

# HOUSE BILL REPORT

## SB 5675

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As Reported By House Committee On:  
Local Government

**Title:** An act relating to financing debt for storm water control facilities.

**Brief Description:** Concerning the financing of bonds for storm water facilities.

**Sponsors:** Senators Drew, Loveland, Skratek and Haugen.

**Brief History:**

Reported by House Committee on:  
Local Government, March 25, 1993, DPA.

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### HOUSE COMMITTEE ON LOCAL GOVERNMENT

**Majority Report:** Do pass as amended. 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; Van Luven; and Zellinsky.

**Staff:** Steve Lundin (786-7127).

**Background:** Counties are authorized to install storm water control facilities under two separate chapters of law. Under both chapters of law, a county may impose rates or charges to finance storm water control facilities and issue revenue bonds payable from these rates or charges. Counties are also authorized to issue general obligation bonds to finance storm water control facilities.

The authority of a county to provide storm water control facilities is not expressly limited to only unincorporated areas outside of cities and towns.

**Summary of Amended Bill:** Both chapters of law authorizing counties to create storm water utilities are amended to permit the continued collection of a portion of the service charges or rates on land annexed by a city or town, or incorporated into a city or town, that is allocated to debt service payments on either revenue bonds or general obligation bonds payable from the service charges or rates. This requirement applies even if the facilities that are financed by the bonds are not located in the area that is annexed.

The service charges or rates remain on the annexed or incorporated area until the bonds are retired, refinancing bonds are retired, or the city or town reimburses an amount to the county that is sufficient to retire the portion of the debt borne by the annexed or incorporated area.

A county must construct the storm water facilities that are described in its storm water plan that are financed by the bonds.

A county may consider the nature or type of land users when establishing service charges or rates for storm water service and facilities.

**Amended Bill Compared to Original Bill:** It is clarified that service charges are continued to make debt service payments on general obligation bonds. Both chapters of law that authorize counties to create storm water utilities are amended. Language was added about considering the type and nature of the land users when establishing service charges or rates.

**Fiscal Note:** Not requested.

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

**Testimony For:** There is concern that if an unincorporated area is annexed or incorporated, the county's authority to collect service charges in the area to make debt payments on bonds issued for capital improvements would be eliminated. This clarifies the matter.

**Testimony Against:** None.

**Witnesses:** (pro): Senator Drew, prime sponsor; Robin Appleford and Debbie Arimia, King County Council; and Stan Finkelstein, Association of Washington Cities (support with amendments).