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**SUBSTITUTE SENATE BILL 5053**

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**State of Washington**

**69th Legislature**

**2025 Regular Session**

**By** Senate Local Government (originally sponsored by Senator Warnick)

READ FIRST TIME 02/21/25.

1 AN ACT Relating to public facilities districts; and amending RCW  
2 35.57.010 and 36.100.010.

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

4 **Sec. 1.** RCW 35.57.010 and 2023 c 218 s 1 are each amended to  
5 read as follows:

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

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

13 (c) The legislative authority of any town or city, or any  
14 contiguous group of towns or cities, located in a county with a  
15 population of less than one million and the legislative authority of  
16 a contiguous county, or the legislative authority of the county or  
17 counties in which the towns or cities are located, may enter into an  
18 agreement under chapter 39.34 RCW for the creation and joint  
19 operation of a public facilities district.

20 (d) The legislative authority of a city located in a county with  
21 a population greater than one million may create a public facilities

1 district, when the city has a total population of less than one  
2 hundred fifteen thousand but greater than eighty thousand and  
3 commences construction of a regional center prior to July 1, 2008.

4 (e) At least three contiguous towns or cities with a combined  
5 population of at least one hundred sixty thousand, each of which  
6 previously created a public facilities district under (a) of this  
7 subsection, may create an additional public facilities district. The  
8 previously created districts may continue their full corporate  
9 existence and activities notwithstanding the creation and existence  
10 of the additional district within the same geographic area.

11 (f) The legislative authority of two or more contiguous towns or  
12 cities or the legislative authority of two or more contiguous towns  
13 or cities and the legislative authority of the county or counties in  
14 which the towns or cities are located, each of which participated in  
15 the creation of a public facilities district under (c) of this  
16 subsection, may create an additional public facilities district. Any  
17 previously created district may continue its full corporate existence  
18 and activities notwithstanding the creation and existence of an  
19 additional district within the same geographic area. A public  
20 facilities district formed under this subsection (1)(f) must be  
21 created prior to July 1, 2026. The creation of a public facilities  
22 district under this subsection does not require all of the original  
23 participating towns, cities, or counties that created a public  
24 facilities district under (c) of this subsection to participate in  
25 the formation of the additional public facilities district under this  
26 subsection.

27 (2)(a) A public facilities district is coextensive with the  
28 boundaries of the city or town or contiguous group of cities or towns  
29 that created the district.

30 (b) A public facilities district created by an agreement between  
31 a town or city, or a contiguous group of towns or cities, and a  
32 contiguous county or the county in which they are located, is  
33 coextensive with the boundaries of the towns or cities, and the  
34 boundaries of the county or counties as to the unincorporated areas  
35 of the county or counties. The boundaries do not include incorporated  
36 towns or cities that are not parties to the agreement for the  
37 creation and joint operation of the district.

38 (c)(i) A public facilities district created by an agreement  
39 between a town or city, or a contiguous group of towns or cities, and  
40 the county in which they are located, the county being located along

1 the eastern crest of the Cascade mountains with a population of less  
2 than 50,000, is coextensive with the boundaries of the towns or  
3 cities, and the boundaries of school districts selected to be  
4 included in the public facilities district within the county. The  
5 boundaries do not include incorporated towns or cities that are not  
6 parties to the agreement for the creation and joint operation of the  
7 district.

8 (ii) This subsection (2)(c) applies only until December 31, 2060.

9 (3)(a) A public facilities district created by a single city or  
10 town shall be governed by a board of directors consisting of five  
11 members selected as follows: (i) Two members appointed by the  
12 legislative authority of the city or town; and (ii) three members  
13 appointed by legislative authority based on recommendations from  
14 local organizations. The members appointed under (a)(i) of this  
15 subsection, shall not be members of the legislative authority of the  
16 city or town. The members appointed under (a)(ii) of this subsection,  
17 must be based on recommendations received from local organizations  
18 that may include, but are not limited to, the local chamber of  
19 commerce, local economic development council, and local labor  
20 council. The members shall serve four-year terms. Of the initial  
21 members, one must be appointed for a one-year term, one must be  
22 appointed for a two-year term, one must be appointed for a three-year  
23 term, and the remainder must be appointed for four-year terms.

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

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

4 (c) A public facilities district created by a town or city, or a  
5 contiguous group of towns or cities, and a contiguous county or the  
6 county or counties in which they are located, must be governed by a  
7 board of directors consisting of seven members selected as follows:

8 (i) Three members appointed by the legislative authorities of the  
9 cities, towns, and county; and (ii) four members appointed by the  
10 legislative authorities of the cities, towns, and county based on  
11 recommendations from local organizations. The members appointed under  
12 (c)(i) of this subsection shall not be members of the legislative  
13 authorities of the cities, towns, or county. The members appointed  
14 under (c)(ii) of this subsection must be based on recommendations  
15 received from local organizations that include, but are not limited  
16 to, the local chamber of commerce, the local economic development  
17 council, the local labor council, and a neighborhood organization  
18 that is directly affected by the location of the regional center in  
19 their area. The members of the board of directors must be appointed  
20 in accordance with the terms of the agreement under chapter 39.34 RCW  
21 for the joint operation of the district and shall serve four-year  
22 terms. Of the initial members, one must be appointed for a one-year  
23 term, one must be appointed for a two-year term, one must be  
24 appointed for a three-year term, and the remainder must be appointed  
25 for four-year terms.

26 (d) (i) Until December 31, 2060, a public facilities district  
27 created by a town or city, or a contiguous group of towns or cities,  
28 and the county located along the eastern crest of the Cascade  
29 mountains with a population of less than 50,000 in which they are  
30 located that includes less than the entirety of the unincorporated  
31 county within the boundaries of the district as provided in  
32 subsection (2)(c) of this section, must be governed by a board of  
33 directors consisting of a minimum of seven members selected as  
34 follows: (A) Each city, town, or county's legislative authority may  
35 appoint one elected official from its jurisdiction; and (B) four  
36 members appointed by the legislative authorities of the cities,  
37 towns, and county based on recommendations from local organizations.

38 (ii) The members appointed under (d)(i)(B) of this subsection  
39 must be based on recommendations received from local organizations  
40 that include, but are not limited to, the local chamber of commerce,

1 the local economic development council, the local labor council, and  
2 a neighborhood organization that is directly affected by the location  
3 of the regional center in their area. The members of the board of  
4 directors must be appointed in accordance with the terms of the  
5 agreement under chapter 39.34 RCW for the joint operation of the  
6 district and serve four-year terms. Of the initial members, one must  
7 be appointed for a one-year term, one must be appointed for a two  
8 year term, one must be appointed for a three-year term, and the  
9 remainder must be appointed for four-year terms.

10 (e)(i) A public facilities district created under subsection  
11 (1)(e) of this section must provide, in the agreement providing for  
12 its creation and operation, that the district must be governed by an  
13 odd-numbered board of directors of not more than nine members who are  
14 also members of the legislative authorities that created the public  
15 facilities district or of the governing boards of the public  
16 facilities districts previously created by those legislative  
17 authorities, or both.

18 (ii) A board of directors formed under this subsection must have  
19 an equal number of members representing each city or town  
20 participating in the public facilities district. If there are  
21 unfilled board member positions after each city or town has appointed  
22 an equal number of board members, the members so appointed must  
23 appoint a number of additional board members necessary to fill any  
24 remaining positions. For a board formed under this subsection to  
25 submit a proposition to the voters under RCW 82.14.048, a majority of  
26 the members representing or appointed by each legislative authority  
27 participating in the public facilities district must agree to submit  
28 the proposition to the voters.

29 (4) A public facilities district is a municipal corporation, an  
30 independent taxing "authority" within the meaning of Article VII,  
31 section 1 of the state Constitution, and a "taxing district" within  
32 the meaning of Article VII, section 2 of the state Constitution.

33 (5) A public facilities district constitutes a body corporate and  
34 possesses all the usual powers of a corporation for public purposes  
35 as well as all other powers that may now or hereafter be specifically  
36 conferred by statute including, but not limited to, the authority to  
37 hire employees, staff, and services, to enter into contracts, and to  
38 sue and be sued.

39 (6) A public facilities district may acquire and transfer real  
40 and personal property by lease, sublease, purchase, or sale. No

1 direct or collateral attack on any public facilities district  
2 purported to be authorized or created in conformance with this  
3 chapter may be commenced more than thirty days after creation by the  
4 city and/or county legislative authority.

5 (7) If a county or counties participated in the creation of a  
6 public facilities district under this chapter, the treasurer of the  
7 county in which the largest proportion of the district is located  
8 shall serve as the ex officio treasurer of the district, unless the  
9 board of the public facilities districts designates the treasurer of  
10 a city or town that participated in the creation of the public  
11 facilities district or other person having the necessary experience  
12 and qualifications to perform the duties of treasurer. Such a  
13 treasurer possesses all of the powers, responsibilities, and duties  
14 of, and is subject to the same restrictions as provided by law for, a  
15 county treasurer with regard to district financial matters. Such  
16 treasurer must be bonded for not less than \$25,000.

17 **Sec. 2.** RCW 36.100.010 and 2010 1st sp.s. c 15 s 2 are each  
18 amended to read as follows:

19 (1) One or more public facilities districts may be created in any  
20 county and must be coextensive with the boundaries of the county.

21 (2) A public facilities district is created upon adoption of a  
22 resolution providing for the creation of such a district by the  
23 county legislative authority in which the proposed district is  
24 located.

25 (3) A public facilities district is a municipal corporation, an  
26 independent taxing "authority" within the meaning of Article VII,  
27 section 1 of the state Constitution, and a "taxing district" within  
28 the meaning of Article VII, section 2 of the state Constitution.

29 (4) Except as provided in RCW 36.100.040 (4) and (5), no taxes  
30 authorized under this chapter may be assessed or levied unless a  
31 majority of the voters of the public facilities district has approved  
32 such tax at a general or special election. A single ballot  
33 proposition may both validate the imposition of the sales and use tax  
34 under RCW 82.14.048 and the excise tax under RCW 36.100.040(1).

35 (5)(a) A public facilities district constitutes a body corporate  
36 and possesses all the usual powers of a corporation for public  
37 purposes as well as all other powers that may now or hereafter be  
38 specifically conferred by statute, including, but not limited to, the  
39 authority to hire employees, staff, and services, to enter into

1 contracts, including contracts with public and private parties, to  
2 acquire, own, sell, transfer, lease, and otherwise acquire or dispose  
3 of property, to grant concessions under terms approved by the public  
4 facilities district, and to sue and be sued.

5 (b) A public facilities district created by a county with a  
6 population of one million five hundred thousand or more to acquire,  
7 own, and operate a convention and trade center transferred from a  
8 public nonprofit corporation may continue to contract with the  
9 Seattle-King county convention and visitors' bureau or its successor  
10 in interest for marketing the convention and trade center facility  
11 and services.

12 (6) A public facilities district may enter into contracts with a  
13 county for the purpose of exercising any powers of a community  
14 renewal agency under chapter 35.81 RCW.

15 (7) The legislative authority of a city or county, the board of  
16 directors of a public nonprofit corporation, or the state of  
17 Washington may transfer property to a public facilities district  
18 created under this chapter, with or without consideration. No  
19 property that is encumbered with debt or that is in need of major  
20 capital renovation may be transferred to the district without the  
21 agreement of the district and revenues adequate to retire the  
22 existing indebtedness.

23 (8) A public facilities district may enter into agreements with  
24 the state, any municipal corporation, or any other governmental  
25 entity for the design, financing, acquisition, development,  
26 construction, reconstruction, lease, remodeling, alteration,  
27 maintenance, equipping, reequipping, repair, operation, or management  
28 of one or more facilities of the parties thereto. Agreements may  
29 provide that any party to the contract designs, finances, acquires,  
30 develops, constructs, reconstructs, remodels, alters, maintains,  
31 equips, reequips, repairs, and operates one or more facilities for  
32 the other party or parties to the contract. A public facilities  
33 district may enter into an agreement with the state, any municipal  
34 corporation, or other public or private entity that will assist a  
35 public facilities district in the financing of all or any part of a  
36 district facility on such terms as may be determined by agreement  
37 between the respective parties, including without limitation by a  
38 loan, guaranty, or other financing agreement.

1       (9) Nothing in this chapter prohibits a county from participating  
2 in the creation and operation of a public facilities district as  
3 provided for in chapter 35.57 RCW.

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