

# HOUSE BILL REPORT

## EHB 3181

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**As Passed House:**  
February 19, 2008

**Title:** An act relating to authority of the board of directors of a public facilities district.

**Brief Description:** Addressing the authority of the board of directors of a public facilities district.

**Sponsors:** By Representatives Wood, Ahern, Ormsby, Barlow, Crouse and Schindler.

**Brief History:**

**Committee Activity:**

Local Government: 2/4/08 [DP].

**Floor Activity:**

Passed House: 2/19/08, 95-0.

### Brief Summary of Engrossed Bill

- Requires the board of a city or county public facilities district (PFD) to identify proposed expenditures for "promotional activities" and to adopt written rules governing promotional hosting by employees, agents, and the board.
- County PFDs are authorized to establish "merit-based bonus programs" for their employees pursuant to district rules or policies approved by the board.

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### HOUSE COMMITTEE ON LOCAL GOVERNMENT

**Majority Report:** Do pass. Signed by 7 members: Representatives Simpson, Chair; Takko, Vice Chair; Warnick, Ranking Minority Member; Schindler, Assistant Ranking Minority Member; Eddy, Nelson and Schmick.

**Staff:** Thamas Osborn (786-7129).

**Background:**

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

Public facilities districts (PFDs) are municipal corporations created by a city or county to perform specified functions related to the development, operation, and maintenance of specified categories of public facilities, including:

- convention, conference, and special events centers;
- sports and entertainment facilities (county PFDs only); and
- related parking facilities.

Public facilities districts are granted the authority to engage in a wide range of activities related to the development, operation and maintenance of their statutorily authorized facilities, including:

- buying or leasing property;
- entering into contracts;
- participating in interlocal agreements;
- imposing charges and fees for the use of facilities;
- imposing specified taxes; and
- issuing general obligation bonds and revenue bonds.

Public facilities districts have independent taxing authority and are taxing districts under the State Constitution.

Both city and county PFDs are governed by an appointed board of directors consisting of either five or seven members. The appointments are made by local governmental bodies in accordance with specified procedures and requirements.

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### **Summary of Engrossed Bill:**

In its annual budget, the board of a city or county PFD is required to identify proposed expenditures for "promotional activities." In addition, boards must adopt written rules governing promotional hosting by employees, agents, and the board.

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**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** The bill takes effect 90 days after adjournment of session in which bill is passed.

### **Staff Summary of Public Testimony:**

(In support) The authority of a PFD board needs clarification regarding activities related to "promotional hosting" and establishing "merit-based bonus programs" for PFD employees. Some boards have already taken such actions, but some believe that the authority to do so is unclear. The auditor believes that statutory language explicitly granting such authority is needed and this is what the bill provides.

(Opposed) None.

**Persons Testifying:** Representative Wood, prime sponsor; and Tom Parker, Spokane Public Facilities District.

**Persons Signed In To Testify But Not Testifying:** None.