

**SENATE BILL REPORT**

**SHB 1061**

**AS REPORTED BY COMMITTEE ON AGRICULTURE, MARCH 23, 1993**

**Brief Description:** Modifying irrigation district mergers.

**SPONSORS:** House Committee on Agriculture & Rural Development (originally sponsored by Representatives Rayburn, Chandler, Schoesler, Lisk, Grant, Hansen and Morton)

**HOUSE COMMITTEE ON AGRICULTURE & RURAL DEVELOPMENT**

**SENATE COMMITTEE ON AGRICULTURE**

**Majority Report:** Do pass as amended.

Signed by Senators M. Rasmussen, Chairman; Loveland, Vice Chairman; Anderson, Barr, Newhouse, and Snyder.

**Staff:** Bob Lee (786-7404)

**Hearing Dates:** March 23, 1993

**BACKGROUND:**

State law for irrigation districts provides procedures for permitting districts to be consolidated to form a new district. After such a consolidation, a new board of directors is elected.

To accomplish such a consolidation, 50 or a majority of the owners of irrigable land within the boundaries of a proposed consolidated district must petition the legislative authority of the county in which the proposed district is located requesting the consolidation. The proposed consolidated district may include two or more irrigation districts and other irrigable lands. Unless the board of directors of one or more of the existing irrigation districts passes a resolution opposing the consolidation, the county legislative authority must call an election on the proposal. The proposal is approved if it is approved by a two-thirds majority vote in each of the existing irrigation districts and by a two-thirds majority vote in areas outside of the existing districts but within the proposed district.

The newly formed, consolidated district inherits all of the powers, obligations, and properties of the irrigation districts which were included in the consolidation. Separate funds must be maintained for each of the old districts until the debts of these districts are paid and any assessments owed to them are collected. Local improvement districts may be formed by the new board to satisfy the obligations of the old districts. District-related obligations of lands which were incurred before the consolidation constitute prior liens to

any obligation incurred against the land under the new district.

**SUMMARY:**

Special procedures are established for permitting one or more smaller irrigation districts and a larger irrigation district to merge to form a new district. The board of directors of the larger district becomes the board of directors of the district created by the merger. In such a process, the smaller district or districts are referred to as "minor" districts and the larger district is referred to as the "major" district. Only one district may be a major district and the assessed acreage in all of the minor districts, taken collectively, cannot constitute more than 25 percent of the combined assessed acreage of the district to be created by the merger.

The board of directors of a minor district must petition the board of directors of the major district to consider a merger. If the board of the major district denies the request, the process is terminated. If the board of the major district does not deny the request, it must provide notice and hold a public hearing on the proposal. Unless the owners of at least 20 percent of the assessed lands within the major district oppose the merger by filing a protest with the board of the major district at or before the hearing, the board is free to approve the merger request. If such a petition opposing the merger is filed, the merger may be approved by the major district only if it is approved, by a simple majority vote, in a special election conducted in the major district on the issue.

To be approved in a minor district, the proposal must be approved by a simple majority vote at a special election conducted in the minor district on the proposal. If elections must be held in the major and minor districts, the elections must be held concurrently.

If the proposed merger is approved by the major district and one or more minor districts, the approving minor districts are merged into the major district. The powers, obligations, and properties of the merging districts are transferred to the district created by the merger. All district-related obligations incurred by lands or by a district before the merger are prior liens to any obligation that may be incurred against the lands or the new district after the merger.

If the major district was divided into director divisions, the district must be redistricted to reflect the merger.

**SUMMARY OF PROPOSED SENATE AMENDMENT:**

In a combined district, the allowable size of the minor district is increased from 25 percent to 30 percent.

**Appropriation:** none

**Revenue:** none

**Fiscal Note:** none requested

**TESTIMONY FOR:**

A more straightforward procedure needs to be established to allow mergers of small irrigation districts with larger districts.

**TESTIMONY AGAINST:**

There is concern that when a district merges with another district that a change in the water rights will be needed. The bill needs to cover such a situation.

**TESTIFIED:** James W. Trull, Sunnyside Valley Irrigation District (pro); Dawn Vyvyan, Yakima Indian Nation