
Local Government Committee

HB 2251

Brief Description: Concerning public facilities districts.

Sponsors: Representative Haler.

Brief Summary of Bill

- Provides that board members for a multi-city public facilities district (multi-city PFD) may not be members of the legislative authorities that created the district.
- Eliminates the requirement that a multi-city PFD obtain voter approval to impose a sales and use tax to fund a regional center or recreational facility.
- Allows a multi-city PFD to ascertain the order projects are executed through the use of an advisory ballot.

Hearing Date: 1/9/18

Staff: Yvonne Walker (786-7841).

Background:

A public facilities district (PFD) is a municipal corporation with independent taxing authority and is a taxing district under the state Constitution. A PFD may be created by a city, group of cities, county, or a group of cities and a county. Such PFDs are authorized to acquire, build, own, and operate regional centers. A PFD is governed by an appointed board of directors with varying composition and appointing authority.

A "regional center" is a convention, conference, or special events center, or any combination of facilities, and its related parking facilities. A "special events center" is a facility, available to the public, used for community events, sporting events, trade shows, and artistic, musical, theatrical, or other cultural exhibitions, presentations, or performances.

Multi-City PFDs.

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.

In 2010 legislation was enacted to allow for the creation of new multi-city/town public facilities districts (multi-city PFDs). A new multi-city PFD may only be created by a group of at least three contiguous cities or towns, with a combined population of at least 160,000, each of which must have already established a PFD. A multi-city PFD may construct, own, and operate regional centers and special events centers in addition to recreational facilities, other than ski resorts.

Multi-City PFDs Board Members.

A multi-city PFD must be governed by an odd-number of board of directors totaling not more than nine board members. All members must be members of the legislative authorities that created the multi-city PFD, or members of the governing boards of the public facilities districts previously created by those legislative authorities, or both. Membership on a multi-city PFD board must be divided evenly between the legislative entities participating in the multi-city PFD. If there are unfilled board member positions remaining after each city or town has appointed an equal number of board members, the appointed members must appoint the additional board members necessary to fill any remaining positions.

Multi-City PFDs Projects and Funding.

A majority of the board members participating in a multi-city PFD must agree to submit a proposition to the voters for a project. However, voter approval must be obtained to impose a sales and use tax to fund each recreational facility or regional center.

All types of PFDs may charge fees for the use of its facilities. Each PFD may also impose a variety of taxes to fund its regional center or recreational facility, including an admissions tax not exceeding 5 percent, a vehicle parking tax not exceeding 10 percent, a voter-approved local sales and use tax of up to 2 percent, and, if applicable, a voter-approved 2 percent lodging excise tax.

Summary of Bill:

Multi-City PFDs Board Members.

Board members of a multi-city PFD cannot be members of: (1) the legislative authorities that created the multi-city PFD; or (2) members of the governing boards of one of the public facilities districts previously created by those legislative authorities.

Multi-City PFDs Projects and Funding.

A multi-city PFD is authorized to ascertain the order projects are executed by using an advisory ballot that reflects the preference of the voting public. However, the requirement that a multi-city PFD obtain voter approval prior to imposing a local sales and use tax to fund a regional center or recreational facility is eliminated.

Dissolution of a Multi-City PFD.

Beginning five years after the effective date of the act, any of the contiguous towns or cities that created a multi-city PFD may dissolve such PFD through the passage of a resolution.

This act applies to any multi-city PFD created before, on, or after the effective date of the act.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill contains an emergency clause and takes effect immediately.