

HOUSE BILL REPORT

HB 1030

As Reported By House Committee On:
Local Government

Title: An act relating to city and town incorporations.

Brief Description: Revising incorporation procedures for cities and towns.

Sponsors: Representatives H. Myers, Bray, Edmondson, R. Fisher, Zellinsky, Rayburn, Brough and Shin.

Brief History:

Reported by House Committee on:
Local Government, January 22, 1993, DPS.

HOUSE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 11 members: Representatives H. Myers, Chair; Bray, Vice Chair; Edmondson, Ranking Minority Member; Reams, Assistant Ranking Minority Member; Dunshee; R. Fisher; Horn; Rayburn; Romero; Springer; and Zellinsky.

Minority Report: Without recommendation. Signed by 1 member: Representative Van Luven.

Staff: Steve Lundin (786-7127).

Background: Contiguous areas located outside of a city or town may incorporate as a city or town if the population of the area is at least 300. This minimum population figure was established initially in 1890. However, no area may incorporate as a city or town that is located within five air miles of a city with a population of 15,000 or more unless the incorporation city or town has a population of 3,000 or more.

The Growth Management Act was enacted in 1990 and 1991. Among other requirements, each county that plans under all the requirements of that act must designate urban growth areas in the county in which urban growth occurs and outside of which non-urban growth occurs. Every city and town in such a county is included within an urban growth area. Other areas may be included in urban growth areas. A city or town may not annex territory in such a county beyond an urban growth area.

No restrictions exist on the incorporation of a city or town in such a county outside of an urban growth area.

The incorporation of a city or town involves several steps over an extended period of time as follows: (1) A petition is filed calling for the incorporation that has been signed by voters residing in the area proposed to be incorporated; (2) a ballot proposition authorizing the incorporation is submitted to voters residing in the area proposed to be incorporated; (3) if approved, special elections are held to nominate candidates for the elected offices, if needed, and to elect the initial elected officials; (4) the initial elected officials assume office upon their election and provide for a transition of the area into a city or town; and (5) the city or town is officially incorporated after the transition period.

The next set of elected officials for the new city or town is elected at the first municipal general election that occurs one or more years after the official date the city or town is created. It is not clear precisely how the terms of the members of a city or town council are staggered at that election.

A variety of different types of cities and towns may incorporate, including code cities, non code cities, and towns. A city or town council sets the salaries of any city or town officials. However, a statute sets the initial salaries of councilmembers and the mayor of a newly incorporated code city. This statute provides that if the newly elected council increases these salaries, the increases shall not be deemed to be an increase in salary. Similar statutes do not exist establishing the salaries in newly incorporated non-code cities and towns.

The state constitution prohibits officials who have the authority to set their own salaries from increasing their salaries during their current terms of office.

Summary of Substitute Bill: The minimum population of an area that may incorporate is increased from 300 to 1,000 and the additional restriction is retained that a city may not incorporate within five air miles of a city with a population of 15,000 or more unless the new city has a population of 3,000 or more.

A city or town may not incorporate outside of an urban growth area in a county that plans under all the requirements of the Growth Management Act.

The number of signatures of voters who reside in an area proposed to be incorporated as a city or town that is necessary on a petition to initiate the incorporation process is corrected, from a number of such voters equal in number to at least 10 percent of the number of votes cast in that area at the last state general election, to at least 10 percent of the number of such voters who voted in that area at the last state general election.

The staggering of terms of office of the councilmembers on a new city or town is clarified. A simple majority of persons elected as councilmembers at the first municipal general election occurring at least one year after the official date of incorporating are elected to four-year terms of office and the remainder are elected to two-year terms of office. Their successors are elected to four-year terms of office.

Compensation for councilmembers of a newly incorporated non-code city or town is the same as is currently established for councilmembers of a newly incorporated code city.

The statutory authority is deleted for councilmembers in a newly incorporated code city to increase their own salaries during their current terms of office and that such action is not deemed to be increasing salaries.

Substitute Bill Compared to Original Bill: The new minimum population to incorporate a new city was reduced from 3,000 to 1,000.

Fiscal Note: Not requested.

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

Testimony For: This continues the modernization of city incorporation laws. The 300 minimum population figure was initially established in 1890. Very small cities have a very low likelihood of being fiscally viable. This will present extremely small incorporations.

Testimony Against: Leave the 300 minimum population figure alone. Many cities and towns that currently exist couldn't incorporate today if this figure is increased. Local option is best. A higher population figure is arbitrary. No study has been done showing small towns to have fiscal problems.

Witnesses: Stan Finkelstein, Association of Washington Cities (opposed increasing the minimum population of a new city to 3,000 but supported rest of bill).