
HOUSE BILL 2432

State of Washington

68th Legislature

2024 Regular Session

By Representatives Walsh and McEntire

1 AN ACT Relating to public facility district taxing authority; and
2 amending RCW 82.14.390 and 82.14.485.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 82.14.390 and 2017 c 164 s 1 are each amended to
5 read as follows:

6 (1) Except as provided in subsection (7) of this section, the
7 governing body of a public facilities district (a) created before
8 July 31, 2002, under chapter 35.57 or 36.100 RCW that commenced
9 construction of at least one new regional center, or improvement or
10 rehabilitation of an existing new regional center, before January 1,
11 2004; (b) created before July 1, 2006, under chapter 35.57 RCW in a
12 county or counties in which there are no other public facilities
13 districts on June 7, 2006, and in which the total population in the
14 public facilities district is greater than (~~ninety thousand~~) 90,000
15 that commenced construction of a new regional center before February
16 1, 2007; (c) created under the authority of RCW 35.57.010(1)(d); or
17 (d) created before September 1, 2007, under chapter 35.57 or 36.100
18 RCW, in a county or counties in which there are no other public
19 facilities districts on July 22, 2007, and in which the total
20 population in the public facilities district is greater than
21 (~~seventy thousand~~) 70,000, that commenced construction of a new

1 regional center before January 1, 2009, or before January 1, 2011, in
2 the case of a new regional center in a county designated by the
3 president as a disaster area in December 2007, may impose a sales and
4 use tax in accordance with the terms of this chapter. The tax is in
5 addition to other taxes authorized by law and must be collected from
6 those persons who are taxable by the state under chapters 82.08 and
7 82.12 RCW upon the occurrence of any taxable event within the public
8 facilities district. The rate of tax may not exceed 0.033 percent of
9 the selling price in the case of a sales tax or value of the article
10 used in the case of a use tax.

11 (2) (a) The governing body of a public facilities district
12 imposing a sales and use tax under the authority of this section may
13 increase the rate of tax up to 0.037 percent if, within three fiscal
14 years of July 1, 2008, the department determines that, as a result of
15 RCW 82.14.490 and the chapter 6, Laws of 2007 amendments to RCW
16 82.14.020, a public facilities district's sales and use tax
17 collections for fiscal years after July 1, 2008, have been reduced by
18 a net loss of at least 0.50 percent from the fiscal year before July
19 1, 2008. The fiscal year in which this section becomes effective is
20 the first fiscal year after July 1, 2008.

21 (b) The department must determine sales and use tax collection
22 net losses under this section (~~(as provided in RCW 82.14.500 (2) and~~
23 ~~(3))~~). The department must provide written notice of its
24 determinations to public facilities districts. Determinations by the
25 department of a public facilities district's sales and use tax
26 collection net losses as a result of RCW 82.14.490 and the chapter 6,
27 Laws of 2007 amendments to RCW 82.14.020 are final and not
28 appealable.

29 (c) A public facilities district may increase its rate of tax
30 after it has received written notice from the department as provided
31 in (b) of this subsection. The increase in the rate of tax must be
32 made in 0.001 percent increments and must be the least amount
33 necessary to mitigate the net loss in sales and use tax collections
34 as a result of RCW 82.14.490 and the chapter 6, Laws of 2007
35 amendments to RCW 82.14.020. The increase in the rate of tax is
36 subject to RCW 82.14.055.

37 (3) The tax imposed under subsection (1) of this section must be
38 deducted from the amount of tax otherwise required to be collected or
39 paid over to the department of revenue under chapter 82.08 or 82.12
40 RCW. The department of revenue must perform the collection of such

1 taxes on behalf of the county at no cost to the public facilities
2 district. During the 2011-2013 fiscal biennium, distributions by the
3 state to a public facilities district based on the additional rate
4 authorized in subsection (2) of this section must be reduced by 3.4
5 percent.

6 (4) No tax may be collected under this section before August 1,
7 2000. The tax imposed in this section expires when bonds issued to
8 finance or refinance the construction, improvement, rehabilitation,
9 or expansion of the regional center and related parking facilities
10 are retired, but not more than (~~forty~~) 65 years after the tax is
11 first collected.

12 (5) Moneys collected under this section may only be used for the
13 purposes set forth in RCW 35.57.020 and must be matched with an
14 amount from other public or private sources equal to (~~thirty-three~~)
15 33 percent of the amount collected under this section; however,
16 amounts generated from nonvoter approved taxes authorized under
17 chapter 35.57 RCW or nonvoter approved taxes authorized under chapter
18 36.100 RCW do not constitute a public or private source. For the
19 purpose of this section, public or private sources includes, but is
20 not limited to cash or in-kind contributions used in all phases of
21 the development or improvement of the regional center, land that is
22 donated and used for the siting of the regional center, cash or in-
23 kind contributions from public or private foundations, or amounts
24 attributed to private sector partners as part of a public and private
25 partnership agreement negotiated by the public facilities district.

26 (6) The combined total tax levied under this section may not be
27 greater than 0.037 percent. If both a public facilities district
28 created under chapter 35.57 RCW and a public facilities district
29 created under chapter 36.100 RCW impose a tax under this section, the
30 tax imposed by a public facilities district created under chapter
31 35.57 RCW must be credited against the tax imposed by a public
32 facilities district created under chapter 36.100 RCW.

33 (7) A public facilities district created under chapter 36.100 RCW
34 is not eligible to impose the tax under this section if the
35 legislative authority of the county where the public facilities
36 district is located has imposed a sales and use tax under RCW
37 82.14.0485 or 82.14.0494.

38 **Sec. 2.** RCW 82.14.485 and 2017 c 164 s 2 are each amended to
39 read as follows:

1 (1) In a county with a population under three hundred thousand,
2 the governing body of a public facilities district, which is created
3 before August 1, 2001, under chapter 35.57 RCW or before January 1,
4 2000, under chapter 36.100 RCW, in which the total population in the
5 public facilities district is greater than (~~ninety thousand~~) 90,000
6 and less than (~~one hundred thousand~~) 100,000 that commences
7 improvement or rehabilitation of an existing regional center, to be
8 used for community events, and artistic, musical, theatrical, or
9 other cultural exhibitions, presentations, or performances and having
10 (~~two thousand~~) 2,000 or fewer permanent seats, before January 1,
11 2009, may impose a sales and use tax in accordance with the terms of
12 this chapter. The tax is in addition to other taxes authorized by law
13 and must be collected from those persons who are taxable by the state
14 under chapters 82.08 and 82.12 RCW upon the occurrence of any taxable
15 event within the public facilities district. The rate of tax for a
16 public facilities district created prior to August 1, 2001, under
17 chapter 35.57 RCW, may not exceed 0.025 percent of the selling price
18 in the case of a sales tax or value of the article used in the case
19 of a use tax. The rate of tax, for a public facilities district
20 created prior to January 1, 2000, under chapter 36.100 RCW, may not
21 exceed 0.020 percent of the selling price in the case of a sales tax
22 or the value of the article used in the case of a use tax.

23 (2) The tax imposed under subsection (1) of this section must be
24 deducted from the amount of tax otherwise required to be collected or
25 paid over to the department under chapter 82.08 or 82.12 RCW. The
26 department must perform the collection of such taxes on behalf of the
27 county at no cost to the public facilities district.

28 (3) The tax imposed in this section expires when bonds issued to
29 finance or refinance the construction, improvement, rehabilitation,
30 or expansion of the regional center and related parking facilities
31 are retired, but not more than (~~forty~~) 65 years after the tax is
32 first collected.

33 (4) Moneys collected under this section may only be used for the
34 purposes set forth in RCW 35.57.020 and must be matched with an
35 amount from other public or private sources equal to (~~thirty-three~~)
36 33 percent of the amount collected under this section, provided that
37 amounts generated from nonvoter-approved taxes authorized under
38 chapter 35.57 RCW may not constitute a public or private source. For
39 the purpose of this section, public or private sources include, but
40 are not limited to cash or in-kind contributions used in all phases

1 of the development or improvement of the regional center, land that
2 is donated and used for the siting of the regional center, cash or
3 in-kind contributions from public or private foundations, or amounts
4 attributed to private sector partners as part of a public and private
5 partnership agreement negotiated by the public facilities district.

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