

HB 1034 - S COMM AMD

By Committee on Ways & Means

1 On page 1, after line 3, insert the following:

2 "NEW SECTION. **Sec. 1.** The legislature finds that Washington
3 state will continue to see significant population growth, with office
4 of financial management forecasts estimating nearly 2,000,000 more
5 people by the year 2040. In the face of this dramatic growth, the
6 legislature finds that it is more important than ever to help
7 preserve, maintain, and enhance local parks, trails, and open spaces
8 that are key contributors to the state's quality of life.

9 The legislature further finds that local parks and recreation
10 agencies confronted with this growth are suffering severe budget
11 impacts brought on by the COVID-19 pandemic, even as the utilization
12 of parks, open spaces, and trails has spiked up dramatically. A just-
13 completed comprehensive survey of local parks and recreation agencies
14 has found that they have had to reduce expenditures by nearly 25
15 percent on average and have experienced a 61 percent loss of earned
16 revenue, even though more than two-thirds of those agencies are
17 seeing major upticks in the utilization of their parks and trails,
18 and one agency saw a 170 percent increase in usage.

19 Finally, the legislature finds that local parks and recreation
20 agencies are dealing with a tremendous growth in the number of sports
21 participants and a corollary of sharp increases in demand for local
22 athletic fields, including a nearly 300 percent increase in adult
23 sports participation being experienced by one eastern Washington
24 community.

25 Therefore, it is the intent of the legislature to establish
26 additional statutory tools to help local parks and recreation
27 agencies better address maintenance backlogs, preserve quality open
28 spaces, and expand and improve athletic fields to accommodate the
29 influx of adult and youth sports participants who are vying for use
30 of those fields.

1 NEW SECTION. **Sec. 2.** A new section is added to chapter 82.14

2 RCW to read as follows:

3 (1) The legislative authority of a city or a county, the
4 governing body of a metropolitan park district under chapter 35.61
5 RCW, or the governing body of a park and recreation district under
6 chapter 36.69 RCW may submit an authorizing proposition to voters at
7 a special or general election and, if the proposition is approved by
8 a majority of persons voting, impose a sales and use tax in
9 accordance with the terms of this chapter. The title of the ballot
10 measure must clearly state the purposes for which the proposed sales
11 tax will be used.

12 (2) The tax authorized in this section is in addition to any
13 other taxes authorized by law and must be collected from those
14 persons who are taxable by the state under chapters 82.08 and 82.12
15 RCW upon the occurrence of any taxable event within the taxing area.
16 The rate of tax equals one-tenth of one percent of the selling price
17 in the case of a sales tax, or value of the article used, in the case
18 of a use tax. The tax may be imposed only within an existing city,
19 county, metropolitan park district, or park and recreation district
20 boundary.

21 (a) If both a county and a city within the boundaries of the
22 county exercise the authority provided in this section, the city must
23 impose the excise tax within its incorporated boundaries, and the
24 county must impose the excise tax within the unincorporated areas.

25 (b) If both a county and a metropolitan park district or park
26 district within the boundaries of the county exercise the authority
27 provided in this section, the metropolitan park district or park
28 district must impose the excise tax within its incorporated
29 boundaries, and the county must impose the excise tax within the
30 unincorporated areas.

31 (c) If both a city and a metropolitan park district or park
32 district within the boundaries of the county exercise the authority
33 provided in this section, the metropolitan park district or park
34 district must impose the excise tax within its incorporated
35 boundaries, and the city must impose the excise tax within its
36 incorporated areas.

37 (d) If multiple agencies within the same service area gain
38 approval by voters to exercise the authority provided in this
39 section, they are directed to enter into an interlocal agreement
40 pursuant to chapter 39.34 RCW to determine how to ensure the sales

1 tax in any given service area does not exceed the rate in this
2 subsection (2) and how to distribute the collections among the
3 jurisdictions.

4 (3) The moneys collected under this section must be used for the
5 purpose of acquiring, constructing, improving, providing, and funding
6 park maintenance and improvement within the taxing area.

7 (4) Except as provided in subsection (5) of this section, the tax
8 may not be imposed for a period exceeding 10 years. The tax, if not
9 imposed under the conditions of subsection (5) of this section, may
10 be extended for a period not exceeding 10 years with an affirmative
11 vote of the voters voting at the election.

12 (5) The voter-approved sales tax initially imposed under this
13 section after July 1, 2021, may be imposed for a period exceeding 10
14 years if the moneys received under this section are dedicated for the
15 repayment of indebtedness incurred in accordance with the
16 requirements of this section.

17 (6) Money received from the tax imposed under this section must
18 be spent in accordance with the requirements of this section, and the
19 district may deduct no more than three percent of the tax collected
20 for administration and collection of expenses incurred by it.

21 (7) To carry out the purposes of this section, the entity
22 imposing the tax has the authority to issue general obligation or
23 revenue bonds within the limitations now or hereafter prescribed by
24 the laws of this state, for a term not to exceed 20 years, and may
25 use, and is authorized to pledge, the moneys collected for repayment
26 of such bonds."

27 Renumber the remaining sections consecutively and correct any
28 internal references accordingly.

29 On page 7, line 3, after "4." strike "This act applies" and
30 insert "Sections 3 through 5 of this act apply"

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31 On page 1, line 2 of the title, after "84.52.043;" strike all
32 material through "section" and insert "adding a new section to
33 chapter 82.14 RCW; and creating new sections"

EFFECT: Authorizes cities, counties, metropolitan park districts, and park and recreation districts to impose a 0.1 percent sales and use tax for acquiring, constructing, and funding park maintenance and improvements.

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