
**Natural Resources, Ecology &
Parks Committee**

HB 2422

Brief Description: Providing funding for state and local parks.

Sponsors: Representatives B. Sullivan, Chase and Conway.

Brief Summary of Bill

- Directs 3 percent of real estate excise tax revenues from July 1, 2006, through June 30, 2010, to funds dedicated to state and local parks.
- Authorizes an optional \$5 fee to be paid at the time of vehicle license registration for the operation and maintenance of state parks.
- Creates the State Parks Centennial Account, managed by the State Investment Board, with interest from the account to be used for implementation of the State Parks' Centennial.
- Prohibits the State Parks and Recreation Commission from charging a fee for parking or general park access.

Hearing Date: 1/13/06

Staff: Jeff Olsen (786-7157).

Background:

The Washington State Parks and Recreation Commission (Commission) is granted authority to care for and supervise the state parks system. The Commission also has the authority to charge fees for the use of facilities. On January 1, 2003, the Commission authorized a \$7 daily parking fee and a \$70 annual parking pass, discounted to \$5 per day and \$50 per year until January, 2008. Moneys collected from parking fees are deposited into the Parks Renewal and Stewardship Account (PRSA) and are used for state parks operations, development, and renovations.

The Commission manages a diverse system of 120 parks with many different types of facilities and historic buildings and a variety of recreation programs. The Commission has adopted a centennial plan to guide the parks system toward its 100th anniversary in 2013, and has identified capital facilities needs estimated at \$300 million and a backlog of major maintenance estimated at \$40 million over the next 10 years.

Vehicle licenses are required for motor vehicles to operate on public highways. License tab fees are collected by the Department of Licensing (DOL) or authorized agents upon initial vehicle registration or annual renewal.

The real estate excise tax applies to sales of real property and is collected when the sale document is recorded with the county. The state tax rate is 1.28 percent of the selling price. After a deduction for administrative costs at the county level, 7.7 percent of the proceeds are deposited to the Public Works Assistance Account and the balance is deposited to the State General Fund.

The Office for the Interagency Committee for Outdoor Recreation manages the Youth Athletic Facilities (YAF) Grant Program for acquiring, developing, equipping, maintaining, and improving youth and community athletic facilities. The program was approved by Washington voters as part of Referendum 48, which provides funding for the Seattle Seahawks stadium. An initial \$10 million was contributed by the Seattle Seahawks in December, 1998. Anticipated revenues to the YAF account from non-expended Seahawks stadium bond monies and other sources are not expected in the next several years.

The Washington State Investment Board manages the investment of the funds of the state retirement systems, as well as other non-retirement funds.

Summary of Bill:

At the time of initial vehicle registration or renewal, an additional \$5 fee must be paid and deposited in the PRSA. However, if a person certifies that they do not intend to use the vehicle to visit state parks, the DOL can not collect the fee. The first \$4 million collected annually from the fee is deposited in the PRSA for the operation and maintenance of the state parks system. Any amounts collected over \$4 million per year are deposited in the newly created State Parks Centennial (Centennial) Account. The Centennial Account retains its own interest earnings, and the principal of the account may not be spent.

From July 1, 2006 through June 30, 2010, 1.5 percent of the real estate excise tax is deposited in the YAF account and an additional 1.5 percent is deposited in the Centennial Account. The State Investment Board may invest moneys in the Centennial Account, and only the interest may be appropriated to implement the Centennial Plan and for state parks operation and maintenance.

The Commission is prohibited from charging a fee for parking or for general park access.

Appropriation: None.

Fiscal Note: Requested on 1/4/06.

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