

HOUSE BILL REPORT

HB 2748

As Passed House:
February 11, 2010

Title: An act relating to dues for an association established under RCW 53.06.030

Brief Description: Concerning dues paid to the Washington public ports association by port districts.

Sponsors: Representatives Simpson, Jacks and Chase.

Brief History:

Committee Activity:

Local Government & Housing: 1/18/10, 1/20/10 [DP].

Floor Activity:

Passed House: 2/11/10, 97-0.

Brief Summary of Bill

- Removes the statutory limit for annual Washington Public Ports Association membership dues.

HOUSE COMMITTEE ON LOCAL GOVERNMENT & HOUSING

Majority Report: Do pass. Signed by 11 members: Representatives Simpson, Chair; Nelson, Vice Chair; Angel, Ranking Minority Member; DeBolt, Assistant Ranking Minority Member; Fagan, Miloscia, Short, Springer, Upthegrove, White and Williams.

Staff: Becca Kenna-Schenk (786-7291) and Ethan Moreno (786-7386).

Background:

Washington Port Districts: General Purpose and Authority.

Washington's port districts were first authorized in 1911 when the Legislature enacted the Port District Act. Port districts are authorized to acquire, build, maintain, operate, develop, and regulate the commercial transportation, transfer, storage, handling, and terminal facilities and industrial improvements within the district. Port districts may levy property taxes and

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issue revenue bonds in order to finance port operations, capital projects, and other development interests.

Washington Public Ports Association.

In 1961 the Legislature established the Washington Public Ports Association (Association) to serve as the coordinating agency for all districts in the state.

As specified in statute, the purposes of the Association are to:

- conduct studies common to all ports;
- exchange information relative to port construction, operation, and management;
- promote cooperative efforts between ports and local associate development organizations to assist economic development efforts and build local capacity; and
- operate as a clearinghouse for information, public relations, and liaison for member ports.

Membership to the Association is voluntary. Currently, 68 of the 75 public port districts in the state are members of the Association. Port districts that are members of the Association are statutorily authorized to pay membership dues. Association membership dues are established under the Association's bylaws. Current statute provides that annual dues cannot exceed a sum equal to the amount which would be raised by a levy of \$.01 per \$1,000 of assessed value against the taxable property within the district.

Summary of Bill:

The annual limit for the Association membership dues of a sum equal to the amount which would be raised by a levy of \$.01 per \$1,000 of assessed value against the taxable property within the port district is removed.

Appropriation: None.

Fiscal Note: Not requested.

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

Staff Summary of Public Testimony:

(In support) This bill only affects one port district in the state, which is the Port of Kalama. Membership dues for the Washington Public Ports Association (WPPA) are set in the WPPA's bylaws. However, the current statutory limit on dues for the WPPA prevents the Port of Kalama from being able to pay its fair share. This is because the Port of Kalama is in a unique situation of having a significant amount of revenue with a small assessed property valuation. The Port of Kalama, as well as the other members of the WPPA support this bill. Similar limitations on dues to associations of local governments have been removed in previous years.

(Opposed) The amount of money currently being paid to the WPPA is adequate. Greater transparency and accountability to and within the WPPA is needed, as well as the public port districts and other local governments. Until this happens, the WPPA should not be able to receive more money.

Persons Testifying: (In support) Eric Johnson, Washington Public Port Association; and Mindi Linnquist, Port of Kalama.

(Opposed) Arthur West.

Persons Signed In To Testify But Not Testifying: None.