

# SENATE BILL REPORT

## SB 5515

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As of February 12, 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:** Senators Walsh and Takko.

**Brief History:**

**Committee Activity:** Local Government: 2/07/19.

**Brief Summary of Bill**

- Provides authority to eligible 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.

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### SENATE COMMITTEE ON LOCAL GOVERNMENT

**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 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

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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 Bill:** Eligible PFDs are authorized authority to acquire, construct, own, remodel, maintain, equip, reequip, repair, finance, and operate one or more recreational facilities other than a ski area.

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.

If exercising this authority, the PFD must obtain voter approval to fund each recreational facility with the voter-approved local sales and use tax. 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.

**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 bill provides the authority previously granted to the Tri-Cities. Two cities did not pass a new tax for a recreational facility, but Pasco passed it with great support. It is a simple bill but complicated to draft because of the way the statute is set up. This bill is providing them the authority to provide the facility in their area. It is a hot and dry climate, and this would provide a place for kids to play that is not in the river. There should be no problem with putting a vote out to voters to have an aquatic center for their kids. A publicly financed one would be an advantage to low-income children. A feasibility study has been done and the facility would be subject to the voters of Pasco again.

**Persons Testifying:** PRO: Senator Maureen Walsh, Prime Sponsor; Josh Weiss, City of Pasco.

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