

HOUSE BILL REPORT

SB 5385

As Reported By House Committee On:
Local Government

Title: An act relating to dissolution of cultural arts, stadium and convention districts.

Brief Description: Providing an alternative method for dissolution of cultural arts, stadium and convention districts.

Sponsors: Senators Shin, Prentice, Winsley, Jacobsen, Patterson, T. Sheldon, Benton, Finkbeiner, Snyder, Rasmussen, Goings, Haugen, Hargrove, Gardner, Heavey, Deccio and McAuliffe.

Brief History:

Committee Activity:

Local Government: 3/25/99, 3/29/99 [DPA].

Brief Summary of Bill
(As Amended by House Committee)

- Creates a second option for dissolving a cultural arts, stadium, or convention district.

HOUSE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: Do pass as amended. Signed by 6 members: Representatives Mulliken, Republican Co-Chair; Scott, Democratic Co-Chair; Mielke, Republican Vice Chair; Ericksen; Fisher and Fortunato.

Staff: Scott MacColl (786-7106).

Background:

A cultural arts, stadium, and convention district is created by a majority vote of the voters included within the district in a special election. A cultural arts, stadium, and convention district may finance capital facilities through a special election in which the voters must approve a ballot proposition providing for both the bond issuance and imposition of levies to pay off the bonds.

A cultural arts, stadium, and convention district may be dissolved by a majority vote of the persons in the district. An election may be called by: (1) resolution of the district governing authority; (2) resolution of the county governing body; or (3) by petition of the district voters.

Summary of Amended Bill:

A second method to dissolve a cultural arts, stadium, and convention district is authorized. A cultural arts, stadium and convention district may be dissolved through a petition for an order of dissolution to the superior court of the county in which the district is located. The petition must be signed within 120 days of the date of submission to the court by at least two-thirds of the legislative bodies who have representatives on the governing body.

Procedures for dissolution, and provisions for the division of remaining assets are specified.

Amended Bill Compared to Original Bill: Amendment changed the requirement that the petition be signed by each legislative authority of each county and component city of the district, and each municipality that has a representative on the district to at least two-thirds of the legislative bodies who have representatives on the district governing body.

Appropriation: None.

Fiscal Note: Not requested.

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

Testimony For: As the law currently reads, it would cost at least \$60,000 to hold an election to dissolve the district. This legislation would save the taxpayers money by creating the alternative approach to eliminating a junior taxing district. An amendment proposed would require two-thirds of the members of the governing body sign the petition, rather than every member. There could be some legal liability in the House version having only the board of directors of the district sign, and the district would prefer that the petition go to superior court to be dissolved through the process much like the probate process.

Testimony Against: None.

Testified: Senator Shin, prime sponsor; and Gary Nelson, Snohomish County Council.