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SENATE BILL 6848

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State of Washington

56th Legislature

2000 Regular Session

By Senators Roach, Fraser, Goings, Rasmussen, Franklin, Winsley, Oke and Swecker

Read first time 02/11/2000. Referred to Committee on Environmental Quality & Water Resources.

1 AN ACT Relating to removing ten-year time limitations affecting  
2 lake management districts; and amending RCW 36.61.020 and 36.61.260.

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

4 **Sec. 1.** RCW 36.61.020 and 1987 c 432 s 2 are each amended to read  
5 as follows:

6 Any county may create lake management districts to finance the  
7 improvement and maintenance of lakes located within or partially within  
8 the boundaries of the county. All or a portion of a lake and the  
9 adjacent land areas may be included within one or more lake management  
10 districts. More than one lake, or portions of lakes, and the adjacent  
11 land areas may be included in a single lake management district. ((A  
12 lake management district may be created for a period of up to ten  
13 years.))

14 Special assessments or rates and charges may be imposed on the  
15 property included within a lake management district to finance lake  
16 improvement and maintenance activities, including: (1) The control or  
17 removal of aquatic plants and vegetation; (2) water quality; (3) the  
18 control of water levels; (4) storm water diversion and treatment; (5)  
19 agricultural waste control; (6) studying lake water quality problems

1 and solutions; (7) cleaning and maintaining ditches and streams  
2 entering or leaving the lake; and (8) the related administrative,  
3 engineering, legal, and operational costs, including the costs of  
4 creating the lake management district.

5 Special assessments or rates and charges may be imposed annually on  
6 all the land in a lake management district for the duration of the lake  
7 management district without a related issuance of lake management  
8 district bonds or revenue bonds. Special assessments also may be  
9 imposed in the manner of special assessments in a local improvement  
10 district with each landowner being given the choice of paying the  
11 entire special assessment in one payment, or to paying installments,  
12 with lake management district bonds being issued to obtain moneys not  
13 derived by the initial full payment of the special assessments, and the  
14 installments covering all of the costs related to issuing, selling, and  
15 redeeming the lake management district bonds.

16 **Sec. 2.** RCW 36.61.260 and 1985 c 398 s 26 are each amended to read  
17 as follows:

18 (1) Counties may issue lake management district bonds in accordance  
19 with this section. Lake management district bonds may be issued to  
20 obtain money sufficient to cover that portion of the special  
21 assessments that are not paid within the thirty-day period provided in  
22 RCW 36.61.190. (~~The maximum term of lake management district bonds~~  
23 ~~shall be ten years.~~)

24 Whenever lake management district bonds are proposed to be issued,  
25 the county legislative authority shall create a special fund or funds  
26 for the lake management district from which all or a portion of the  
27 costs of the lake improvement and maintenance activities shall be paid.  
28 Lake management district bonds shall not be issued in excess of the  
29 costs and expenses of the lake improvement and maintenance activities  
30 and shall not be issued prior to twenty days after the thirty days  
31 allowed for the payment of special assessments without interest or  
32 penalties.

33 Lake management district bonds shall be exclusively payable from  
34 the special fund or funds and from a guaranty fund that the county may  
35 have created out of a portion of proceeds from the sale of the lake  
36 management district bonds.

37 (2) Lake management district bonds shall not constitute a general  
38 indebtedness of the county issuing the bond nor an obligation, general

1 or special, of the state. The owner of any lake management district  
2 bond shall not have any claim for the payment thereof against the  
3 county that issues the bonds except for payment from the special  
4 assessments made for the lake improvement or maintenance activities for  
5 which the lake management district bond was issued and from a lake  
6 management district guaranty fund that may have been created. The  
7 county shall not be liable to the owner of any lake management district  
8 bond for any loss to the lake management district guaranty fund  
9 occurring in the lawful operation of the fund. The owner of a lake  
10 management district bond shall not have any claim against the state  
11 arising from the lake management district bond, special assessments, or  
12 guaranty fund. Tax revenues shall not be used to secure or guarantee  
13 the payment of the principal of or interest on lake management district  
14 bonds.

15 The substance of the limitations included in this subsection shall  
16 be plainly printed, written, engraved, or reproduced on: (a) Each lake  
17 management district bond that is a physical instrument; (b) the  
18 official notice of sale; and (c) each official statement associated  
19 with the lake management district bonds.

20 (3) If the county fails to make any principal or interest payments  
21 on any lake management district bond or to promptly collect any special  
22 assessment securing the bonds when due, the owner of the lake  
23 management district bond may obtain a writ of mandamus from any court  
24 of competent jurisdiction requiring the county to collect the special  
25 assessments, foreclose on the related lien, and make payments out of  
26 the special fund or guaranty fund if one exists. Any number of owners  
27 of lake management districts may join as plaintiffs.

28 (4) A county may create a lake management district bond guaranty  
29 fund for each issue of lake management district bonds. The guaranty  
30 fund shall only exist for the life of the lake management district  
31 bonds with which it is associated. A portion of the bond proceeds may  
32 be placed into a guaranty fund. Unused moneys remaining in the  
33 guaranty fund during the last two years of the installments shall be  
34 used to proportionally reduce the required level of installments and  
35 shall be transferred into the special fund into which installment  
36 payments are placed.

37 (5) Lake management district bonds shall be issued and sold in  
38 accordance with chapter 39.46 RCW. The authority to create a special

1 fund or funds shall include the authority to create accounts within a  
2 fund.

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