

# HOUSE BILL REPORT

## ESB 5965

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**As Reported by House Committee On:**  
Trade & Economic Development

**Title:** An act relating to public facilities district boards of directors in counties in which the largest city has at least forty percent of the population and the second largest city has at least fifteen percent of the population.

**Brief Description:** Revising the makeup of public facilities district boards of directors.

**Sponsors:** Senator McCaslin.

**Brief History:**

**Committee Activity:**

Trade & Economic Development: 3/28/03, 4/4/03 [DP].

**Brief Summary of Engrossed Bill**

- Requires six members to serve on the board of directors of a county created public facilities district if the largest city in the county is 40 percent of the total county population and the second largest city is 15 percent of the total county population.

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### HOUSE COMMITTEE ON TRADE & ECONOMIC DEVELOPMENT

**Majority Report:** Do pass. Signed by 9 members: Representatives Veloria, Chair; Eickmeyer, Vice Chair; Skinner, Ranking Minority Member; McDonald, Assistant Ranking Minority Member; Blake, Chase, McCoy, Pettigrew and Priest.

**Minority Report:** Do not pass. Signed by 2 members: Representatives Condotta and Kristiansen.

**Staff:** Tracey Taylor (786-7196).

**Background:**

A public facilities district (district) may be created upon adoption of a resolution by the county or city legislative authority in which the proposed district is located. A district is a municipal corporation, and independent taxing authority within the meaning of Article

VII, Section 1 of the State Constitution, and a taxing district within the meaning of Article VII, Section 2 of the State Constitution. A district is a body corporate and possesses all the usual powers of a corporation for public purposes or specially conferred by statute.

A district is authorized to acquire, construct, own, remodel, maintain, equip, reequip, repair, and operate sports facilities, entertainment facilities, convention facilities or regional centers, together with contiguous parking facilities.

County public facilities districts are governed by an appointed board of directors who serve four year terms. The board members can consist of either five or seven members, which is dependent, along with who appoints them, on the size of the largest city in the county relative to the total county population.

- If the largest city in the county has a population of at least 40 percent of the total county population, the board shall have five members, two appointed by the county legislative authority, two appointed by the city council of the largest city and one person who is selected by the other directors.
- If the largest city in the county has less than 40 percent of the total county population, the county legislative authority must establish, by resolution, if the board has five or seven members. In this case, the county legislative authority is the sole appointing authority. In making such appointment, the county legislative authority should appoint members that reflect the interest of the county's cities and towns as well as the unincorporated areas.
- If the county has a population of one million or more, and the largest city in the county is less than 40 percent of the total county population and the county operates under a county charter providing for an elected county executive, three members shall be appointed by the county executive, subject to confirmation by the county legislative authority. The remaining members will be appointed by the Governor, based on recommendations by the Speaker of the House of Representatives and the Majority Leader of the Senate.

In order to impose the lodging excise tax, at least one member of the board of directors must represent the lodging industry.

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**Summary of Bill:**

If the largest city in the county has a population of at least 40 percent of the total county population and the second city in the county has a population that is at least 15 percent of the total county population, the board of directors of the public facilities district shall have six members. The sixth member shall be selected by the county legislative authority of the county's second largest city.

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**Appropriation:** None.

**Fiscal Note:** Not Requested.

**Effective Date:** The bill takes effect on January 1, 2004.

**Testimony For:** None.

**Testimony Against:** (With concerns) This can be resolved locally and without legislation.

**Testified:** Todd Mielke, Spokane County Public Facilities District.