
ENGROSSED SUBSTITUTE HOUSE BILL 1742

State of Washington

58th Legislature

2003 Regular Session

By House Committee on Trade & Economic Development (originally sponsored by Representatives Rockefeller, Eickmeyer, McIntire, Lantz, Woods and Haigh)

READ FIRST TIME 02/26/03.

1 AN ACT Relating to public facilities districts; amending RCW
2 36.100.030 and 82.14.390; reenacting and amending RCW 35.57.020; and
3 adding a new section to chapter 82.14 RCW.

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

5 **Sec. 1.** RCW 36.100.030 and 1999 c 165 s 16 are each amended to
6 read as follows:

7 (1) A public facilities district is authorized to acquire,
8 construct, own, remodel, maintain, equip, reequip, repair, and operate
9 sports facilities, entertainment facilities, convention facilities, or
10 regional centers as defined in RCW 35.57.020, together with contiguous
11 parking facilities. For districts formed after January 1, 2000,
12 regional centers include: Sports and recreation facilities, other than
13 ski areas; entertainment facilities; or convention facilities. The
14 taxes that are provided for in this chapter may only be imposed for
15 these purposes.

16 (2) A public facilities district may enter into agreements under
17 chapter 39.34 RCW for the joint provision and operation of such

1 facilities and may enter into contracts under chapter 39.34 RCW where
2 any party to the contract provides and operates such facilities for the
3 other party or parties to the contract.

4 (3) Notwithstanding the establishment of a career, civil, or merit
5 service system, a public (~~(facility [facilities])~~) facilities district
6 may contract with a public or private entity for the operation or
7 management of its public facilities.

8 (4) A public facilities district is authorized to use the
9 supplemental alternative public works contracting procedures set forth
10 in chapter 39.10 RCW in connection with the design, construction,
11 reconstruction, remodel, or alteration of any of its public facilities.

12 (5) A public facilities district may impose charges and fees for
13 the use of its facilities, and may accept and expend or use gifts,
14 grants, and donations.

15 **Sec. 2.** RCW 35.57.020 and 2002 c 363 s 2 and 2002 c 218 s 25 are
16 each reenacted and amended to read as follows:

17 (1) A public facilities district is authorized to acquire,
18 construct, own, remodel, maintain, equip, reequip, repair, finance, and
19 operate one or more regional centers. For purposes of this chapter,
20 "regional center" means a convention, conference, or special events
21 center, or any combination of facilities, and related parking
22 facilities, serving a regional population constructed, improved, or
23 rehabilitated after July 25, 1999, at a cost of at least ten million
24 dollars, including debt service. "Regional center" includes sports and
25 recreation facilities, entertainment facilities, and convention
26 facilities. "Regional center" also includes an existing convention,
27 conference, or special events center, and related parking facilities,
28 serving a regional population, that is improved or rehabilitated after
29 July 25, 1999, where the costs of improvement or rehabilitation are at
30 least ten million dollars, including debt service. A "special events
31 center" is a facility, available to the public, used for community
32 events, sporting events, trade shows, and artistic, musical,
33 theatrical, or other cultural exhibitions, presentations, or
34 performances. A regional center is conclusively presumed to serve a
35 regional population if state and local government investment in the
36 construction, improvement, or rehabilitation of the regional center is
37 equal to or greater than ten million dollars.

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

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

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

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

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

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

27 **Sec. 3.** RCW 82.14.390 and 2002 c 363 s 4 are each amended to read
28 as follows:

29 (1) Except as provided in subsection (6) of this section, the
30 governing body of a public facilities district created before July 31,
31 2002, under chapter 35.57 or 36.100 RCW that commences construction of
32 a new regional center, or improvement or rehabilitation of an existing
33 new regional center, before January 1, 2004, or with regard to a public
34 facilities district located in a county with a population over one
35 hundred fifty thousand that is contiguous to an international boundary,
36 that commences such construction before January 1, 2005, may impose a
37 sales and use tax in accordance with the terms of this chapter. The

1 tax is in addition to other taxes authorized by law and shall be
2 collected from those persons who are taxable by the state under
3 chapters 82.08 and 82.12 RCW upon the occurrence of any taxable event
4 within the public facilities district. The rate of tax shall not
5 exceed 0.033 percent of the selling price in the case of a sales tax or
6 value of the article used in the case of a use tax.

7 (2) The tax imposed under subsection (1) of this section shall be
8 deducted from the amount of tax otherwise required to be collected or
9 paid over to the department of revenue under chapter 82.08 or 82.12
10 RCW. The department of revenue shall perform the collection of such
11 taxes on behalf of the county at no cost to the public facilities
12 district.

13 (3) No tax may be collected under this section before August 1,
14 2000. The tax imposed in this section shall expire when the bonds
15 issued for the construction of the regional center and related parking
16 facilities are retired, but not more than twenty-five years after the
17 tax is first collected.

18 (4) Moneys collected under this section shall only be used for the
19 purposes set forth in RCW 35.57.020 and must be matched with an amount
20 from other public or private sources equal to thirty-three percent of
21 the amount collected under this section, provided that amounts
22 generated from nonvoter approved taxes authorized under chapter 35.57
23 RCW or nonvoter approved taxes authorized under chapter 36.100 RCW
24 shall not constitute a public or private source. For the purpose of
25 this section, public or private sources includes, but is not limited to
26 cash or in-kind contributions used in all phases of the development or
27 improvement of the regional center, land that is donated and used for
28 the siting of the regional center, cash or in-kind contributions from
29 public or private foundations, or amounts attributed to private sector
30 partners as part of a public and private partnership agreement
31 negotiated by the public facilities district.

32 (5) The combined total tax levied under this section shall not be
33 greater than 0.033 percent. If both a public facilities district
34 created under chapter 35.57 RCW and a public facilities district
35 created under chapter 36.100 RCW impose a tax under this section, the
36 tax imposed by a public facilities district created under chapter 35.57
37 RCW shall be credited against the tax imposed by a public facilities
38 district created under chapter 36.100 RCW.

1 (6) A public facilities district created under chapter 36.100 RCW
2 is not eligible to impose the tax under this section if the legislative
3 authority of the county where the public facilities district is located
4 has imposed a sales and use tax under RCW 82.14.0485 or 82.14.0494.

5 NEW SECTION. **Sec. 4.** A new section is added to chapter 82.14 RCW
6 to read as follows:

7 (1) Except as provided in subsection (6) of this section, the
8 governing body of a public facilities district created after July 1,
9 2003, but before June 30, 2005, under chapter 35.57 or 36.100 RCW that
10 commences construction of a new regional center, or improvement or
11 rehabilitation of an existing new regional center, before January 1,
12 2006, may impose a sales and use tax in accordance with the terms of
13 this chapter. The tax is in addition to other taxes authorized by law
14 and shall be collected from those persons who are taxable by the state
15 under chapters 82.08 and 82.12 RCW upon the occurrence of any taxable
16 event within the public facilities district. The rate of tax shall not
17 exceed 0.033 percent of the selling price in the case of a sales tax or
18 value of the article used in the case of a use tax.

19 (2) The tax imposed under subsection (1) of this section shall be
20 deducted from the amount of tax otherwise required to be collected or
21 paid over to the department of revenue under chapter 82.08 or 82.12
22 RCW. The department of revenue shall perform the collection of such
23 taxes on behalf of the county at no cost to the public facilities
24 district.

25 (3) No tax may be collected under this section before August 1,
26 2003. The tax imposed in this section shall expire when the bonds
27 issued for the construction of the regional center and related parking
28 facilities are retired, but not more than twenty-five years after the
29 tax is first collected.

30 (4) Moneys collected under this section shall only be used for the
31 purposes set forth in RCW 35.57.020 and must be matched with an amount
32 from other public or private sources equal to thirty-three percent of
33 the amount collected under this section, provided that amounts
34 generated from nonvoter approved taxes authorized under chapter 35.57
35 RCW or nonvoter approved taxes authorized under chapter 36.100 RCW
36 shall not constitute a public or private source. For the purpose of
37 this section, public or private sources includes, but is not limited

1 to, cash or in-kind contributions used in all phases of the development
2 or improvement of the regional center, land that is donated and used
3 for the siting of the regional center, cash or in-kind contributions
4 from public or private foundations, or amounts attributed to private
5 sector partners as part of a public and private partnership agreement
6 negotiated by the public facilities district.

7 (5) The combined total tax levied under this section shall not be
8 greater than 0.033 percent. If both a public facilities district
9 created under chapter 35.57 RCW and a public facilities district
10 created under chapter 36.100 RCW impose a tax under this section, the
11 tax imposed by a public facilities district created under chapter 35.57
12 RCW shall be credited against the tax imposed by a public facilities
13 district created under chapter 36.100 RCW.

14 (6) A public facilities district created under chapter 36.100 RCW
15 is not eligible to impose the tax under this section if the legislative
16 authority of the county where the public facilities district is located
17 has imposed a sales and use tax under RCW 82.14.0485 or 82.14.0494.

--- END ---