- 2 <u>ESB 5600</u> H COMM AMD **NOT ADOPTED 4-14-97**
- 3 By Committee on Government Administration

4

- 5 Strike everything after the enacting clause and insert the 6 following:
- 7 "Sec. 1. RCW 2.08.100 and 1939 c 189 s 1 are each amended to read 8 as follows:
- 9 The county auditor of each county shall ((draw his warrant on the 10 treasurer of such county on the first Monday of each month for the 11 amount of salary due for the previous month from such county to the
- 12 judge of the superior court thereof, and said warrant shall be paid by
- 13 said treasurer out of the salary fund of said county: PROVIDED, That
- 14 no such warrant shall be issued until the judge who is to receive the
- 15 same shall have made an affidavit, in the manner provided by law, that
- 16 no cause in his court remains pending and undecided contrary to the
- 17 provisions of RCW 2.08.240 and of section 20, Article 4, Constitution
- 18 of the state of Washington)) pay superior court judges in the same
- 19 means and manner provided for all other elected officials.
- 20 **Sec. 2.** RCW 36.40.200 and 1963 c 4 s 36.40.200 are each amended to read as follows:
- 22 All appropriations shall lapse at the end of the fiscal year:
- 23 PROVIDED, That the appropriation accounts ((shall)) may remain open for
- 24 a period of thirty days, and may, at the auditor's discretion, remain
- 25 open for a period not to exceed sixty days thereafter for the payment
- 26 of claims incurred against such appropriations prior to the close of
- 27 the fiscal year.
- 28 After such period has expired all appropriations shall become null
- 29 and void and any claim presented thereafter against any such
- 30 appropriation shall be provided for in the next ensuing budget:
- 31 PROVIDED, That this shall not prevent payments upon uncompleted
- 32 improvements in progress at the close of the fiscal year.
- 33 **Sec. 3.** RCW 36.40.250 and 1995 c 193 s 1 are each amended to read
- 34 as follows:

In lieu of adopting an annual budget, the county legislative authority of any county may adopt an ordinance or a resolution providing for biennial budgets with a mid-biennium review and modification for the second year of the biennium. The county legislative authority may repeal such an ordinance or resolution and revert to adopting annual budgets for a period commencing after the end of a biennial budget cycle. The county legislative authority of a county with a biennial budget cycle may adopt supplemental and emergency budgets in the same manner and subject to the same conditions as the county legislative authority in a county with an annual budget cycle.

The procedure and steps for adopting a biennial budget shall conform with the procedure and steps for adopting an annual budget and with requirements established by the state auditor. The state auditor shall establish requirements for preparing and adopting the midbiennium review and modification for the second year of the biennium.

Expenditures included in the biennial budget, mid-term modification budget, supplemental budget, or emergency budget shall constitute the appropriations for the county during the applicable period of the budget and every county official shall be limited in making expenditures or incurring liabilities to the amount of the detailed appropriation item or classes in the budget.

In lieu of adopting an annual budget or a biennial budget with a mid-biennium review for all funds, the legislative authority of any county may adopt an ordinance or a resolution providing for a biennial budget or budgets for any one or more funds of the county, with a mid-biennium review and modification for the second year of the biennium, with the other funds remaining on an annual budget. The county legislative authority may repeal such an ordinance or resolution and revert to adopting annual budgets for a period commencing after the end of the biennial budget or biennial budgets for the specific agency fund or funds. The county legislative authority of a county with a biennial budget cycle may adopt supplemental and emergency budgets in the same manner and subject to the same conditions as the county legislative authority in a county with an annual budget cycle.

The county legislative authority shall hold a public hearing on the proposed county property taxes and proposed road district property taxes prior to imposing the property tax levies.

- 1 <u>NEW SECTION.</u> **Sec. 4.** A new section is added to chapter 36.40 RCW
- 2 to read as follows:
- 3 In addition to the supplemental appropriations provided in RCW
- 4 36.40.100 and 36.40.140, the county legislative authority may provide
- 5 by ordinance or resolution a policy for supplemental appropriations as
- 6 a result of unanticipated funds from local, state, or federal revenue
- 7 sources.
- 8 **Sec. 5.** RCW 35.42.010 and 1965 c 7 s 35.42.010 are each amended to
- 9 read as follows:
- 10 It is the purpose of RCW 35.42.010 through 35.42.090 to supplement
- 11 existing law for the leasing of space by counties, cities, and towns to
- 12 provide for the leasing of such space through leases with an option to
- 13 purchase and the acquisition of buildings erected upon land owned by a
- 14 county, city, or town upon the expiration of a lease of such land.
- 15 Sec. 6. RCW 35.42.020 and 1965 c 7 s 35.42.020 are each amended to
- 16 read as follows:
- The term "building" as used in RCW 35.42.010 through 35.42.090
- 18 shall be construed to mean any building or buildings used as a part of,
- 19 or in connection with, the operation of a county, city, or town, and
- 20 shall include the site and appurtenances, including but not limited to,
- 21 heating facilities, water supply, sewage disposal, landscaping, walks,
- 22 and drives.
- 23 **Sec. 7.** RCW 35.42.030 and 1965 c 7 s 35.42.030 are each amended to
- 24 read as follows:
- 25 Any county, city, or town may, as lessee, lease a building for its
- 26 use for a term of not to exceed fifty years.
- 27 **Sec. 8.** RCW 35.42.040 and 1965 c 7 s 35.42.040 are each amended to
- 28 read as follows:
- 29 A lease of a building executed pursuant to RCW 35.42.010 through
- 30 35.42.090 may grant the lessee county, city, or town an option to renew
- 31 for a further term on like conditions, or an option to purchase the
- 32 building covered by the lease at any time prior to the expiration of
- 33 the term. A lease with an option to purchase shall provide that all
- 34 sums paid as rent up to the time of exercising the option shall be
- 35 credited toward the payment of the purchase price as of the date of

- 1 payment. No lease shall provide, nor be construed to provide, that any
- 2 county, city, or town shall be under any obligation to purchase the
- 3 leased building.
- 4 Sec. 9. RCW 35.42.050 and 1965 c 7 s 35.42.050 are each amended to
- 5 read as follows:
- A lease of a building may provide that as a part of the rental, the
- 7 lessee county, city, or town may pay taxes and assessments on the
- 8 leased building, maintain insurance thereon for the benefit of the
- 9 lessor, and assume responsibilities for repair, replacement,
- 10 alterations, and improvements during the term of the lease.
- 11 **Sec. 10.** RCW 35.42.060 and 1965 c 7 s 35.42.060 are each amended
- 12 to read as follows:
- 13 A county, city, or town may, in anticipation of the acquisition of
- 14 a site and the construction of a building, execute a lease, as lessee,
- 15 prior to the actual acquisition of a site and the construction of a
- 16 building, but the lease shall not require payment of rental by the
- 17 lessee until the building is ready for occupancy. The lessor shall
- 18 furnish a bond satisfactory to the lessee conditioned on the delivery
- 19 of possession of the completed building to the lessee county, city, or
- 20 town at the time prescribed in the lease, unavoidable delay excepted.
- 21 The lease shall provide that no part of the cost of construction of the
- 22 building shall ever become an obligation of the lessee county, city, or
- 23 town.
- 24 Sec. 11. RCW 35.42.070 and 1965 c 7 s 35.42.070 are each amended
- 25 to read as follows:
- Any <u>county</u>, city, or town desiring to have a building for its use
- 27 erected on land owned, or to be acquired, by it, may, as lessor, lease
- 28 the land for a reasonable rental for a term of not to exceed fifty
- 29 years: PROVIDED, That the county, city, or town shall lease back the
- 30 building or a portion thereof for the same term. The leases shall
- 31 contain terms as agreed upon between the parties, and shall include the
- 32 following provisions:
- 33 (1) No part of the cost of construction of the building shall ever
- 34 be or become an obligation of the county, city, or town.
- 35 (2) The <u>county</u>, city, or town shall have a prior right to occupy
- 36 any or all of the building upon payment of rental as agreed upon by the

- 1 parties, which rental shall not exceed prevailing rates for comparable 2 space.
- 3 (3) During any time that all or any portion of the building is not 4 required for occupancy by the <u>county</u>, city, or town, the lessee of the 5 land may rent the unneeded portion to suitable tenants approved by the 6 <u>county</u>, city, or town.
- 7 (4) Upon the expiration of the lease, all buildings and 8 improvements on the land shall become the property of the <u>county</u>, city, 9 or town.
- 10 **Sec. 12.** RCW 35.42.080 and 1985 c 469 s 28 are each amended to 11 read as follows:

12 A lease and lease back agreement requiring a lessee to build on county, city, or town property shall be made pursuant to a call for 13 14 bids upon terms most advantageous to the county, city, or town. call for bids shall be given by posting notice thereof in a public 15 16 place in the county, city, or town and by publication in the official newspaper of the county, city, or town once each week for two 17 18 consecutive weeks before the date fixed for opening the bids. The city 19 council or commission of the city or town, or county legislative authority, may by resolution reject all bids and make further calls for 20 bids in the same manner as the original call. If no bid is received on 21 22 the first call, the city council or commission or county legislative authority may readvertise and make a second call, or may execute a 23 24 lease without any further call for bids.

25 **Sec. 13.** RCW 35.42.200 and 1990 c 205 s 1 are each amended to read 26 as follows:

27 Any county, city, or town may execute leases for a period of years 28 with or without an option to purchase with the state or any of its political subdivisions, with the government of the United States, or 29 30 with any private party for the lease of any real or personal property, 31 or property rights: PROVIDED, That with respect only to leases that finance the acquisition of property by the lessee, the aggregated 32 33 portions of lease payments over the term of the lease which are allocable to principal shall constitute debt, which shall not result in 34 a total indebtedness in excess of one and one-half percent of the 35 taxable property of such county, city, or town computed in accordance 36 with RCW 39.36.030, unless a proposition in regard to whether or not 37

- 1 such a lease may be executed is submitted to the voters for their
- 2 approval or rejection in the same manner that bond issues for capital
- 3 purposes are submitted, and the voters approve the same.
- 4 **Sec. 14.** RCW 35.42.210 and 1965 c 7 s 35.42.210 are each amended 5 to read as follows:
- If at the time an option to purchase is exercised the remaining 6 7 amount to be paid in order to purchase the real or personal property 8 leased after crediting the rental payments toward the total purchase 9 price therefor does not result in a total indebtedness in excess of one and one-half percent of the taxable property of such county, city, or 10 town computed in accordance with RCW 39.36.030, such a county, city, or 11 12 town may exercise its option to purchase such property. If such remaining amount to be paid to purchase such leased property will 13 14 result in a total indebtedness in excess of one and one-half percent of 15 the taxable property of such county, city, or town, a proposition in regard to whether or not to purchase the property shall be submitted to 16 17 the voters for approval or rejection in the same manner that bond 18 issues for capital purposes are submitted to the voters.
- 19 **Sec. 15.** RCW 35.42.220 and 1965 c 7 s 35.42.220 are each amended 20 to read as follows:
- 21 The annual budget of a <u>county</u>, city<u>, or town</u> shall provide for the 22 payment of rental that falls due in the year for which the budget is
- 23 applicable: PROVIDED, That if the cost of the real or personal
- 24 property to be leased exceeds the amounts specified in RCW $\underline{36.32.235}$,
- 25 <u>35.22.620</u>, or 35.23.352 prior to the execution of a lease with option
- 26 to purchase therefor, the county, city, or town shall call for bids in
- 27 accordance with RCW <u>36.32.235</u>, <u>35.22.620</u>, <u>or</u> <u>35.23.352</u>: PROVIDED, That
- 28 if at the expiration of a lease with option to purchase a county, city,
- 29 or town exercises such an option, the fact that the rental payments
- 30 theretofore made equal the amount of the purchase price of the real or
- 31 personal property involved in such lease shall not preclude the
- 32 agreement from being a lease with option to purchase up to the date of
- 33 the exercising of the option.
- 34 <u>NEW SECTION.</u> **Sec. 16.** RCW 36.40.110 and 1963 c 4 s 36.40.110 are
- 35 each repealed."

1 Correct the title.

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