Association of Washington State Public Facilities Districts
Board Meeting

Washington State Convention Center
Seattle, Washington

April 6, 2018
2018 Legislative Session

First Things First

- **HIRST**
  - SB 6091 overturns the Supreme Court’s Hirst decision
  - Evidence of potable water for a building permit
  - Establishes maximum daily groundwater withdrawals
  - $500 fee
  - 5 Water Resource Management Projects - $300M over 15 years

- **2-Year Capital Budget**
  - $4.8 Billion in construction spending delayed for nearly a year.
  - Largest School Construction Package in State History - $933M
February State General Fund (GFS) Revenue increased by $1.3 BILLION over next 3 years.

State revenue growth (as it has for some time) outpaces state personal income.

Total forecasted revenue in 2017-19 is a 15.4% percent increase over the last biennium.

Total forecasted revenue for the current 2017-19 biennium is $44.2 BILLION.

The new revenue projection is increased by $647 million in the current 2017-19 biennium.
2018 Legislative Session

2018 Supplemental Operating Budget

- 1-Time Buy Down State Property Tax Cut (30-cents per $1,000 AV)

- Salary Step for K-12 Teachers (Final item to fully comply with McCleary?)

- Maintain and Improved State Mental Health Safety Net
2018 Legislative Session

What they did

• De-Escalate - malice standard to convict LEO – *(more on this later)*
• Gender Equity Pay – recover differential pay for comparable job
• Prescription Drug Takeback Program – paid for by Pharma
• 1st Net Neutrality – prohibits internet providers to block content
• Tourism Marketing – $1.5M per year - 0.2% sales tax credit
• District v At-large / Same Day Registration / 3 to 5 Commissioners
• Bump Stock Ban
2018 Legislative Session

What they Did *Not* Do

- Carbon Tax (ballot measure)
- Capital Gains Tax
- Elimination of Capital Punishment
- Wrongful Death – Joint / Severable Liability
- Governor’s Opioid Bill
- Raising the Minimum Age to 21 for Purchase of Semi-Auto Rifle
2018 Legislative Session

Process Matters

- Legislature Exempted from Public Records Act – Governor Veto

- De-escalate Initiative to the Legislature – Bill Passed to amend Initiative

- Diversion of Reserves to Pay for Property Tax Cut
Association of Washington State Public Facilities Districts

AWSPFD 2018 Legislative Session

Successful Year Meeting Legislative Objectives

Limited agenda after securing sales tax rebate extension

What have PFDs done with the sales tax rebate extension?

Still have work to do with skeptical legislators

There is an economic recession out there some where
2018 Legislation

Washington State Convention Center

- HB 2015 Passed Legislature - Supported by AWSPFD
- Currently King County convention center tax applies to lodging facilities with 60 or more rooms.
- The tax is levied by the PFD, capped at 7% within Seattle 2.8% in King County.
- HB 2015 removes the 60 room requirement - all types of lodging are subject to the convention center tax.
- Exceptions: “Short-term rental” / UW hospital patient housing / <60 rooms in towns <300
- Additional WSCC to FY2019 $5.8M growing to FY 23 $21.3M
Legislation in 2018

Washington Tourism Marketing Authority

• Senate Bill 5251 supported by AWSPFD – Passed Legislature

• Creates the Washington Tourism Marketing Authority – 13 member board manages finances and statewide tourism marketing plan.

• Directs 0.2 percent of retail sales taxes collected on lodging, car rentals, and restaurants capped at up to $1.5 million per year.

• Expenditures: (1) entering into a contract for a multi-year statewide tourism marketing plan, (2) contracting for the evaluation of the impact of the statewide tourism marketing programs; and (3) paying for administrative expenses of the new Authority.

• $2 to $1 non-state match is required for all expenditures.
2018 Legislation

What’s up with Pasco?

• HB 2251 *died* in House Capital Budget Committee

• Expands the term "regional center" to include aquatics facilities.

• Authorizes a multi-city public facility district (PFD) with multiple projects to ascertain the order projects are executed by using an advisory ballot that reflects the preference of the voting public.

• Prohibits certain multi-city PFDs (Pasco) from making facilities available to prospective users for an event that is not open to the public, if reasonably comparable private facilities are available within the boundaries of the PFD.
2018 Elections - State Senate

25 DEMOCRATS  24 REPUBLICANS
24 Senate Seats Up – 13 D seats, 11 R Seats
At least 2 Senators Retiring / Seeking Other Office

Targeted / Open Seats

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2018 Elections - State House

50 DEMOCRATS 48 REPUBLICANS

At least 13 House Members Retiring / Other Office
8 Open R Seats    4 Open D Seats

Targeted Seats

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Association of Washington State Public Facilities Districts

What *May* 2019 Hold?

- Major Issues Off the plate: McCleary, Hirst, Mental Health
- State Economy / revenue collections in relatively good shape
- Legislature will have different players in key places
- Best year to ask for something we’ve had in a while
- Pent up release with expanded one-party control
Association of Washington State Public Facilities Districts

AWSPFD Legislation

PFDs are in key communities across the state

• Make Your contacts NOW – before campaign season

• Invites to PFD events, Tours, Informal Visits, Dinners

• Tout your facility and its integral part of your local communities

• Ask for support of any news concerning PFDs
Board Meeting

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Questions?
Comments.
Editorial Opinions!

THANK YOU