**1499 AMS SHOR S4450.1 - NOT FOR FLOOR USE**

**HB 1499** - S AMD **788**

By Senator Short

**OUT OF ORDER 04/25/2019**

Strike everything after the enacting clause and insert the following:

"**Sec.**  RCW 35.57.020 and 2010 c 192 s 2 are each amended to read as follows:

(1)(a) A public facilities district is authorized to acquire, construct, own, remodel, maintain, equip, reequip, repair, finance, and operate one or more regional centers. For purposes of this chapter, "regional center" means a convention, conference, or special events center, or any combination of facilities, and related parking facilities, serving a regional population constructed, improved, or rehabilitated after July 25, 1999, at a cost of at least ten million dollars, including debt service. "Regional center" also includes an existing convention, conference, or special events center, and related parking facilities, serving a regional population, that is improved or rehabilitated after July 25, 1999, where the costs of improvement or rehabilitation are at least ten million dollars, including debt service. 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. A regional center is conclusively presumed to serve a regional population if state and local government investment in the construction, improvement, or rehabilitation of the regional center is equal to or greater than ten million dollars.

(b) A public facilities district created under RCW 35.57.010(1)(e):

(i) Is authorized, in addition to the authority granted under (a) of this subsection, to acquire, construct, own, remodel, maintain, equip, reequip, repair, finance, and operate one or more recreational facilities other than a ski area;

(ii) If exercising its authority under (a) or (b)(i) of this subsection, must obtain voter approval to fund each recreational facility or regional center pursuant to RCW 82.14.048((~~(3)~~)) (4)(a); and

(iii) Possesses all of the powers with respect to recreational facilities other than a ski area that all public facilities districts possess with respect to regional centers under subsections (3), (4), and (7) of this section.

(c)(i) A public facilities district created under RCW 35.57.010(1)(a) by a city or town that participated in the creation of an additional public facilities district under RCW 35.57.010(1)(e):

(A) Is authorized, in addition to the authority granted under (a) of this subsection, to acquire, construct, own, remodel, maintain, equip, reequip, repair, finance, and operate an aquatics facility;

(B) If exercising its authority under (c)(i)(A) of this subsection, must obtain voter approval to fund the aquatics facility pursuant to section 3 of this act; and

(C) Except as provided in (c)(ii) of this subsection, possesses all of the powers with respect to an aquatics facility that all public facilities districts possess with respect to regional centers.

(ii) A public facilities district created under RCW 35.57.010(1)(a) by a city or town that participated in the creation of an additional public facilities district under RCW 35.57.010(1)(e) is not authorized to fund an aquatics facility with the sales and use tax pursuant to RCW 82.14.048.

(2) A public facilities district may enter into contracts with any city or town for the purpose of exercising any powers of a community renewal agency under chapter 35.81 RCW.

(3) A public facilities district may impose charges and fees for the use of its facilities, and may accept and expend or use gifts, grants, and donations for the purpose of a regional center.

(4) A public facilities district may impose charges, fees, and taxes authorized in RCW 35.57.040, and use revenues derived therefrom for the purpose of paying principal and interest payments on bonds issued by the public facilities district to construct a regional center.

(5) Notwithstanding the establishment of a career, civil, or merit service system, a public facilities district may contract with a public or private entity for the operation or management of its public facilities.

(6) A public facilities district is authorized to use the supplemental alternative public works contracting procedures set forth in chapter 39.10 RCW in connection with the design, construction, reconstruction, remodel, or alteration of any regional center.

(7) A city or town in conjunction with any special agency, authority, or other district established by a county or any other governmental agency is authorized to use the supplemental alternative public works contracting procedures set forth in chapter 39.10 RCW in connection with the design, construction, reconstruction, remodel, or alteration of any regional center funded in whole or in part by a public facilities district.

(8) Any provision required to be submitted for voter approval under this section, may not be submitted for voter approval prior to January 1, 2011.

**Sec.**  RCW 82.14.048 and 2012 c 4 s 6 are each amended to read as follows:

(1) The following definitions apply throughout this section unless the context clearly requires otherwise.

(a) "Distressed public facilities district" means a public facilities district that has defaulted on bond anticipation notes or bonds in excess of forty million dollars on or before April 1, 2012; and

(b) "Anchor jurisdiction" means a city that has entered into an agreement to form a public facilities district under RCW 35.57.010(1)(c) that constitutes a distressed public facilities district under this chapter and in which the largest asset of such public facilities district is located.

(2)(a) The governing board of a public facilities district under chapter 36.100 or 35.57 RCW may submit an authorizing proposition to the voters of the district, and if the proposition is approved by a majority of persons voting, impose a sales and use tax in accordance with the terms of this chapter.

(b) In addition to the tax authorized pursuant to (a) of this subsection and in addition to any other authority conferred by law, the legislative authority of an anchor jurisdiction may impose a sales and use tax within the geographical boundaries of the anchor jurisdiction in accordance with the terms of this chapter without submitting an authorizing proposition to the voters of the anchor jurisdiction or the distressed public facilities district.

(3) The tax authorized in this section is in addition to any other taxes authorized by law and must be collected from those persons who are taxable by the state under chapters 82.08 and 82.12 RCW upon the occurrence of any taxable event within the public facilities district. The rate of tax may not exceed two-tenths of one percent of the selling price in the case of a sales tax, or value of the article used, in the case of a use tax. A public facilities district formed under RCW 35.57.010(1)(e) may not impose the tax authorized under this section at a rate that exceeds two-tenths of one percent minus the rate of the highest tax authorized by this section that is imposed by any other public facilities district within its boundaries. An anchor jurisdiction may impose the tax authorized by subsection (2)(b) of this section at a rate not to exceed two-tenths of one percent, regardless of whether any other public facilities district (including a distressed public facilities district) within its boundaries imposes the tax authorized by this section or the rate of such tax imposed by the public facilities district. If a public facilities district formed under RCW 35.57.010(1)(e) has imposed a tax under this section and issued or incurred obligations pledging that tax, so long as those obligations are outstanding no other public facilities district within its boundaries may thereafter impose a tax under this section at a rate that would reduce the rate of the tax that was pledged to the repayment of those obligations. A public facilities district that imposes a tax under this section is responsible for the payment of any costs incurred for the purpose of administering the provisions of this section, RCW 35.57.010(1)(e), and 35.57.020(1)(b), including any administrative costs associated with the imposition of the tax under this section incurred by either the department of revenue or local government, or both.

(4)(a) Except for the purposes of an aquatics facility as provided in RCW 35.57.020(1)(c), moneys received by a public facilities district from any tax imposed by the public facilities district under the authority of this section must be used for the purpose of providing funds for the costs associated with the financing, refinancing, design, acquisition, construction, equipping, operating, maintaining, remodeling, repairing, and reequipping of its public facilities.

(b) A public facilities district created under RCW 35.57.010(1)(a) by a city or town that participated in the creation of an additional public facilities district under RCW 35.57.010(1)(e) is not authorized to use moneys received from the tax in this section for the purposes of an aquatics facility as provided under RCW 35.57.020(1)(c).

(c) Moneys received by an anchor jurisdiction from any tax imposed by the anchor jurisdiction under the authority of this section must be used for the purpose of providing funds for the costs associated with the financing, refinancing, design, acquisition, construction, equipping, operating, maintaining, remodeling, repairing, and reequipping of the public facilities of the distressed public facilities district, and for all litigation, investigation, and related costs and expenses incurred by the anchor jurisdiction toward resolving matters related to the defaults of the distressed public facilities district. To the extent the distressed public facilities district owes money to an anchor jurisdiction, the anchor jurisdiction may apply money from the sales tax imposed under this section to any such obligations. Any sales tax imposed by an anchor jurisdiction under this section must terminate no later than thirty years after it is first imposed.

NEW SECTION. **Sec.**  A new section is added to chapter 36.73 RCW to read as follows:

A transportation benefit district may enter into an interlocal agreement pursuant to chapter 39.34 RCW with a public facilities district created under RCW 35.57.010(1)(a) by a city or town that participated in the creation of an additional public facilities district under RCW 35.57.010(1)(e) in order to fund an aquatics facility as provided under RCW 35.57.020(1)(c) with money received from the sales and use tax pursuant to RCW 82.14.0455(4).

**Sec.**  RCW 82.14.0455 and 2010 c 105 s 3 are each amended to read as follows:

(1) Subject to the provisions in RCW 36.73.065, a transportation benefit district under chapter 36.73 RCW may fix and impose a sales and use tax in accordance with the terms of this chapter. The tax authorized in this section is in addition to any other taxes authorized by law and shall be collected from those persons who are taxable by the state under chapters 82.08 and 82.12 RCW upon the occurrence of any taxable event within the boundaries of the district. The rate of tax shall not exceed two-tenths of one percent of the selling price in the case of a sales tax, or value of the article used, in the case of a use tax. Except as provided in subsection (2) of this section, the tax may not be imposed for a period exceeding ten years. This tax, if not imposed under the conditions of subsection (2) of this section, may be extended for a period not exceeding ten years with an affirmative vote of the voters voting at the election.

(2) The voter-approved sales tax initially imposed under this section after July 1, 2010, may be imposed for a period exceeding ten years if the moneys received under this section are dedicated for the repayment of indebtedness incurred in accordance with the requirements of chapter 36.73 RCW.

(3) Money received from the tax imposed under this section must be spent in accordance with the requirements of chapter 36.73 RCW.

(4)(a) Money received from the tax imposed under this section within the boundaries of a public facilities district located within the boundaries of a transportation benefit district may be utilized to acquire, construct, own, remodel, maintain, equip, reequip, repair, finance, or operate an aquatics facility pursuant to an interlocal agreement as authorized under chapter 39.34 RCW and section 3 of this act.

(b) For the purposes of this subsection, "public facilities district" means a public facilities district created under RCW 35.57.010(1)(a) by a city or town that participated in the creation of an additional public facilities district under RCW 35.57.010(1)(e)."

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**OUT OF ORDER 04/25/2019**

On page 1, line 4 of the title, after "approval;" strike the remainder of the title and insert "amending RCW 35.57.020, 82.14.048, and 82.14.0455; and adding a new section to chapter 36.73 RCW."

EFFECT: Specifies that the public facilities district is authorized to acquire, construct, own, remodel, maintain, equip, reequip, repair, finance, and operate an aquatics facility, rather than one or more recreational facilities other than a ski area. Removes the authority of the public facilities district to impose a sales and use tax of up to 0.2 percent for the purposes of the aquatics facility. Subject to voter approval, allows a transportation benefit district and the public facilities district to enter into an interlocal agreement in order for the transportation benefit district to provide moneys received from its sales and use tax within the borders of the public facilities district located within the borders of the transportation benefit district for the purposes of the aquatics facility.