FINAL BILL REPORT
EHB 3105

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Synopsis as Enacted

Brief Description: Apportioning a sales and use tax for zoos, aquariums, wildlife preserves, and regional parks.

Sponsors: Representatives McDonald, Lantz, Talcott, Bush, Campbell, Huff and Kastama.

House Committee on Finance

Background:

In 1999 the Legislature authorized a county with a population between 500,000 and one million to submit to the voters a ballot proposition authorizing no more than a 1/10 of 1 percent local sales and use tax to generate revenues for zoo, aquarium, and wildlife preservation and display facilities. A county may submit this proposition to voters only if the county receives a joint request for the ballot proposition from a metropolitan park district and a city with a population greater than 150,000.

If voters approve the ballot proposition authorizing the tax, the county is required to establish a zoo and aquarium advisory authority. In a manner consistent with any limitations in the local government agreement that initiates the tax, this authority expends revenues generated from the tax and may:

- acquire, construct, expand, improve, replace, repair, maintain and operate zoo, aquarium, and wildlife preservation and display facilities;
- participate in legal actions;
- contract with public or private facilities for such facilities or their operation; and
- fix rates and charges for use of such facilities.

Generally, the Department of Revenue deducts 1 percent of local sales and use taxes collected to cover the state's administrative costs. However, in the case of a local sales and use tax for zoo, aquarium, and wildlife preservation and display facilities, the Department of Revenue must collect the tax on a county's behalf at no cost to the county.

Summary of Bill:

Upon the joint request of a metropolitan park district, a city with a population over 150,000, and the legislative authority of a county with a national park and a population between 500,000 and 1,500,000, a county must submit to the voters a ballot proposition authorizing no more than a 1/10 of 1 percent local sales and use tax. In a manner consistent with the joint request made, a ballot proposition must be worded to provide:

- 100 percent of the tax revenue for zoo, aquarium, and wildlife preservation and display facilities; or
- 50 percent of the tax revenue for zoo, aquarium, and wildlife preservation and display facilities and 50 percent of the tax revenue for parks located within the county.

If the option dividing the revenues into two 50 percent halves is chosen, then revenues from the first half are distributed to a zoo and aquarium advisory authority. Revenues from the second half dedicated to parks are distributed on a per capita basis to the following entities:

- the metropolitan park district (based on the of number of persons residing in the district);
- cities and towns not contained within the metropolitan park district (based on each city or town's respective population); and
- the county (based on the county's population in unincorporated areas, but excluding unincorporated areas located within the metropolitan park district).

Before expending any revenues received for parks, a county must establish a process to consider park needs throughout its unincorporated areas in consultation with community advisory councils. A county cannot use any park revenues received to replace or supplant existing per capita funding. After December 31, 2005, the county and any city with a population over 80,000 must match every $2 of park tax revenues received with a least $1 from other sources.

Some park tax revenues also must be spent on properties (Fort Steilacoom) that are the subject of a memorandum of agreement between the Federal Bureau of Land Management, the Advisory Council on Historic Preservation, and the Washington State Historic Preservation Officer. Within the first four years of the tax, the county and the city in which the properties are located must spend at least $100,000 of their park tax revenues on these properties. An additional $50,000 from other revenue sources must also be spent on these properties. The total $150,000 expenditure must be divided equally between the county and the city unless the county and city agree to other arrangements.

In lieu of a tax collection administrative fee, the Department of Revenue must deduct 1 percent of the tax revenues collected. This deduction must be made from the 50 percent half of revenues that are dedicated for parks. The deduction lasts for 12 years. The deducted revenues are to be transferred to the Department of Community, Trade and Economic Development (DCTED). The DCTED must use these revenues to provide community-based housing for persons who are mentally ill.

Votes on Final Passage:

House 93 3
House 93 5 (House reconsidered)
Senate 36 10

Effective: June 8, 2000