

## Local Government Committee

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### BILL ANALYSIS HB 1848

**TITLE OF THE BILL:** Relating to clarifying the authority of port districts to exercise powers within and outside their territorial limits.

**WHAT THIS BILL DOES:** *Allows a port district to exercise industrial development or trade promotions outside its district or outside the state through interlocal cooperation agreements.*

**SPONSORS:** Representatives Grant, Mastin and Dunn

**HEARING DATE:** Wednesday, February 24, 1999

**FISCAL NOTE:** Not requested.

**ANALYSIS PREPARED BY:** Scott MacColl (786-7106).

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### BACKGROUND:

#### *Port District Powers*

Port districts are authorized for the purpose of acquisition, construction, maintenance, operation, development and regulation within the district of harbor improvements, rail or motor vehicle transfer and terminal facilities, water and air transfer and terminal facilities, or any combination of these facilities. A port district may also, through its commission, spend money and conduct promotions of resources and facilities within the district or general area through advertising, publicizing or marketing.

The Washington Constitution expressly states in Article VIII, Section 8, that the use of public funds by port districts for industrial development or trade promotion is deemed a public use for a public purpose.

#### *Port District Interlocal Cooperation Agreements*

Port districts may jointly exercise powers with any other port district to jointly acquire lands, property, property rights, leases, or easements necessary for port district purposes, either within or without the county(s) where the districts are located. A district may also enter into a contract with the United States or any state, county, or municipal corporation for carrying out any agreed duties.

## **SUMMARY:**

The authority of a port district to exercise industrial development or trade promotion powers outside district or state boundaries is clarified. This authority is also clarified for Washington port districts that exercise joint authority with another port district or in cooperation with other public agencies.

### ***Port District Powers***

A port district is expressly authorized to exercise its powers through an interlocal cooperation agreement outside the boundaries of Washington in whole or only in part. This authority must be made by resolution of the port district commission and may only be adopted after a public hearing. Notice for the public hearing must be published in a newspaper within the district at least 10 days in advance.

### ***Port District Interlocal Cooperation Agreements***

Port districts are authorized to enter into interlocal cooperation agreements with municipal corporations of adjoining states, as well as entities currently in statute, to operate within or outside the district. The authority to execute the promotion or development of trade or industry outside the boundaries of the state is also expressly stated.

This authority may only be granted when a notice of public hearing has been published at least 10 days in advance in a newspaper within the district and pursuant to findings and a resolution of the port district commissioners. The finding must state that:

- the district's participation will substantially benefit the district and the state; and
- the district's share of the cost will not exceed an amount calculated by dividing the total cost of the undertaking by the number of participants.