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SENATE BILL 5127

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State of Washington

54th Legislature

1995 Regular Session

By Senators West, Haugen, Morton, Prince, Moyer and McCaslin

Read first time 01/12/95. Referred to Committee on Government Operations.

1 AN ACT Relating to public facilities districts; amending RCW  
2 36.100.030 and 82.14.048; and adding new sections to chapter 36.100  
3 RCW.

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

5 NEW SECTION. **Sec. 1.** The treasurer of the county in which a  
6 public facilities district is located shall be the treasurer of the  
7 district and is vested with authority to receive and disburse district  
8 revenues and taxes levied, credit district revenues and taxes to the  
9 proper fund, and perform other services as authorized by law on behalf  
10 of the district. The public facilities district funds shall be  
11 deposited with the county depositories under the same restrictions and  
12 security as provided for county depositories subject to the investment  
13 statutes governing investment of public funds. All interest collected  
14 on public facilities district funds shall belong to the district and be  
15 deposited to its credit in the proper district funds. The treasurer  
16 shall, at least monthly, certify the amount of all public facilities  
17 district funds and prepare such other reports as requested by the  
18 district. All public facilities district funds shall be paid to the

1 treasurer and shall be disbursed by him or her upon presentation of  
2 vouchers approved by the district.

3 NEW SECTION. **Sec. 2.** The board of directors of the public  
4 facilities district shall adopt a resolution that may be amended from  
5 time to time that shall establish the basic requirements governing  
6 methods and amounts of reimbursement payable to such district officials  
7 and employees for travel and other business expenses incurred on behalf  
8 of the district. The resolution shall, among other things, establish  
9 procedures for approving such expenses; the form of the travel and  
10 expense voucher; and requirements governing the use of credit cards  
11 issued in the name of the district. The resolution may also establish  
12 procedures for payment of per diem to board members. The state auditor  
13 shall, as provided by general law, cooperate with the public facilities  
14 district in establishing adequate procedures for regulating and  
15 auditing the reimbursement of all such expenses.

16 NEW SECTION. **Sec. 3.** The board of directors of the public  
17 facilities district may authorize payment of actual and necessary  
18 expenses of officers and employees for lodging, meals, and travel-  
19 related costs incurred in attending meetings or conferences on behalf  
20 of the public facilities district and strictly in the public interest  
21 and for public purposes. Officers and employees may be advanced  
22 sufficient sums to cover their anticipated expenses in accordance with  
23 rules adopted by the state auditor, which shall substantially conform  
24 to the procedures provided in RCW 43.03.150 through 43.03.210.

25 NEW SECTION. **Sec. 4.** Each member of the board of directors of the  
26 public facilities district, if authorized by board resolution, may  
27 receive compensation of fifty dollars per day for attending meetings or  
28 conferences on behalf of the district, not to exceed three thousand  
29 dollars per year. Compensation under this section must be authorized  
30 by the public facilities district board of directors by board  
31 resolution at a regularly scheduled meeting. A director may waive all  
32 or a portion of his or her compensation under this section as to a  
33 month or months during his or her term of office, by a written waiver  
34 filed with the public facilities district. The compensation provided  
35 in this section is in addition to reimbursement for expenses paid to  
36 the directors by the public facilities district.

1        NEW SECTION.    **Sec. 5.**    The board of directors of the public  
2 facilities district may purchase liability insurance with such limits  
3 as the directors may deem reasonable for the purpose of protecting and  
4 holding personally harmless district officers and employees against  
5 liability for personal or bodily injuries and property damage arising  
6 from their acts or omissions while performing or in good faith  
7 purporting to perform their official duties.

8        NEW SECTION.    **Sec. 6.**    Whenever an action, claim, or proceeding is  
9 instituted against a person who is or was an officer or employee of the  
10 public facilities district arising out of the performance of duties for  
11 or employment with the district, the public facilities district may  
12 grant a request by the person that the attorney of the district's  
13 choosing be authorized to defend the claim, suit, or proceeding, and  
14 the costs of defense, attorneys' fees, and obligation for payments  
15 arising from the action may be paid from the district's funds. Costs  
16 of defense or judgment or settlement against the person shall not be  
17 paid in a case where the court has found that the person was not acting  
18 in good faith or within the scope of employment with or duties for the  
19 public facilities district.

20        **Sec. 7.**    RCW 36.100.030 and 1989 1st ex.s. c 8 s 3 are each amended  
21 to read as follows:

22        (1) A public facilities district is authorized to acquire,  
23 construct, own, maintain, and operate sports ~~((and))~~ or entertainment  
24 facilities, or both sports and entertainment facilities, with  
25 contiguous parking facilities. The taxes that are provided for in this  
26 chapter may only be imposed for these purposes.

27        (2) A public facilities district may impose charges and fees for  
28 the use of its facilities, and may accept and expend or use gifts,  
29 grants, and donations. ~~((The taxes that are provided for in this~~  
30 ~~chapter may only be imposed for such purposes.))~~

31        NEW SECTION.    **Sec. 8.**    The board of directors of the public  
32 facilities district shall have authority to authorize the expenditure  
33 of funds for the public purposes of preparing and distributing  
34 information to the general public and promoting, advertising,  
35 improving, developing, operating, and maintaining facilities of the  
36 district.    Nothing contained in this section may be construed to

1 authorize preparation and distribution of information to the general  
2 public for the purpose of influencing the outcome of a district  
3 election.

4 NEW SECTION. **Sec. 9.** The public facilities district shall have  
5 authority to create and fill positions, fix wages, salaries, and bonds  
6 therefor, pay costs involved in securing or arranging to secure  
7 employees, and establish benefits for employees, including holiday pay,  
8 vacations or vacation pay, retirement benefits, medical, life,  
9 accident, or health disability insurance, as approved by the board.  
10 Public facilities district board members, at their own expense, shall  
11 be entitled to medical, life, accident, or health disability insurance.  
12 Insurance for employees and board members shall not be considered  
13 compensation. District coverage for the board is not to exceed that  
14 provided public facilities district employees.

15 NEW SECTION. **Sec. 10.** The public facilities district may secure  
16 services by means of an agreement with a service provider. The public  
17 facilities district shall publish notice, establish criteria, receive  
18 and evaluate proposals, and negotiate with respondents under  
19 requirements set forth by district resolution.

20 NEW SECTION. **Sec. 11.** In addition to provisions contained in  
21 chapter 39.04 RCW, the public facilities district is authorized to  
22 follow procedures contained in RCW 43.19.1906 and 43.19.1911 for all  
23 purchases, contracts for purchase, and sales.

24 NEW SECTION. **Sec. 12.** (1) A public facilities district may issue  
25 revenue bonds to fund revenue generating facilities, or portions of  
26 facilities, which it is authorized to provide or operate. Whenever  
27 revenue bonds are to be issued, the board of directors of the district  
28 shall create or have created a special fund or funds from which, along  
29 with any reserves created pursuant to RCW 39.44.140, the principal and  
30 interest on such revenue bonds shall exclusively be payable. The board  
31 may obligate the district to set aside and pay into the special fund or  
32 funds a fixed proportion or a fixed amount of the revenues from the  
33 public improvements, projects, or facilities, and all related  
34 additions, that are funded by the revenue bonds. This amount or  
35 proportion shall be a lien and charge against these revenues, subject

1 only to operating and maintenance expenses. The board shall have due  
2 regard for the cost of operation and maintenance of the public  
3 improvements, projects, or facilities, or additions, that are funded by  
4 the revenue bonds, and shall not set aside into the special fund or  
5 funds a greater amount or proportion of the revenues that in its  
6 judgment will be available over and above the cost of maintenance and  
7 operation and the amount or proportion, if any, of the revenue so  
8 previously pledged. The board may also provide that revenue bonds  
9 payable out of the same source or sources of revenue may later be  
10 issued on a parity with any revenue bonds being issued and sold.

11 (2) Revenue bonds issued pursuant to this section shall not be an  
12 indebtedness of the district issuing the bonds, and the interest and  
13 principal on the bonds shall only be payable from the revenues lawfully  
14 pledged to meet the principal and interest requirements and any  
15 reserves created pursuant to RCW 39.44.140. The owner or bearer of a  
16 revenue bond or any interest coupon issued pursuant to this section  
17 shall not have any claim against the district arising from the bond or  
18 coupon except for payment from the revenues lawfully pledged to meet  
19 the principal and interest requirements and any reserves created  
20 pursuant to RCW 39.44.140. The substance of the limitations included  
21 in this subsection shall be plainly printed, written, or engraved on  
22 each bond issued pursuant to this section.

23 (3) Revenue bonds with a maturity in excess of thirty years shall  
24 not be issued. The board of directors of the district shall by  
25 resolution determine for each revenue bond issue the amount, date,  
26 form, terms, conditions, denominations, maximum fixed or variable  
27 interest rate or rates, maturity or maturities, redemption rights,  
28 registration privileges, manner of execution, manner of sale, callable  
29 provisions, if any, and covenants including the refunding of existing  
30 revenue bonds. Facsimile signatures may be used on the bonds and any  
31 coupons. Refunding revenue bonds may be issued in the same manner as  
32 revenue bonds are issued.

33 **Sec. 13.** RCW 82.14.048 and 1991 c 207 s 1 are each amended to read  
34 as follows:

35 The governing board of a public facilities district under chapter  
36 36.100 RCW may submit an authorizing proposition to the voters of the  
37 district, and if the proposition is approved by a majority of persons

1 voting, fix and impose a sales and use tax in accordance with the terms  
2 of this chapter.

3 The tax authorized in this section shall be in addition to any  
4 other taxes authorized by law and shall be collected from those persons  
5 who are taxable by the state under chapters 82.08 and 82.12 RCW upon  
6 the occurrence of any taxable event within the public facilities  
7 district. The rate of tax shall equal one-tenth of one percent of the  
8 selling price in the case of a sales tax, or value of the article used,  
9 in the case of a use tax.

10 Moneys received from any tax imposed under this section shall be  
11 used for the purpose of providing funds for the costs associated with  
12 the financing, design, acquisition, construction, equipping, operating,  
13 maintaining, and reequipping of sports or entertainment facilities, or  
14 both sports and entertainment facilities, and contiguous parking.

15 NEW SECTION. **Sec. 14.** Sections 1 through 6 and 8 through 12 of  
16 this act are each added to chapter 36.100 RCW.

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