

# SENATE BILL REPORT

## SB 5390

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As Reported By Senate Committee On:  
Agriculture & Rural Economic Development, February 1, 2007  
Ways & Means, March 5, 2007

**Title:** An act relating to extending the state sales and use tax credit for public facilities districts created before September 1, 2007.

**Brief Description:** Extending the sales and use tax credit for certain public facilities districts.

**Sponsors:** Senators Swecker, Jacobsen, Schoesler, Hatfield, Rasmussen, Delvin and Shin.

**Brief History:**

**Committee Activity:** Agriculture & Rural Economic Development: 2/01/07 [DP-WM].  
Ways & Means: 2/13/07, 3/05/07 [DP].

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### SENATE COMMITTEE ON AGRICULTURE & RURAL ECONOMIC DEVELOPMENT

**Majority Report:** Do pass and be referred to Committee on Ways & Means.

Signed by Senators Rasmussen, Chair; Hatfield, Vice Chair; Schoesler, Ranking Minority Member; Jacobsen, Morton and Shin.

**Staff:** Sam Thompson (786-7413)

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### SENATE COMMITTEE ON WAYS & MEANS

**Majority Report:** Do pass.

Signed by Senators Prentice, Chair; Zarelli, Ranking Minority Member; Brandland, Carrell, Hatfield, Hewitt, Hobbs, Honeyford, Keiser, Oemig, Parlette, Rasmussen, Roach, Rockefeller and Schoesler.

**Staff:** Dean Carlson (786-7305)

**Background:** A public facility district (PFD) is a unit of local government established by cities or counties to construct and operate sports, entertainment, or convention facilities or regional centers. Certain PFDs are authorized to impose a nonvoted 0.033 percent local sales tax that is deducted from the state sales tax and is not an increase to taxpayers.

A PFD has been proposed in Lewis County to build and operate a regional equestrian center to host rodeos and other events.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

**Summary of Bill:** A PFD created prior to September 1, 2007, in a county or counties with no other PFD and in which the total population is greater than 70,000 may impose a sales and use tax, credited against the state portion of the sales and use tax, of not more than 0.033 percent for the construction of a regional center. Construction must begin prior to January 1, 2009.

**Appropriation:** None.

**Fiscal Note:** Available.

**Committee/Commission/Task Force Created:** No.

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

**Staff Summary of Public Testimony (Agriculture & Rural Economic Development):**

PRO: This bill will facilitate construction and operation of a 7,000 seat multi-purpose facility near Winlock in southern Lewis County. The facility will serve as an equestrian center hosting rodeos and horse shows; it will also host concerts, RV shows, and other events. Approximately 150 to 300 construction-related jobs and, later, 30 to 50 full-time jobs will be created, providing a much-needed stimulus to the local economy. The many visitors expected to attend events will boost tourism in the area. The facility will also include a learning center that will help promote agribusiness and provide a significant resource for schools. The facility will, in addition, serve as a rescue center for abused hoofed animals.

**Persons Testifying (Agriculture & Rural Economic Development):** PRO: Larry Hewitt, Southwest Washington Regional Equestrian Center; Cy Meyers, Mayor of Winlock; Bob Guenther, Washington State Labor and Thurston/Lewis County Labor Council; Tom Crowson, Backcountry Horsemen of Washington; Connie Patterson, Hooved Animal Rescue of Thurston County; Todd Christensen, Centralia-Chehalis Chamber of Commerce; Mary Garrison, South Lewis County Chamber of Commerce; Michele Jones, Southwest Washington Regional Equestrian Center; Dr. L.E. Macomber, retired Centralia veterinarian; Sherri Wright, Denise Vessey, Stacy Brady, Gina M. Cain, American Made Rodeo Drill Team; Rick Nelson, Olympia citizen.

**Staff Summary of Public Testimony (Ways & Means):** PRO: This is for an equestrian center in Lewis County. The Centralia coal mine closure cost about 600 family wage jobs. This is the first project to come forward since. This has broad support in our community. This would enhance the local community of Winlock well. It would blend well with other projects we have going. This is easily accessible and is halfway between Seattle and Portland. No mitigation required for the site. Existing roads will mitigate local traffic. Washington lacks facilities for this type of entertainment and it could be used for concerts, home shows, and RV shows. This will have little public risk with a substantial payoff. The success of this project will depend on the legislation. Twenty stalls will be dedicated for hoof and animal rescue. This arena will be able to have national shows. In a community of 70,000, the loss of 600 jobs was a big impact. The Regional Equestrian Center and the United Way of Lewis County signed an agreement so that a portion of the concession would go to the United Way. Anchor Bank believes that this will help the revitalization of Lewis County.

**Persons Testifying (Ways & Means):** PRO: Senator Swecker, prime sponsor; Cy Meyers, Mayor of Winlock; Larry Hewitt, Todd Meikle, Sue Gordon, Regional Equestrian Center;

Phillip Smith, Vantage Group; Tom Crowson, Backcountry Horseman of Washington; Debbie Campbell, United Way of Lewis County; William J. Jones, Anchor Bank.