

SENATE BILL REPORT

HB 1499

As Passed Senate - Amended, April 17, 2019

Title: An act relating to authorizing certain public facilities districts to acquire, construct, own, remodel, maintain, equip, reequip, repair, finance, and operate one or more recreational facilities other than a ski area with voter approval.

Brief Description: Concerning certain public facilities district's authorization to acquire, construct, own, remodel, maintain, equip, reequip, repair, finance, and operate one or more recreational facilities other than a ski area with voter approval.

Sponsors: Representatives Jenkin and Peterson.

Brief History: Passed House: 3/07/19, 89-8.

Committee Activity: Local Government: 3/19/19, 3/21/19 [DP, DNP].

Floor Activity:

Passed Senate - Amended: 4/17/19, 37-11.

<p style="text-align: center;">Brief Summary of Bill (As Amended by Senate)</p> <ul style="list-style-type: none">• Provides authority to eligible public facilities districts to acquire, construct, own, remodel, maintain, equip, reequip, repair, finance, and operate an aquatics facility.
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SENATE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: Do pass.

Signed by Senators Takko, Chair; Salomon, Vice Chair; Short, Ranking Member; Lovelett.

Minority Report: Do not pass.

Signed by Senator Honeyford.

Staff: Greg Vogel (786-7413)

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

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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.

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, special events centers, and recreational facilities, other than ski resorts. To date, there is only one multi-city PFD in the state, which is referenced by some as a regional PFD or the Tri-Cities regional PFD.

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.

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 local sales and use tax of up to 0.033 percent to finance regional centers, a voter-approved local sales and use tax of up to 0.2 percent, and, if applicable, a voter-approved 2 percent lodging excise tax.

Summary of Amended Bill: Eligible PFDs are authorized authority to acquire, construct, own, remodel, maintain, equip, reequip, repair, finance, and operate an aquatics facility.

To be eligible for this additional authority, the PFD must have (1) been created under the PFD creation authority granted to a town or city located in a county with a population less than 1 million; and (2) participated in the creation of an additional PFD with at least two other contiguous towns or cities with a combined population of at least 160,000 for the three, each of which previously created a PFD in a county with a population less than 1 million.

PFDs created under this authority possess all of the powers with respect to recreational centers, other than a ski area, that all PFDs possess with respect to regional centers.

Money received from the sales and use tax for transportation benefit districts within a PFD created under the authority granted to a town or city located in a county with a population less than 1 million by a city or town that also participated in the creation of an additional PFD with at least two other contiguous towns or cities with a combined population of at least 160,000 for the three, each of which previously created a PFD in a county with a population less than 1 million may be utilized to acquire, construct, own, remodel, maintain, equip, reequip, repair, finance, and operate an aquatics facility.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: The current regional PFD has been unable to provide an aquatic center for Pasco that the city has been trying to get done. There is a lack of activities for kids, and in a fast growing city with a young median age, this is a highly sought after facility. The city is asking for a simple vote of the people for a facility that has already been approved by the people. There is a good sense of costs and these numbers will be shared with the public before voting on the measure.

CON: This is considered a breach of faith and trust that Pasco, without discussion, has gone ahead and introduced this bill, which would in essence sabotage the regional PFD. This bill would take out a significant portion of the taxing authority. The real issue is with the composition of the PFD board and the mechanism for putting a ballot out to the people.

Persons Testifying: PRO: Representative Bill Jenkin, Prime Sponsor; Dave Zabell, Pasco City Manager; Craig Maloney, Pasco Mayor Pro Tempore.

CON: Victor Epperly, citizen.

Persons Signed In To Testify But Not Testifying: No one.