

EHB 2388 - S COMM AMD
By Committee on Ways & Means

NOT ADOPTED 04/10/2007

1 Strike everything after the enacting clause and insert the
2 following:

3 "Sec. 1. RCW 35.57.010 and 2002 c 363 s 1 are each amended to read
4 as follows:

5 (1)(a) The legislative authority of any town or city located in a
6 county with a population of less than one million may create a public
7 facilities district.

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

12 (c) The legislative authority of any town or city, or any
13 contiguous group of towns or cities, located in a county with a
14 population of less than one million and the legislative authority of a
15 contiguous county, or the legislative authority of the county or
16 counties in which the towns or cities are located, may enter into an
17 agreement under chapter 39.34 RCW for the creation and joint operation
18 of a public facilities district.

19 (d) The legislative authority of a city located in a county with a
20 population greater than one million may create a public facilities
21 district, when the city has a total population of less than one hundred
22 fifteen thousand but greater than eighty thousand and commences
23 construction of a regional center prior to July 1, 2008.

24 (2)(a) A public facilities district shall be coextensive with the
25 boundaries of the city or town or contiguous group of cities or towns
26 that created the district.

27 (b) A public facilities district created by an agreement between a
28 town or city, or a contiguous group of towns or cities, and a
29 contiguous county or the county in which they are located, shall be
30 coextensive with the boundaries of the towns or cities, and the

1 boundaries of the county or counties as to the unincorporated areas of
2 the county or counties. The boundaries shall not include incorporated
3 towns or cities that are not parties to the agreement for the creation
4 and joint operation of the district.

5 (3)(a) A public facilities district created by a single city or
6 town shall be governed by a board of directors consisting of five
7 members selected as follows: (i) Two members appointed by the
8 legislative authority of the city or town; and (ii) three members
9 appointed by legislative authority based on recommendations from local
10 organizations. The members appointed under (a)(i) of this subsection,
11 shall not be members of the legislative authority of the city or town.
12 The members appointed under (a)(ii) of this subsection, shall be based
13 on recommendations received from local organizations that may include,
14 but are not limited to the local chamber of commerce, local economic
15 development council, and local labor council. The members shall serve
16 four-year terms. Of the initial members, one must be appointed for a
17 one-year term, one must be appointed for a two-year term, one must be
18 appointed for a three-year term, and the remainder must be appointed
19 for four-year terms.

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

1 (c) A public facilities district created by a town or city, or a
2 contiguous group of towns or cities, and a contiguous county or the
3 county or counties in which they are located, shall be governed by a
4 board of directors consisting of seven members selected as follows:
5 (i) Three members appointed by the legislative authorities of the
6 cities, towns, and county; and (ii) four members appointed by the
7 legislative authority based on recommendations from local
8 organizations. The members appointed under (c)(i) of this subsection
9 shall not be members of the legislative authorities of the cities,
10 towns, or county. The members appointed under (c)(ii) of this
11 subsection shall be based on recommendations received from local
12 organizations that include, but are not limited to, the local chamber
13 of commerce, the local economic development council, the local labor
14 council, and a neighborhood organization that is directly affected by
15 the location of the regional center in their area. The members of the
16 board of directors shall be appointed in accordance with the terms of
17 the agreement under chapter 39.34 RCW for the joint operation of the
18 district and shall serve four-year terms. Of the initial members, one
19 must be appointed for a one-year term, one must be appointed for a
20 two-year term, one must be appointed for a three-year term, and the
21 remainder must be appointed for four-year terms.

22 (4) A public facilities district is a municipal corporation, an
23 independent taxing "authority" within the meaning of Article VII,
24 section 1 of the state Constitution, and a "taxing district" within the
25 meaning of Article VII, section 2 of the state Constitution.

26 (5) A public facilities district shall constitute a body corporate
27 and shall possess all the usual powers of a corporation for public
28 purposes as well as all other powers that may now or hereafter be
29 specifically conferred by statute, including, but not limited to, the
30 authority to hire employees, staff, and services, to enter into
31 contracts, and to sue and be sued.

32 (6) A public facilities district may acquire and transfer real and
33 personal property by lease, sublease, purchase, or sale. No direct or
34 collateral attack on any public facilities district purported to be
35 authorized or created in conformance with this chapter may be commenced
36 more than thirty days after creation by the city and/or county
37 legislative authority.

1 **Sec. 2.** RCW 82.14.390 and 2006 c 298 s 1 are each amended to read
2 as follows:

3 (1) Except as provided in subsection (6) of this section, the
4 governing body of a public facilities district (a) created before July
5 31, 2002, under chapter 35.57 or 36.100 RCW that commences construction
6 of a new regional center, or improvement or rehabilitation of an
7 existing new regional center, before January 1, 2004(~~(, or)~~); (b)
8 created before July 1, 2006, under chapter 35.57 RCW in a county or
9 counties in which there are no other public facilities districts on
10 June 7, 2006, and in which the total population in the public
11 facilities district is greater than ninety thousand that commences
12 construction of a new regional center before February 1, 2007; (c)
13 created under the authority of RCW 35.57.010(1)(d); or (d) created
14 before September 1, 2007, under chapter 35.57 or 36.100 RCW, in a
15 county or counties in which there are no other public facilities
16 districts on the effective date of this act, and in which the total
17 population in the public facilities district is greater than seventy
18 thousand, that commences construction of a new regional center before
19 January 1, 2009, may impose a sales and use tax in accordance with the
20 terms of this chapter. The tax is in addition to other taxes
21 authorized by law and shall be collected from those persons who are
22 taxable by the state under chapters 82.08 and 82.12 RCW upon the
23 occurrence of any taxable event within the public facilities district.
24 The rate of tax shall not exceed 0.033 percent of the selling price in
25 the case of a sales tax or value of the article used in the case of a
26 use tax.

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

33 (3) No tax may be collected under this section before August 1,
34 2000. The tax imposed in this section shall expire when the bonds
35 issued for the construction of the regional center and related parking
36 facilities are retired, but not more than twenty-five years after the
37 tax is first collected.

1 (4) Moneys collected under this section shall only be used for the
2 purposes set forth in RCW 35.57.020 and must be matched with an amount
3 from other public or private sources equal to thirty-three percent of
4 the amount collected under this section, provided that amounts
5 generated from nonvoter approved taxes authorized under chapter 35.57
6 RCW or nonvoter approved taxes authorized under chapter 36.100 RCW
7 shall not constitute a public or private source. For the purpose of
8 this section, public or private sources includes, but is not limited to
9 cash or in-kind contributions used in all phases of the development or
10 improvement of the regional center, land that is donated and used for
11 the siting of the regional center, cash or in-kind contributions from
12 public or private foundations, or amounts attributed to private sector
13 partners as part of a public and private partnership agreement
14 negotiated by the public facilities district.

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

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

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26 On page 1, line 3 of the title, after "district;" strike the
27 remainder of the title and insert "and amending RCW 35.57.010 and
28 82.14.390."

EFFECT: Removes the provision allowing for a second public

facilities district in counties over 1 million persons. Allows Kent to build a regional center with the 0.033% credit against the state portion of the sales and use tax.

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