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**Community & Economic Development &  
Trade Committee**

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**HB 1377**

**Brief Description:** Regarding public facilities district formation and authority.

**Sponsors:** Representatives Klippert, Haler, Angel and Walsh.

**Brief Summary of Bill**

- Allows a contiguous group of cities or their counties to form a public facilities district notwithstanding that the city or county has previously formed one or more public facilities districts within the same geographic boundaries.
- Adds recreational facilities, other than ski areas, to the definition of "regional center."
- Clarifies that the new public facilities district may not impose a sales or use tax that exceeds two-tenths of one percent minus the rate of the highest tax already authorized by any other public facilities district within its boundaries.

**Hearing Date:** 1/28/09

**Staff:** Kate Moeur White (786-5793); Chris Cordes (786-7103)

**Background:**

A public facilities district may be created by either a city or a county. City public facilities districts may develop and operate regional centers. A regional center is a convention, conference, or special events center, or any combination, constructed, improved, or rehabilitated at a cost of at least ten million dollars. A special events center is a facility, available to the public, used for community events, sporting events, trade shows, and artistic, musical, theatrical, or other cultural exhibitions, presentations, or performances.

County public facilities districts may develop and operate sports facilities, entertainment facilities, convention facilities, and regional centers. Districts formed after January 1, 2000, may develop and operate recreational facilities other than ski areas.

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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.*

A public facilities district is governed by an appointed board of directors, with varying composition and appointing authority.

Public facilities districts may impose a variety of taxes to fund their regional facilities. For example, public facilities districts may levy an admissions tax not exceeding five percent, a vehicle parking tax not exceeding ten percent, a voter-approved 0.2 percent sales tax, and, for a county public facilities district, a voter-approved two percent lodging tax.

**Summary of Bill:**

Contiguous groups of cities or their counties may form a public facilities district notwithstanding the fact that one or more of those cities or counties previously formed one or more public facilities districts. The existing districts shall maintain their full corporate existence and activities notwithstanding the newly formed public facilities district.

The regional centers that public facilities districts are authorized to construct, remodel, and operate include recreational facilities other than ski areas.

Newly created public facilities districts may be governed and operated by a board of directors founded using the already established method, consisting of seven board members, or by a new method, consisting of up to nine board members.

If more than one public facilities district exists within the same boundaries, the new public facilities district may not impose a voter-approved sales or use tax at a rate that exceeds two-tenths of one percent minus the rate of the highest tax already authorized by any other public facilities district within its boundaries.

**Appropriation:** None.

**Fiscal Note:** Requested on January 22, 2009.

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