

HOUSE BILL REPORT

HB 1960

As Reported by House Committee On: Finance

Title: An act relating to establishing benefit assessment charges for metropolitan park districts.

Brief Description: Establishing benefit assessment charges for metropolitan park districts.

Sponsors: Representative Seaquist.

Brief History:

Committee Activity:

Finance: 2/26/13, 2/28/13 [DPS].

Brief Summary of Substitute Bill

- Authorizes Metropolitan Park Districts to impose benefit charges for up to six years subject to voter approval.

HOUSE COMMITTEE ON FINANCE

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 8 members: Representatives Carlyle, Chair; Tharinger, Vice Chair; Fitzgibbon, Hansen, Lytton, Pollet, Reykdal and Springer.

Minority Report: Do not pass. Signed by 5 members: Representatives Nealey, Ranking Minority Member; Orcutt, Assistant Ranking Minority Member; Condotta, Vick and Wilcox.

Staff: Jeff Olsen (786-7175).

Background:

Metropolitan Park Districts.

A metropolitan park district (MPD) is a type of special purpose district that may be created for the management, control, improvement, maintenance, or acquisition of parks, parkways, boulevards, and recreational facilities. An MPD may levy up to 75 cents per \$1,000 of assessed value of property for park purposes.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Benefit Assessment Districts.

A benefit charge is a type of assessment used by districts and regional fire protection service authorities. A benefit charge is not based on the value of real property, but is instead linked to other factors such as insurance savings or the distance from fire service facilities. A district or authority may use this funding approach as a means for apportioning the costs of service to an individual property in a manner that reflects the actual benefits provided to that property.

Summary of Substitute Bill:

An MPD may, by resolution, impose benefit charges on real property located within the district to support park purposes. The benefit charges may not exceed the amount that could be collected under the metropolitan park district property tax levy. The benefit charge must be reasonably proportioned to the measurable benefits to property resulting from proximity to the park facilities maintained by the MPD.

A benefit charge is not effective until approved by a majority of voters at a general or special election. The election must be held not more than 12 months prior to the first charge being assessed, and the benefit charge expires in six or fewer years as authorized by voters. A public hearing must be held not fewer than 10 days nor more than six months before the election to impose benefit charges.

Prior to November 15 of each year, the governing board of the MPD must hold a public hearing to review and establish benefit charges. After notice has been given to property owners of the amount of a benefit charge, the MPD must form a review board to hear complaints from aggrieved parties, and adjust charges as they believe to be true and fair.

All property not assessed and subjected to ad valorem taxation property taxes is exempt from the benefit charge.

Substitute Bill Compared to Original Bill:

The substitute bill removes the limit on MPD benefit charges of 60 percent of the operating budget and replaces it with an amount equal to the metropolitan district property tax levy.

Appropriation: None.

Fiscal Note: Preliminary fiscal note available.

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

Staff Summary of Public Testimony:

(In support) There are two MPDs in Kitsap County that are being squeezed out by senior tax districts. The parks have strong local support, and this approach involves the public and needs voter approval. This bill is needed to avoid the loss of parks.

(Opposed) None.

Persons Testifying: Representative Seaquist, prime sponsor.

Persons Signed In To Testify But Not Testifying: None.