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**SENATE BILL 5006**

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**State of Washington 67th Legislature 2021 Regular Session**

**By** Senators Van De Wege, Kuderer, Liias, Nguyen, Rivers, Saldaña, and Wilson, C.

AN ACT Relating to local parks funding options; adding a new section to chapter 82.14 RCW; and creating a new section.

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

NEW SECTION. **Sec.**  The legislature finds that Washington state will continue to see significant population growth, with office of financial management forecasts estimating nearly 2,000,000 more people by the year 2040. In the face of this dramatic growth, the legislature finds that it is more important than ever to help preserve, maintain, and enhance local parks, trails, and open spaces that are key contributors to the state's quality of life.

The legislature further finds that local parks and recreation agencies confronted with this growth are suffering severe budget impacts brought on by the COVID-19 pandemic, even as the utilization of parks, open spaces, and trails has spiked up dramatically. A just-completed comprehensive survey of local parks and recreation agencies has found that they have had to reduce expenditures by nearly 25 percent on average and have experienced a 61 percent loss of earned revenue, even though more than two-thirds of those agencies are seeing major upticks in the utilization of their parks and trails, and one agency saw a 170 percent increase in usage.

Finally, the legislature finds that local parks and recreation agencies are dealing with a tremendous growth in the number of sports participants and a corollary of sharp increases in demand for local athletic fields, including a nearly 300 percent increase in adult sports participation being experienced by one eastern Washington community.

Therefore, it is the intent of the legislature to establish additional statutory tools to help local parks and recreation agencies better address maintenance backlogs, preserve quality open spaces, and expand and improve athletic fields to accommodate the influx of adult and youth sports participants who are vying for use of those fields.

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

(1) The legislative authority of a city or a county, the governing body of a metropolitan park district under chapter 35.61 RCW, or the governing body of a park and recreation district under chapter 36.69 RCW may submit an authorizing proposition to voters at a special or general election 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. The title of the ballot measure must clearly state the purposes for which the proposed sales tax will be used.

(2) 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 taxing area. The rate of tax equals one-tenth 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. The tax may be imposed only within an existing city, county, metropolitan park district, or park and recreation district boundary.

(a) If both a county and a city within the boundaries of the county exercise the authority provided in this section, the city must impose the excise tax within its incorporated boundaries, and the county must impose the excise tax within the unincorporated areas.

(b) If both a county and a metropolitan park district or park district within the boundaries of the county exercise the authority provided in this section, the metropolitan park district or park district must impose the excise tax within its incorporated boundaries, and the county must impose the excise tax within the unincorporated areas.

(c) If both a city and a metropolitan park district or park district within the boundaries of the county exercise the authority provided in this section, the metropolitan park district or park district must impose the excise tax within its incorporated boundaries, and the city must impose the excise tax within its incorporated areas.

(d) If multiple agencies within the same service area gain approval by voters to exercise the authority provided in this section, they are directed to enter into an interlocal agreement pursuant to chapter 39.34 RCW to determine how to ensure the sales tax in any given service area does not exceed the rate in this subsection (2) and how to distribute the collections among the jurisdictions.

(3) The moneys collected under this section must be used for the purpose of acquiring, constructing, improving, providing, and funding park maintenance and improvement within the taxing area.

(4) Except as provided in subsection (5) of this section, the tax may not be imposed for a period exceeding 10 years. The tax, if not imposed under the conditions of subsection (5) of this section, may be extended for a period not exceeding 10 years with an affirmative vote of the voters voting at the election.

(5) The voter-approved sales tax initially imposed under this section after July 1, 2021, may be imposed for a period exceeding 10 years if the moneys received under this section are dedicated for the repayment of indebtedness incurred in accordance with the requirements of this section.

(6) Money received from the tax imposed under this section must be spent in accordance with the requirements of this section, and the district may deduct no more than three percent of the tax collected for administration and collection of expenses incurred by it.

(7) To carry out the purposes of this section, the entity imposing the tax has the authority to issue general obligation or revenue bonds within the limitations now or hereafter prescribed by the laws of this state, for a term not to exceed 20 years, and may use, and is authorized to pledge, the moneys collected for repayment of such bonds.

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