
SENATE BILL 6119

State of Washington

55th Legislature

1998 Regular Session

By Senators Schow, Haugen, Patterson, McCaslin and Roach

Read first time 01/12/98. Referred to Committee on Government Operations.

1 AN ACT Relating to voter approval of a city assumption of a water-
2 sewer district; amending RCW 35.13A.010 and 35.13A.020; adding new
3 sections to chapter 35.13A RCW; and repealing RCW 35.13A.030,
4 35.13A.040, 35.13A.050, and 35.13A.060.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 **Sec. 1.** RCW 35.13A.010 and 1971 ex.s. c 95 s 1 are each amended to
7 read as follows:

8 Whenever used in this chapter, the following words shall have the
9 following meanings:

10 (1) The words "district," "water district," and "sewer district"
11 shall mean a (~~water district or sewer district as indicated by the~~
12 ~~context of the section in which used~~) "water-sewer district" as that
13 term is used in Title 57 RCW.

14 (2) The word "city" shall mean a city or town of any class and
15 shall also include any code city as defined in chapter 35A.01 RCW.

16 (3) The words "included with" shall mean the inclusion of all or
17 part of the territory of a district, as indicated by the context,
18 within the corporate limits of a city either by incorporation of a

1 city, annexation to a city, consolidation of cities or any combination
2 thereof.

3 (4) The word "indebtedness" shall include general obligation,
4 revenue, and special indebtedness and temporary, emergency, and interim
5 loans.

6 **Sec. 2.** RCW 35.13A.020 and 1971 ex.s. c 95 s 2 are each amended to
7 read as follows:

8 Whenever all of the territory of a ~~((water district or sewer))~~
9 district is included within the corporate boundaries of a city, ~~((and))~~
10 the city ~~((legislative body has elected by resolution or ordinance to))~~
11 may assume jurisdiction thereof under section 3 of this act. Upon the
12 assumption, all real and personal property, franchises, rights, assets,
13 taxes levied but not collected for the district for other than
14 indebtedness, water ~~((and))~~, sewer ~~((lines))~~, and drainage facilities,
15 and all other facilities and equipment of the district shall become the
16 property of such city subject to all financial, statutory, or
17 contractual obligations of the district for the security or performance
18 of which such property may have been pledged. Such city, in addition
19 to its other powers, shall have the power to manage, control, maintain,
20 and operate such property, facilities, and equipment and to fix and
21 collect service and other charges from owners and occupants of
22 properties so served by the city, subject, however, to any outstanding
23 indebtedness, bonded or otherwise, of the district payable from taxes,
24 assessments, or revenues of any kind or nature and to any other
25 contractual obligations of the district.

26 ~~((Such city may by resolution of its legislative body))~~ In addition
27 to assumption of jurisdiction of the district, the city may, under
28 section 3 of this act, assume the obligation of paying such district
29 indebtedness and of levying and of collecting or causing to be
30 collected such district taxes, assessments, and utility rates and
31 charges of any kind or nature to pay and secure the payment of such
32 indebtedness, according to all of the terms, conditions, and covenants
33 incident to such indebtedness, and shall assume and perform all other
34 outstanding contractual obligations of the district in accordance with
35 all of ~~((its))~~ their terms, conditions, and covenants. No such
36 assumption shall be deemed to impair the obligation of any indebtedness
37 or other contractual obligation entered into after August 9, 1971.
38 During the period until the outstanding indebtedness of the district

1 has been discharged, the territory of the district and the owners and
2 occupants of property therein, shall continue to be liable for its and
3 their proportionate share of such indebtedness, including any
4 outstanding assessments levied within any local improvement district or
5 utility local improvement district thereof. The city shall assume the
6 obligation of causing the payment of such indebtedness, collecting such
7 taxes, assessments, and charges and observing and performing the other
8 district contractual obligations. The legislative body of the city
9 shall act as the officers of the district for the purpose of certifying
10 the amount of any property tax to be levied and collected therein, and
11 causing service and other charges and assessments to be collected from
12 such property or owners or occupants thereof, enforcing such collection
13 and performing all other acts necessary to ~~((insure))~~ ensure
14 performance of the district's contractual obligations in the same
15 manner and by the same means as if the territory of the district had
16 not been included within the boundaries of a city.

17 When a city assumes the obligation of paying the outstanding
18 indebtedness, and if property taxes or assessments have been levied and
19 service and other charges have accrued for such purpose but have not
20 been collected by the district prior to ~~((such—election))~~ the
21 assumption, the same when collected shall belong and be paid to the
22 city and be used by such city so far as necessary for payment of the
23 indebtedness of the district existing and unpaid on the date such city
24 ~~((elects to))~~ assumes the indebtedness. Any funds received by the city
25 which have been collected for the purpose of paying any bonded or other
26 indebtedness of the district, shall be used for the purpose for which
27 they were collected and for no other purpose. Any outstanding
28 indebtedness shall be paid as provided in the ~~((bond))~~ terms,
29 conditions, and covenants of the indebtedness. All funds of the
30 district on deposit with the county treasurer at the time of title
31 transfer shall be used by the city solely for the benefit of the
32 utility and shall not be transferred to or used for the benefit of the
33 city's general fund.

34 NEW SECTION. Sec. 3. A new section is added to chapter 35.13A RCW
35 to read as follows:

36 When the legislative body of a city desires to assume all of a
37 district under RCW 35.13A.020, it shall adopt a resolution declaring
38 its intent to assume jurisdiction of the district and, at its option,

1 to further assume the obligation of paying all district indebtedness,
2 levying and collecting taxes, assessments, and charges, and performing
3 contractual obligations as specified in RCW 35.13A.020. Within seven
4 days after adoption of the resolution, the city shall send by certified
5 mail, copy received, a certified copy of the resolution to the district
6 and the county legislative body. Within ninety days after adoption of
7 the resolution, the city shall issue a written report regarding the
8 feasibility of the proposed assumption and its present and future
9 impacts on the city and the district. Within thirty days after
10 receiving the city's report, the district shall by resolution declare
11 whether or not it will issue a written report concerning the same
12 topics. Within seven days after adoption of the resolution, the
13 district shall send by certified mail, copy received, a certified copy
14 of the resolution to the city council. The district shall issue its
15 report within ninety days after adoption of its resolution. After
16 receiving the district's report, or after receiving a district
17 resolution declaring that no report will be issued, whichever is
18 applicable, the legislative body of the city shall adopt a second
19 resolution calling for the submission to the voters of the entire
20 district the question whether the territory of the district shall be
21 assumed by the city, and, if applicable, whether the city shall assume
22 the obligation of paying district indebtedness, levying and collecting
23 taxes, assessments, and charges, and performing contractual obligations
24 as specified in RCW 35.13A.020. If both questions are presented to the
25 voters, they shall be presented as a single proposition. In all cases,
26 the proposition shall be submitted to the voters of the entire district
27 at a general municipal or special election held more than one hundred
28 eighty days after adoption of the second resolution. The request for
29 a special election, the notices of the election, and the conduct of the
30 election shall be in accordance with general election laws. The
31 proposition must be approved by a majority of the voters to be
32 effective. If approved, the assumption shall be effective on December
33 31st of the year in which the election is held. For purposes of review
34 of the assumption by a county legislative body or county board or
35 agency, the second resolution calling for the election shall be
36 considered the action of the city that initiates or causes the review.
37 The cost of the election shall be paid by the city.

1 NEW SECTION. **Sec. 4.** A new section is added to chapter 35.13A RCW
2 to read as follows:

3 Where a service agreement covering district territory under chapter
4 36.115 RCW is in effect, an assumption under RCW 35.13A.020 may not be
5 initiated unless the governing bodies of all local governments that are
6 parties to the service agreement approve the assumption.

7 NEW SECTION. **Sec. 5.** A new section is added to chapter 35.13A RCW
8 to read as follows:

9 In counties in which a boundary review board has been established
10 under chapter 36.93 RCW, chapter . . . , Laws of 1998 (this act) applies
11 to assumptions of jurisdiction under this chapter that have not been
12 approved by a boundary review board on the effective date of this act.

13 NEW SECTION. **Sec. 6.** The following acts or parts of acts are each
14 repealed:

- 15 (1) RCW 35.13A.030 and 1971 ex.s. c 95 s 3;
- 16 (2) RCW 35.13.040 and 1971 ex.s. c 95 s 4;
- 17 (3) RCW 35.13A.050 and 1971 ex.s. c 95 s 5; and
- 18 (4) RCW 35.13A.060 and 1971 ex.s. c 95 s 6.

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