

SENATE BILL REPORT

SB 5296

As of February 16, 2009

Title: An act relating to the authority of towns, cities, and counties to form public facilities districts for recreational facilities when one or more of the towns, cities, or counties have previously formed public facility districts.

Brief Description: Regarding public facilities district formation and authority.

Sponsors: Senators Delvin and Hewitt.

Brief History:

Committee Activity: Government Operations & Elections: 2/16/09.

SENATE COMMITTEE ON GOVERNMENT OPERATIONS & ELECTIONS

Staff: Edward Redmond (786-7471)

Background: City or town public facilities districts (City PFDs) are municipal corporations with independent taxing authority and are taxing districts under the State Constitution. City PFDs must be located in a county with a population less than one million.

City PFDs are authorized to construct, improve, or remodel regional centers. A regional center is a convention, conference, or special events center and related parking facilities that costs at least \$10 million. A special events center is a facility, available to the public, used for community events, sporting events, trade shows, and artistic, musical, theatrical, or other cultural exhibitions, presentations, or performances. The boundaries of a City PFD are coextensive with the city. However, if the city has been jointly created, the boundaries are coterminous with all cities jointly participating or the unincorporated areas of a county jointly participating. A county with a population greater than one million may create a City PFD if the city has a population between 80,000 and 115,000 and construction of the regional center is commenced prior to July 1, 2008.

County PFDs may develop and operate sport facilities, entertainment facilities, convention facilities, and regional centers. Districts formed after January 1, 2000, may develop and operate recreational facilities other than ski areas.

PFDs may be funded through a combination of charges and fees for the use of facilities by organizations; admission charges; taxes on vehicle parking charges; voter-approved sales and

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use taxes; credits against the state sales and use tax; voter-approved property taxes; and bonds.

Summary of Bill: The bill as referred to committee not considered.

Summary of Bill (Proposed First Substitute): Any contiguous group of cities, towns, or counties may form a PFD despite one or more of those cities, towns, or counties having previously formed one or more PFDs within the boundaries of the additional PFD. All cities, towns, or counties forming the additional PFD must have a population of at least 40,000 and border the Columbia River. The additional PFD is authorized to construct, improve, or remodel regional centers including recreation facilities other than ski areas. Existing PFDs may continue their full corporate existence and activities within all or part of the same geographic area of the additional PFD.

The additional PFD may not impose a voter-approved sales or use tax at a rate that exceeds two-tenths of one percent minus the rate of the highest tax already authorized by any other PFD within its boundaries. An outstanding tax obligation assumed by an additional PFD that is secured by a set tax rate may not be reduced by another PFD's issuance of a lower tax rate.

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: PRO: The city of Pasco wants to build a truly regional center, such as an aquatic center, in the next ten to 15 years. Current laws, however, impede us from doing this. This bill will give voters the option to decide if they want to join together and create additional public facilities districts.

Persons Testifying: PRO: Matt Watkins, city of Pasco.