

SENATE BILL REPORT

SB 5731

AS PASSED SENATE, MARCH 11, 1991

Brief Description: Allowing public facilities districts to impose excise tax.

SPONSORS: Senators West, Stratton, Saling, Barr, McCaslin, Hayner, Madsen, McMullen, Gaspard, Patterson, Nelson, Moore, von Reichbauer, Talmadge, Hansen, Newhouse, Sellar, Rinehart, Bluechel and Johnson.

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass.

Signed by Senators McDonald, Chairman; Bailey, Bauer, Bluechel, Gaspard, Johnson, L. Kreidler, Murray, Newhouse, Niemi, Owen, Rinehart, Saling, West, Williams, and Wojahn.

Staff: Terry Wilson (786-7715)

Hearing Dates: February 28, 1991; March 4, 1991

BACKGROUND:

Public facilities districts are authorized in counties with a population greater than 300,000 and located more than 100 miles from a county in which the state has constructed and owns a convention center. The district must be coextensive with the boundaries of the county. Currently, only Spokane County meets these requirements.

A public facilities district is authorized to acquire, construct, own, and operate sports and entertainment facilities with contiguous parking. A district may impose a lodging tax of up to 2 percent for acquisition, design, and construction of the facility. A district is authorized to issue general obligation bonds for capital purposes and to retire the bonds by excess property tax levies when authorized by the voters. In addition, a district is authorized to levy a property tax in excess of the 1 percent limit for a one-year period for capital and operating purposes when authorized by the voters.

SUMMARY:

A public facilities district may impose a sales and use tax at the rate of one-tenth of one percent when approved by the voters of the district. Moneys received from the tax shall be used for the financing, design, acquisition, construction, equipping, operating, maintaining, and reequipping sports and entertainment facilities and contiguous parking.

Appropriation: none

Revenue: none

Fiscal Note: available

TESTIMONY FOR:

Spokane needs another sports and entertainment facility. It is important for the economy of Spokane and will create jobs and increase incomes.

TESTIMONY AGAINST: None

TESTIFIED: Katie Reikofski, City of Spokane (pro); Collins Sprague, Washington Water Power Company (pro); Dick Ducharme, Momentum 91 (pro)