
**Fisheries, Ecology & Parks
Committee**

HB 1659

Brief Description: Providing funding for parks and recreational facilities.

Sponsors: Representatives O'Brien, Cooper, Morris, Edwards and Santos.

Brief Summary of Bill

- Expands the use of revenues from the real estate excise tax to include maintenance and operation of parks and recreational facilities.

Hearing Date: 2/21/03

Staff: Jeff Olsen (786-7157).

Background:

The legislative authority of any city, town, or county may impose an excise tax on each sale of real property at a rate not exceeding one-quarter of 1 percent of the selling price. The revenues from this tax may be used by any city, town or county with a population of 5,000 or less and any city or county that does not plan under the Growth Management Act (GMA) for any capital purpose identified in a capital improvements plan. For those counties and cities with a population of 5,000 or more, the revenues from this tax are restricted to financing capital projects specified in a capital facilities plan element of a comprehensive plan and housing relocation assistance.

The legislative authority of any city, town, or county that plans under the GMA may impose a second excise tax on the each sale of real property at a rate not exceeding one-quarter of 1 percent of the selling price. The use of revenues from this tax are for financing capital projects specified in a capital facilities plan element of a comprehensive plan.

In 2001, the Legislative Task Force on Local Parks and Recreation recommended that the use of the real estate excise tax revenues be expanded to include operation and maintenance of park facilities acquired or developed with real estate excise tax revenues.

Summary of Bill:

The real estate excise tax may be used by a county or city for maintenance or operations of park and recreational facilities acquired or developed in part with revenues from this tax after December 31, 2002. In addition, the GMA real estate excise tax may be used by a county or city for maintenance or operations of parks and recreation facilities acquired or developed with revenues from this tax after December 31, 2002. The use of the real estate excise tax for maintenance or operations of park and recreation facilities is limited to no more than 25 percent of the total amount of the tax collected by the county or city in the preceding fiscal year. Revenues from this tax may not supplant existing funding for maintenance and operations.

Appropriation: None.

Fiscal Note: Not Requested.

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