter 6, Laws of 2007 amendments to RCW 82.14.020,
14 a public facilities district's sales and use tax collections for fiscal
15 years after July 1, 2008, have been reduced by a net loss of at least
16 0.50 percent from the fiscal year before July 1, 2008. The fiscal year
17 in which this section becomes effective is the first fiscal year after
18 July 1, 2008.

19 (b) The department shall determine sales and use tax collection net
20 losses under this section as provided in RCW 82.14.500 (2) and (3).
21 The department shall provide written notice of its determinations to
22 public facilities districts. Determinations by the department of a
23 public facilities district's sales and use tax collection net losses as
24 a result of RCW 82.14.490 and the chapter 6, Laws of 2007 amendments to
25 RCW 82.14.020 are final and not appealable.

26 (c) A public facilities district may increase its rate of tax after
27 it has received written notice from the department as provided in (b)
28 of this subsection. The increase in the rate of tax must be made in
29 0.001 percent increments and must be the least amount necessary to
30 mitigate the net loss in sales and use tax collections as a result of
31 RCW 82.14.490 and the chapter 6, Laws of 2007 amendments to RCW
32 82.14.020. The increase in the rate of tax is subject to RCW
33 82.14.055.

34 (3) The tax imposed under subsection (1) of this section shall be
35 deducted from the amount of tax otherwise required to be collected or
36 paid over to the department of revenue under chapter 82.08 or 82.12
37 RCW. The department of revenue shall perform the collection of such

1 taxes on behalf of the county at no cost to the public facilities
2 district.

3 (4) No tax may be collected under this section before August 1,
4 2000. The tax imposed in this section shall expire when the bonds
5 issued for the construction of the regional center and related parking
6 facilities are retired, but not more than twenty-five years after the
7 tax is first collected.

8 (5) Moneys collected under this section shall only be used for the
9 purposes set forth in RCW 35.57.020 and must be matched with an amount
10 from other public or private sources equal to thirty-three percent of
11 the amount collected under this section, provided that amounts
12 generated from nonvoter approved taxes authorized under chapter 35.57
13 RCW or nonvoter approved taxes authorized under chapter 36.100 RCW
14 shall not constitute a public or private source. For the purpose of
15 this section, public or private sources includes, but is not limited to
16 cash or in-kind contributions used in all phases of the development or
17 improvement of the regional center, land that is donated and used for
18 the siting of the regional center, cash or in-kind contributions from
19 public or private foundations, or amounts attributed to private sector
20 partners as part of a public and private partnership agreement
21 negotiated by the public facilities district.

22 (6) The combined total tax levied under this section shall not be
23 greater than 0.037 percent. If both a public facilities district
24 created under chapter 35.57 RCW and a public facilities district
25 created under chapter 36.100 RCW impose a tax under this section, the
26 tax imposed by a public facilities district created under chapter 35.57
27 RCW shall be credited against the tax imposed by a public facilities
28 district created under chapter 36.100 RCW.

29 (7) If a public facilities district authorized under RCW
30 35.57.010(1)(d) imposes the tax authorized under this section and the
31 legislative authority of a county imposes the tax authorized under RCW
32 82.14.0485 or 82.14.0494, the combined total tax levied under the
33 authority of RCW 82.14.0485 and 82.14.0494 and this section may not
34 exceed 0.066 percent. The tax imposed under the authority of this
35 section by a public facilities district authorized under RCW
36 35.57.010(1)(d) may not be credited against the tax imposed by the
37 county under the authority of RCW 82.14.0485 or 82.14.0494, nor shall
38 the tax imposed by the county under the authority of RCW 82.14.0485 or

1 82.14.0494 be credited against the tax imposed under the authority of
2 this section by the public facilities district authorized under RCW
3 35.57.010(1)(d).

4 (8) A public facilities district created under chapter 36.100 RCW
5 is not eligible to impose the tax under this section if the legislative
6 authority of the county where the public facilities district is located
7 has imposed a sales and use tax under RCW 82.14.0485 or 82.14.0494.

8 NEW SECTION. **Sec. 3.** This act takes effect July 1, 2008.

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