

HOUSE BILL REPORT

SSB 5092

As Passed House - Amended:

April 6, 1995

Title: An act relating to library facilities.

Brief Description: Authorizing creation of library capital facility areas.

Sponsors: Senate Committee on Government Operations (originally sponsored by Senators Haugen, Winsley and Quigley).

Brief History:

Committee Activity:

Government Operations: 3/28/95, 3/29/95 [DPA].

Floor Activity:

Amended.

Passed House: 4/6/95, 89-8.

HOUSE COMMITTEE ON GOVERNMENT OPERATIONS

Majority Report: Do pass as amended. Signed by 15 members: Representatives Reams, Chairman; Goldsmith, Vice Chairman; L. Thomas, Vice Chairman; Rust, Ranking Minority Member; Scott, Assistant Ranking Minority Member; Chopp; R. Fisher; Hargrove; Honeyford; Hymes; Mulliken; D. Schmidt; Sommers; Van Luven and Wolfe.

Staff: Steve Lundin (786-7127).

Background:

1. Governments authorized to provide public libraries.

Cities, towns, and a number of different library districts are authorized to provide public library facilities and services. A library district is a special district with governing body composed of either a five or seven-member board of library trustees appointed by the county legislative authority of the county or counties in which it is located. A city or town library part of the city or town government and is run by either a five or seven-member board of library trustees appointed by the mayor of the city or town, with consent of the city or town legislative body.

2. General indebtedness and voter approved excess levies to retire general indebtedness.

Article VII, Section 1, of the state constitution, requires that all property taxes shall be uniform on the same class of property within the territorial limits of the taxing authority imposing the taxes and that real estate constitutes one class of property.

Article VII, Section 2(b), of the state constitution, allows any taxing district to impose multiple year excess levies to retire general indebtedness issued for capital purposes if voters of the taxing district approve a ballot proposition authorizing the excess levies by at least a 60 percent majority vote, with a 40 percent validation requirement.

Article VIII, Section 6, of the state constitution, permits a municipal corporation to incur general indebtedness of up to 5 percent of the value of taxable property in its boundaries, if voters approve a ballot proposition authorizing the indebtedness by at least a 60 percent majority vote. In most instances, statutes reduce the level of voter approved general indebtedness that a municipal corporation may incur to an amount less than the constitutionally authorized limitation.

Cities, towns, and library districts are authorized to incur both nonvoter approved and voter approved general indebtedness and retire general indebtedness issued for capital purposes with voter approved excess property tax levies.

3. Library district local improvement districts.

Rural county library districts and intercounty rural library districts are authorized to create local improvement districts, and impose special assessments on property located within the local improvement districts, to finance library facilities.

The supreme court in Heavens v. King County Rural Library District, 66 Wn.2d 558 (1965), held that public library facilities may not be financed by imposing special assessments within a local improvement district because public library facilities are of a general public nature and not of a local nature conferring special benefit to property.

Summary of Bill:

1. Library capital facilities areas.

If requested by the board of trustees of a library district or city or town library, the county legislative authority of a county must submit to voters a ballot proposition authorizing the creation of a library capital facilities area and a separate ballot proposition authorizing the issuance of general obligation bonds to finance the facilities and excess levies to redeem the bonds. The ballot propositions may only be submitted to voters at a general election.

The governing body of a library capital facilities area consists of three members of the county legislative authority of each county in which the area is located. If the county legislative authority has more than three members, the county legislative authority designates which three of its members serve on the governing body of the library capital facilities area. The governing body of a library capital facilities area with territory in more than a single county may have a governing body consisting of less than three members from each county legislative authority, by agreement of the county legislative authority of each county in which the library capital facilities area is located.

A library capital facilities area may construct library capital facilities and may enter into an interlocal agreement or contract with a county, city, town, or library district to design, administer the construction of, operate, or maintain a library capital facility financed by property taxes imposed by the library capital facilities area.

A library capital facilities area may incur general indebtedness of up to 1.25 percent of the value of taxable property in the area, and retire the general indebtedness with voter approved excess levies, if a ballot proposition authorizing the indebtedness and excess levies is approved by at least a 60 percent majority vote of voters in the area voting on the proposition, with a 40 percent validation requirement. A ballot proposition to authorize the bonds and excess levies must be submitted at a general election. A library capital facilities area may accept gifts and grants.

A library capital facilities area may be dissolved by majority vote of its governing body when all of its general indebtedness has been retired and any other of its contractual obligations have been discharged or assumed by another governmental entity. A library capital facilities area shall be dissolved by its governing body if the initial two elections conducted to authorize general obligation bonds and excess levies fails to receive the requisite voter approval.

2. Library district local improvement districts.

Statutes are repealed that authorize rural county library districts and intercounty rural library districts to create local improvement districts, and impose special assessments within local improvement districts, to finance library facilities.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date of Bill: Ninety days after adjournment of session in which bill is passed.

Testimony For: This allows special districts to be created for the sole purpose of constructing library facilities. Currently, cities construct library facilities for library districts, but the persons who benefit live both in the city and outside of the city. Why should property owners in one area pay for library facilities in another area of the same or a different county.

Testimony Against: None.

Testified: Senators Haugen and Winsley, prime sponsors; Tom Mayer, Sno-Isle Library; and Kelly Robinson, city of Snohomish.