

HOUSE BILL REPORT

HB 2008

As Passed Legislature

Title: An act relating to special districts.

Brief Description: Affecting withdrawal of territory by special districts.

Sponsors: Representative Dunshee.

Brief History:

Reported by House Committee on:
Local Government, March 2, 1993, DP;
Passed House, March 15, 1993, 96-1;
Amended by Senate;
Passed Legislature, April 20, 1993, 97-0.

HOUSE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: Do pass. Signed by 9 members:
Representatives H. Myers, Chair; Reams, Assistant Ranking
Minority Member; Dunshee; R. Fisher; Horn; Romero; Springer;
Van Luven; and Zellinsky.

Minority Report: Do not pass. Signed by 3 members:
Representatives Bray, Vice Chair; Edmondson, Ranking
Minority Member; and Rayburn.

Staff: Steve Lundin (786-7127).

Background: A wide variety of special districts have been authorized to provide diking and drainage improvements. The franchise in these special districts is limited to property owners.

A 1933 law permits a diking district or drainage district to reorganize as either a drainage and irrigation improvement district or a diking, drainage, and irrigation district with the authority to provide the types of improvements contained in their names.

Summary of Bill: In addition to a diking district or a drainage district, the following special districts may reorganize into a drainage and irrigation district or a diking, drainage, and irrigation district: (1) irrigation districts; (2) intercounty diking and drainage districts; (3) diking, drainage, and/or sewerage improvement districts;

(4) consolidated diking districts, drainage districts, diking improvement districts, and/or drainage improvement districts; and (5) flood control districts.

A procedure is provided for any one of the special districts that provide diking or drainage improvements to have territory withdrawn from its boundaries, if the territory is located in a city or town or is adjacently located to a city or town. The withdrawal of territory is accomplished by:

- o The special district adopting a resolution proposing the withdrawal;
- o The city or town council adopting a resolution approving the withdrawal;
- o The city assuming full responsibility to maintain improvements and collect payments for the operation of the system operated by the special district in the area;
- o The special district transferring all rights-of-way or easements in the area to the city or town; and
- o The city or town and special district adopting an interlocal agreement providing for the withdrawal of the area, that includes the city or town reimbursing the special district for lost assessment revenue from the withdrawn area.

Property that is so withdrawn shall remain liable to the special district for special assessments associated with bonds used to finance facilities serving the property.

A section of law relating to diking and drainage district bonds that was both amended and repealed in 1983 is repealed. This is the same section that is repealed by HB 1036.

Diking and drainage districts may impose rates and charges in lieu of special assessments for lake or river restoration, aquatic plant control, and water quality enhancement purposes and consider the degree to which activities contribute to such problems when imposing the rates and charges.

Fiscal Note: Not requested.

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

Testimony For: A city annexed a diking district and wants the territory withdrawn.

Testimony Against: None.

Witnesses: Rep. Dunshee, prime sponsor.