

SENATE BILL REPORT

ESHB 1742

As Reported By Senate Committee On:
Economic Development, April 2, 2003

Title: An act relating to public facilities districts.

Brief Description: Modifying public facilities district authority.

Sponsors: House Committee on Trade & Economic Development (originally sponsored by Representatives Rockefeller, Eickmeyer, McIntire, Lantz, Woods and Haigh).

Brief History:

Committee Activity: Economic Development: 3/28/03, 4/2/03 [DPA].

SENATE COMMITTEE ON ECONOMIC DEVELOPMENT

Majority Report: Do pass as amended.

Signed by Senators T. Sheldon, Chair; Hale, Kohl-Welles, Rossi, Schmidt, B. Sheldon and Shin.

Staff: Jack Brummel (786-7428)

Background: Both cities and counties have the authority to create public facilities districts (PFD). A PFD is a municipal corporation and a taxing authority. A county-wide PFD is authorized to acquire, build, maintain, and operate sports facilities, entertainment facilities, convention facilities, or regional centers. A city-created PFD may be created by a single town or city or a contiguous group of towns or cities, and the towns or cities must be located in a county or counties with a population of less than one million. A city-created PFD may acquire, build, maintain, and operate a regional center, which may be a convention, conference, or special events center.

A PFD may assess a 0.033 percent sales and use tax if it is formed before July 31, 2002, and begins construction before January 1, 2004. This tax is deducted from the state sales and use tax.

Summary of Amended Bill: In addition to existing authorities, county-wide public facilities districts formed after January 1, 2000, may acquire, construct, maintain, and operate recreation facilities.

Amended Bill Compared to Substitute Bill: The Engrossed Substitute House Bill included a number of provisions which are removed by the amendment. The provisions removed are:

(1) For county-wide PFDs created after January 1, 2000, regional centers include: (a) sports and recreation facilities, excluding ski areas; (b) entertainment facilities; and (c) convention facilities;

(2) For city-created PFDs, regional centers include: (a) sports and recreation facilities, (b) entertainment facilities, and (c) convention facilities;

(3) A public facilities district located in a county with a population over 150,000, that is contiguous to an international boundary, and that commences construction of a new regional center before January 1, 2005, may impose the 0.033 percent sales and use tax to finance the regional center; and

(4) Public facilities districts created between July 1, 2003, and June 30, 2005, that commence construction, improvement or rehabilitation of a regional center prior to January 1, 2006, may impose a 0.033 percent sales and use tax to finance the work on the regional center.

Appropriation: None.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: The original intent of the bill was to allow recreational activities to be covered. This intent should be maintained.

Testimony Against: None.

Testified: Representative Rockefeller, prime sponsor (pro); Anne Blair, Walter Draper, Kitsap Public Facilities District (pro); Mike Ryherd, City of Bremerton (pro).