
HOUSE BILL 1195

State of Washington

57th Legislature

2001 Regular Session

By Representatives Gombosky, Benson and Crouse

Read first time 01/19/2001. Referred to Committee on Trade & Economic Development.

1 AN ACT Relating to public facilities districts; and amending RCW
2 35.57.010, 35.57.020, 35.57.040, 35.57.060, 35.57.100, 35.57.110,
3 36.100.030, 36.100.060, 36.100.210, 36.100.220, and 82.14.390.

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

5 **Sec. 1.** RCW 35.57.010 and 1999 c 165 s 1 are each amended to read
6 as follows:

7 (1) The legislative authority of any town or city located in a
8 county with a population of less than one million may create a public
9 facilities district. The legislative authorities of any contiguous
10 group of towns or cities located in a county or counties each with a
11 population of less than one million may enter an agreement under
12 chapter 39.34 RCW for the creation and joint operation of a public
13 facilities district.

14 (2) A public facilities district shall be coextensive with the
15 boundaries of the city or town or contiguous group of cities or towns
16 that created the district.

17 (3)(a) A public facilities district created by a single city or
18 town shall be governed by a board of directors consisting of five
19 members selected as follows: (i) Two members appointed by the

1 legislative authority of the city or town; and (ii) three members
2 appointed by legislative authority based on recommendations from local
3 organizations. The members appointed under (a)(i) of this subsection,
4 shall not be members of the legislative authority of the city or town.
5 The members appointed under (a)(ii) of this subsection, shall be based
6 on recommendations received from local organizations that may include,
7 but are not limited to the local chamber of commerce, local economic
8 development council, and local labor council. The members shall serve
9 four-year terms. Of the initial members, one must be appointed for a
10 one-year term, one must be appointed for a two-year term, one must be
11 appointed for a three-year term, and the remainder must be appointed
12 for four-year terms.

13 (b) A public facilities district created by (~~{a}~~) a contiguous
14 group of cities and towns shall be governed by a board of directors
15 consisting of seven members selected as follows: (i) Three members
16 appointed by the legislative authorities of the cities and towns; and
17 (ii) four members appointed by the legislative authority based on
18 recommendations from local organizations. The members appointed under
19 (b)(i) of this subsection shall not be members of the legislative
20 authorities of the cities and towns. The members appointed under
21 (b)(ii) of this subsection, shall be based on recommendations received
22 from local organizations that include, but are not limited to the local
23 chamber of commerce, local economic development council, local labor
24 council, and a neighborhood organization that is directly affected by
25 the location of the (~~regional center~~) public facility in their area.
26 The members of the board of directors shall be appointed in accordance
27 with the terms of the agreement under chapter 39.34 RCW for the joint
28 operation of the district and shall serve four-year terms. Of the
29 initial members, one must be appointed for a one-year term, one must be
30 appointed for a two-year term, one must be appointed for a three-year
31 term, and the remainder must be appointed for four-year terms.

32 (4) A public facilities district is a municipal corporation, an
33 independent taxing "authority" within the meaning of Article VII,
34 section 1 of the state Constitution, and a "taxing district" within the
35 meaning of Article VII, section 2 of the state Constitution.

36 (5) A public facilities district shall constitute a body corporate
37 and shall possess all the usual powers of a corporation for public
38 purposes as well as all other powers that may now or hereafter be
39 specifically conferred by statute, including, but not limited to, the

1 authority to hire employees, staff, and services, to enter into
2 contracts, and to sue and be sued.

3 (6) A public facilities district may acquire and transfer real and
4 personal property by lease, sublease, purchase, or sale. No direct or
5 collateral attack on any metropolitan facilities district purported to
6 be authorized or created in conformance with this chapter may be
7 commenced more than thirty days after creation by the city legislative
8 authority.

9 **Sec. 2.** RCW 35.57.020 and 1999 c 165 s 2 are each amended to read
10 as follows:

11 (1) A public facilities district is authorized to acquire,
12 construct, own, remodel, maintain, equip, reequip, repair, finance, and
13 operate one or more (~~(regional centers)~~) public facilities. For
14 purposes of this chapter, (~~("regional center")~~) "public facility" means
15 a convention, conference, cultural, community, technology, or special
16 events center, or any combination of facilities, and related parking
17 facilities(~~(, serving a regional population)~~) constructed, improved, or
18 rehabilitated after July 25, 1999, at a cost of at least ten million
19 dollars, including debt service. (~~("Regional center")~~) "Public
20 facility" also includes an existing convention, conference, cultural,
21 community, technology, or special events center, and related parking
22 facilities(~~(, serving a regional population,)~~) that is improved or
23 rehabilitated after July 25, 1999, where the costs of improvement or
24 rehabilitation are at least ten million dollars, including debt
25 service. (~~(A regional center is conclusively presumed to serve a~~
26 ~~regional population if state and local government investment in the~~
27 ~~construction, improvement, or rehabilitation of the regional center is~~
28 ~~equal to or greater than ten million dollars.))~~)

29 (2) A public facilities district may impose charges and fees for
30 the use of its facilities, and may accept and expend or use gifts,
31 grants, and donations for the purpose of a (~~(regional center)~~) public
32 facility.

33 (3) A public facilities district may impose charges, fees, and
34 taxes authorized in RCW 35.57.040, and use revenues derived therefrom
35 for the purpose of paying principal and interest payments on bonds
36 issued by the public facilities district to construct a (~~(regional~~
37 ~~center)~~) public facility.

1 (4) Notwithstanding the establishment of a career, civil, or merit
2 service system, a public facilities district may contract with a public
3 or private entity for the operation or management of its public
4 facilities.

5 (5) A public facilities district is authorized to use the
6 supplemental alternative public works contracting procedures set forth
7 in chapter 39.10 RCW in connection with the design, construction,
8 reconstruction, remodel, or alteration of any (~~regional center~~)
9 public facility.

10 **Sec. 3.** RCW 35.57.040 and 1999 c 165 s 4 are each amended to read
11 as follows:

12 (1) The board of directors of the public facilities district may
13 impose the following for the purpose of funding a (~~regional center~~)
14 public facility:

- 15 (a) Charges and fees for the use of any of its facilities;
- 16 (b) Admission charges under RCW 35.57.100;
- 17 (c) Vehicle parking charges under RCW 35.57.110; and
- 18 (d) Sales and use taxes authorized under RCW 82.14.048 and
19 82.14.390.

20 (2) The board may accept and expend or use gifts, grants, and
21 donations for the purpose of a (~~regional center~~) public facility.
22 The revenue from the charges, fees, and taxes imposed under this
23 section shall be used only for the purposes authorized by this chapter.

24 **Sec. 4.** RCW 35.57.060 and 1999 c 165 s 6 are each amended to read
25 as follows:

26 The board of directors of the public facilities district shall have
27 authority to authorize the expenditure of funds for the public purposes
28 of preparing and distributing information to the general public and
29 promoting, advertising, improving, developing, operating, and
30 maintaining a (~~regional center~~) public facility. Nothing contained
31 in this section may be construed to authorize preparation and
32 distribution of information to the general public for the purpose of
33 influencing the outcome of a district election.

34 **Sec. 5.** RCW 35.57.100 and 1999 c 165 s 10 are each amended to read
35 as follows:

1 A public facility district may levy and fix a tax of not more than
2 one cent on twenty cents or fraction thereof to be paid by the person
3 who pays an admission charge to a (~~regional center~~) public facility.
4 This includes a tax on persons who are admitted free of charge or at
5 reduced rates if other persons pay a charge or a regular higher charge
6 for the same privileges or accommodations.

7 The term "admission charge" includes:

8 (1) A charge made for season tickets or subscriptions;

9 (2) A cover charge, or a charge made for use of seats and tables
10 reserved or otherwise, and other similar accommodations;

11 (3) A charge made for food and refreshment if free entertainment,
12 recreation, or amusement is provided;

13 (4) A charge made for rental or use of equipment or facilities for
14 purposes of recreation or amusement; if the rental of the equipment or
15 facilities is necessary to the enjoyment of a privilege for which a
16 general admission is charged, the combined charges shall be considered
17 as the admission charge;

18 (5) Automobile parking charges if the amount of the charge is
19 determined according to the number of passengers in the automobile.

20 **Sec. 6.** RCW 35.57.110 and 1999 c 165 s 11 are each amended to read
21 as follows:

22 A public facility district may levy and fix a tax on any vehicle
23 parking charges imposed at any parking facility that is owned or leased
24 by the public facility district as part of a (~~regional center~~) public
25 facility. No county or city or town within which the (~~regional~~
26 ~~center~~) public facility is located may impose a tax of the same or
27 similar kind on any vehicle parking charges at the facility. For the
28 purposes of this section, "vehicle parking charges" means only the
29 actual parking charges exclusive of taxes and service charges and the
30 value of any other benefit conferred. The tax authorized under this
31 section shall be at the rate of not more than ten percent.

32 **Sec. 7.** RCW 36.100.030 and 1999 c 165 s 16 are each amended to
33 read as follows:

34 (1) A public facilities district is authorized to acquire,
35 construct, own, remodel, maintain, equip, reequip, repair, and operate
36 sports facilities, entertainment facilities, convention facilities, or
37 (~~regional centers~~) public facilities as defined in RCW 35.57.020,

1 together with contiguous parking facilities. The taxes that are
2 provided for in this chapter may only be imposed for these purposes.

3 (2) A public facilities district may enter into agreements under
4 chapter 39.34 RCW for the joint provision and operation of such
5 facilities and may enter into contracts under chapter 39.34 RCW where
6 any party to the contract provides and operates such facilities for the
7 other party or parties to the contract.

8 (3) Notwithstanding the establishment of a career, civil, or merit
9 service system, a public (~~(facility~~ ~~{facilities})~~) facilities district
10 may contract with a public or private entity for the operation or
11 management of its public facilities.

12 (4) A public facilities district is authorized to use the
13 supplemental alternative public works contracting procedures set forth
14 in chapter 39.10 RCW in connection with the design, construction,
15 reconstruction, remodel, or alteration of any of its public facilities.

16 (5) A public facilities district may impose charges and fees for
17 the use of its facilities, and may accept and expend or use gifts,
18 grants, and donations.

19 **Sec. 8.** RCW 36.100.060 and 1999 c 165 s 15 are each amended to
20 read as follows:

21 (1) To carry out the purpose of this chapter, a public facilities
22 district may issue general obligation bonds, not to exceed an amount,
23 together with any outstanding nonvoter approved general obligation
24 indebtedness, equal to one-half of one percent of the value of taxable
25 property within the district, as the term "value of taxable property"
26 is defined in RCW 39.36.015. A facilities district additionally may
27 issue general obligation bonds for capital purposes only, together with
28 any outstanding general obligation indebtedness, not to exceed an
29 amount equal to one and one-fourth percent of the value of the taxable
30 property within the district, as the term "value of taxable property"
31 is defined in RCW 39.36.015, when authorized by the voters of the
32 public facilities district pursuant to Article VIII, section 6 of the
33 state Constitution, and to provide for the retirement thereof by excess
34 property tax levies as provided in this chapter.

35 (2) General obligation bonds may be issued with a maturity of up to
36 thirty years, and shall be issued and sold in accordance with the
37 provisions of chapter 39.46 RCW.

1 (3) The general obligation bonds may be payable from the operating
2 revenues of the public facilities district in addition to the tax
3 receipts of the district.

4 (4) The excise tax imposed pursuant to RCW 36.100.040 shall
5 terminate upon final payment of all bonded indebtedness for its public
6 facilities, except that the excise tax may be reauthorized by a public
7 vote, in the same manner as originally authorized, for funding of
8 additional public facilities or a ((~~regional center~~)) public facility,
9 as defined in RCW 35.57.020.

10 **Sec. 9.** RCW 36.100.210 and 1999 c 165 s 17 are each amended to
11 read as follows:

12 A public facility district may levy and fix a tax of not more than
13 one cent on twenty cents or fraction thereof to be paid by the person
14 who pays an admission charge to a ((~~regional center~~)) public facility,
15 as defined in RCW 35.57.020. This includes a tax on persons who are
16 admitted free of charge or at reduced rates if other persons pay a
17 charge or a regular higher charge for the same privileges or
18 accommodations.

19 The term "admission charge" includes:

20 (1) A charge made for season tickets or subscriptions;

21 (2) A cover charge, or a charge made for use of seats and tables
22 reserved or otherwise, and other similar accommodations;

23 (3) A charge made for food and refreshment if free entertainment,
24 recreation, or amusement is provided;

25 (4) A charge made for rental or use of equipment or facilities for
26 purposes of recreation or amusement; if the rental of the equipment or
27 facilities is necessary to the enjoyment of a privilege for which a
28 general admission is charged, the combined charges shall be considered
29 as the admission charge;

30 (5) Automobile parking charges if the amount of the charge is
31 determined according to the number of passengers in the automobile.

32 **Sec. 10.** RCW 36.100.220 and 1999 c 165 s 18 are each amended to
33 read as follows:

34 A public facility district may levy and fix a tax on any vehicle
35 parking charges imposed at any parking facility that is owned or leased
36 by the public facility district as part of a ((~~regional center~~)) public
37 facility, as defined in RCW 35.57.020. No county or city or town

1 within which the (~~regional center~~) public facility, as defined in RCW
2 35.57.020, is located may impose a tax of the same or similar kind on
3 any vehicle parking charges at the facility. For the purposes of this
4 section, "vehicle parking charges" means only the actual parking
5 charges exclusive of taxes and service charges and the value of any
6 other benefit conferred. The tax authorized under this section shall
7 be at the rate of not more than ten percent.

8 **Sec. 11.** RCW 82.14.390 and 1999 c 165 s 13 are each amended to
9 read as follows:

10 (1) Except as provided in subsection (6) of this section, the
11 governing body of a public facilities district created under chapter
12 35.57 or 36.100 RCW that commences construction of a new (~~regional~~
13 ~~center~~) public facility, or improvement or rehabilitation of an
14 existing new (~~regional center~~) public facility, before January 1,
15 (~~2003~~) 2005, may impose a sales and use tax in accordance with the
16 terms of this chapter. The tax is in addition to other taxes
17 authorized by law and shall be collected from those persons who are
18 taxable by the state under chapters 82.08 and 82.12 RCW upon the
19 occurrence of any taxable event within the public facilities district.
20 The rate of tax shall not exceed 0.033 percent of the selling price in
21 the case of a sales tax or value of the article used in the case of a
22 use tax.

23 (2) The tax imposed under subsection (1) of this section shall be
24 deducted from the amount of tax otherwise required to be collected or
25 paid over to the department of revenue under chapter 82.08 or 82.12
26 RCW. The department of revenue shall perform the collection of such
27 taxes on behalf of the county at no cost to the public facilities
28 district.

29 (3) No tax may be collected under this section before August 1,
30 2000. The tax imposed in this section shall expire when the bonds
31 issued for the construction of the (~~regional center~~) public facility
32 and related parking facilities are retired, but not more than twenty-
33 five years after the tax is first collected.

34 (4) Moneys collected under this section shall only be used for the
35 purposes set forth in RCW 35.57.020 and must be matched with an amount
36 from other public or private sources equal to thirty-three percent of
37 the amount collected under this section, provided that amounts
38 generated from nonvoter approved taxes authorized under chapter 35.57

1 RCW or nonvoter approved taxes authorized under chapter 36.100 RCW
2 shall not constitute a public or private source. For the purpose of
3 this section, public or private sources includes, but is not limited to
4 cash or in-kind contributions used in all phases of the development or
5 improvement of the ((~~regional center~~)) public facility, land that is
6 donated and used for the siting of the ((~~regional center~~)) public
7 facility, cash or in-kind contributions from public or private
8 foundations, or amounts attributed to private sector partners as part
9 of a public and private partnership agreement negotiated by the public
10 facilities district.

11 (5) The combined total tax levied under this section shall not be
12 greater than 0.033 percent. If both a public facilities district
13 created under chapter 35.57 RCW and a public facilities district
14 created under chapter 36.100 RCW impose a tax under this section, the
15 tax imposed by a public facilities district created under chapter 35.57
16 RCW shall be credited against the tax imposed by a public facilities
17 district created under chapter 36.100 RCW.

18 (6) A public facilities district created under chapter 36.100 RCW
19 is not eligible to impose the tax under this section if the legislative
20 authority of the county where the public facilities district is located
21 has imposed a sales and use tax under RCW 82.14.0485 or 82.14.0494.

22 (7) As used in this section, "public facility" has the same meaning
23 as in RCW 35.57.020.

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