
SUBSTITUTE SENATE BILL 5638

State of Washington

57th Legislature

2001 Regular Session

By Senate Committee on State & Local Government (originally sponsored by Senators Gardner, Swecker and Snyder)

READ FIRST TIME 02/28/01.

1 AN ACT Relating to county treasurer technical corrections;
2 amending RCW 35.13.270, 35A.14.801, 36.29.010, 36.29.050,
3 36.29.090, 36.29.100, 36.29.160, 36.29.170, 36.35.120, 36.35.150,
4 39.44.200, 39.46.020, 39.50.010, 39.50.030, 84.38.140, 84.40.042,
5 and 84.56.250; and repealing RCW 84.36.015.

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

7 **Sec. 1.** RCW 35.13.270 and 1998 c 106 s 1 are each amended to read
8 as follows:

9 ~~((Whenever any territory is annexed to a city or town which is~~
10 ~~part of a road district of the county and road district taxes have~~
11 ~~been levied but not collected on any property within the annexed~~
12 ~~territory, the same shall when collected by the county treasurer~~
13 ~~be paid to the city or town and by the city or town placed in the~~
14 ~~city or town street)) Road district taxes levied before the date
15 of annexation to a code city of property within a county road
16 district shall be paid, when collected by the county treasurer, to
17 the county road fund: PROVIDED, That this section shall not apply
18 to any special assessments due in behalf of such property. The city~~

1 or town is required to provide notification, by certified mail,
2 that includes a list of annexed parcel numbers, to the county
3 treasurer and assessor at least thirty days before the effective
4 date of the annexation. (~~The county treasurer is only required to~~
5 ~~remit to the city or town those road taxes collected thirty days~~
6 ~~or more after receipt of the notification.~~)

7 **Sec. 2.** RCW 35A.14.801 and 1998 c 106 s 2 are each amended to read
8 as follows:

9 (~~Whenever any territory is annexed to a code city which is~~
10 ~~part of a road district of the county and road district taxes have~~
11 ~~been levied but not collected on any property within the annexed~~
12 ~~territory, the same shall when collected by the county treasurer~~
13 ~~be paid to the code city and by the city placed in the city~~
14 ~~street)) Road district taxes levied before the date of annexation
15 to a code city of property within a county road district shall be
16 paid, when collected by the county treasurer, to the county road
17 fund: PROVIDED, That this section shall not apply to any special
18 assessments due in behalf of such property. The code city is
19 required to provide notification, by certified mail, that includes
20 a list of annexed parcel numbers, to the county treasurer and
21 assessor at least thirty days before the effective date of the
22 annexation. (~~The county treasurer is only required to remit to the~~
23 code city those road taxes collected thirty or more days after
24 receipt of the notification.)~~

25 **Sec. 3.** RCW 36.29.010 and 1998 c 106 s 3 are each amended to read
26 as follows:

27 The county treasurer:

28 (1) Shall receive all money due the county and disburse it on
29 warrants issued and attested by the county auditor and electronic
30 funds transfer under RCW 39.58.750 as attested by the county
31 auditor;

32 (2) Shall issue a receipt in duplicate for all money received
33 other than taxes; the treasurer shall deliver immediately to the
34 person making the payment the original receipt and the duplicate
35 shall be retained by the treasurer;

36 (3) Shall affix on the face of all paid warrants the date of

1 redemption or, in the case of proper contract between the
2 treasurer and a qualified public depository, the treasurer may
3 consider the date affixed by the financial institution as the date
4 of redemption;

5 (4) Shall (~~indorse~~) endorse, before the date of issue by the
6 county or by any taxing district for whom the county treasurer
7 acts as treasurer, on the face of all warrants for which there are
8 not sufficient funds for payment, "interest bearing warrant." When
9 there are funds to redeem outstanding warrants, the county
10 treasurer shall give notice:

11 (a) By publication in a legal newspaper published or circulated
12 in the county; or

13 (b) By posting at three public places in the county if there is
14 no such newspaper; or

15 (c) By notification to the financial institution holding the
16 warrant;

17 (5) Shall pay interest on all interest-bearing warrants from
18 the date of issue to the date of notification;

19 (6) Shall maintain financial records reflecting receipts and
20 disbursement by fund in accordance with generally accepted
21 accounting principles;

22 (7) Shall account for and pay all bonded indebtedness for the
23 county and all special districts for which the county treasurer
24 acts as treasurer;

25 (8) Shall invest all funds of the county or any special
26 district in the treasurer's custody, not needed for immediate
27 expenditure, in a manner consistent with appropriate statutes. If
28 cash is needed to redeem warrants issued from any fund in the
29 custody of the treasurer, the treasurer shall liquidate
30 investments in an amount sufficient to cover such warrant
31 redemptions; and

32 (9) May provide certain collection services for county
33 departments.

34 The treasurer, at the expiration of the term of office, shall
35 make a complete settlement with the county legislative authority,
36 and shall deliver to the successor all public money, books, and
37 papers in the treasurer's possession.

38

1 **Sec. 4.** RCW 36.29.050 and 1969 ex.s. c 48 s 1 are each amended to
2 read as follows:

3 When the county treasurer redeems any warrant on which interest
4 is due, ~~((he))~~ the treasurer shall enter on ~~((his))~~ the warrant
5 register account the amount of interest paid, distinct from the
6 principal.

7 **Sec. 5.** RCW 36.29.090 and 1963 c 4 s 36.29.090 are each amended to
8 read as follows:

9 Whenever an action based upon official misconduct is commenced
10 against any county treasurer the county commissioners may suspend
11 ~~((him))~~ the treasurer from office until such suit is determined,
12 and may appoint some person to fill the vacancy.

13 **Sec. 6.** RCW 36.29.100 and 1963 c 4 s 36.29.100 are each amended to
14 read as follows:

15 The county treasurer of each county in which there is a city of
16 the first class is ex officio collector of city taxes of such
17 city, and before entering upon the duties of ~~((his))~~ office ~~((he))~~
18 the treasurer shall execute in favor of the city and file with the
19 clerk thereof a good and sufficient bond, the penal sum to be
20 fixed by the city council, such bond to be approved by the mayor
21 of such city or other authority thereof by whom the bond of the
22 city treasurer is required to be approved. All special assessments
23 and special taxation for local improvements assessed on property
24 benefited shall be collected by the city treasurer.

25 **Sec. 7.** RCW 36.29.160 and 1998 c 106 s 4 are each amended to read
26 as follows:

27 The county treasurer shall make segregation, collect, and
28 receive from any owner or owners of any subdivision or portion of
29 any lot, tract or parcel of land upon which assessments or charges
30 have been made or may be made by public utility districts, water-
31 sewer districts, or the county, under the terms of Title 54 RCW,
32 Title 57 RCW, or chapter 36.88, 36.89, or 36.94 RCW, such portion
33 of the assessments or charges levied or to be levied against such
34 lot, tract or parcel of land in payment of such assessment or
35 charges as the board of commissioners of the public utility

1 district, the water-sewer district commissioners or the board of
2 county commissioners, respectively, shall certify to be chargeable
3 to such subdivision, which certificate shall state that such
4 property as segregated is sufficient security for the assessment
5 or charges. Upon making collection upon any such subdivision the
6 county treasurer shall note such payment upon ~~((his))~~ the records
7 of the office of the treasurer and give receipt therefor. When a
8 segregation is required, a certified copy of the resolution shall
9 be delivered to the treasurer of the county in which the real
10 property is located who shall proceed to make the segregation
11 ordered upon being tendered a fee of three dollars for each tract
12 of land for which a segregation is to be made.

13 **Sec. 8.** RCW 36.29.170 and 1963 c 4 s 36.29.170 are each amended
14 to read as follows:

15 The county treasurer shall keep ~~((his))~~ the office of the
16 treasurer at the ~~((seat of justice of his))~~ county seat, and shall
17 keep the same open for transaction of business during business
18 hours; and ~~((he and his))~~ the treasurer and the treasurer's deputy
19 are authorized to administer all oaths necessary in the discharge
20 of the duties of ~~((his))~~ the office.

21 **Sec. 9.** RCW 36.35.120 and 1993 c 310 s 1 are each amended to read
22 as follows:

23 Real property acquired by any county of this state by
24 foreclosure of delinquent taxes may be sold by order of the county
25 legislative authority of the county when in the judgment of the
26 county legislative authority it is deemed in the best interests of
27 the county to sell the real property.

28 When the legislative authority desires to sell any such
29 property it may, if deemed advantageous to the county, combine any
30 or all of the several lots and tracts of such property in one or
31 more units, and may reserve from sale coal, oil, gas, gravel,
32 minerals, ores, fossils, timber, or other resources on or in the
33 lands, and the right to mine for and remove the same, and it shall
34 then enter an order on its records fixing the unit or units in
35 which the property shall be sold and the minimum price for each of
36 such units, and whether the sale will be for cash or whether a

1 contract will be offered, and reserving from sale such of the
2 resources as it may determine and from which units such
3 reservations shall apply, and directing the county treasurer to
4 sell such property in the unit or units and at not less than the
5 price or prices and subject to such reservations so fixed by the
6 county legislative authority. The order shall be subject to the
7 approval of the county treasurer if several lots or tracts of land
8 are combined in one unit.

9 Except in cases where the sale is to be by direct negotiation
10 as provided in (~~this chapter~~) RCW 36.35.150, it shall be the
11 duty of the county treasurer upon receipt of such order to publish
12 once a week for three consecutive weeks a notice of the sale of
13 such property in a newspaper of general circulation in the county
14 where the land is situated. The notice shall describe the property
15 to be sold, the unit or units, the reservations, and the minimum
16 price fixed in the order, together with the time and place and
17 terms of sale, in the same manner as foreclosure sales as provided
18 by RCW 84.64.080.

19 The person making the bid shall state whether he or she will
20 pay cash for the amount of his or her bid or accept a real estate
21 contract of purchase in accordance with the provisions hereinafter
22 contained. The person making the highest bid shall become the
23 purchaser of the property. If the highest bidder is a contract
24 bidder the purchaser shall be required to pay thirty percent of
25 the total purchase price at the time of the sale and shall enter
26 into a contract with the county as vendor and the purchaser as
27 vendee which shall obligate and require the purchaser to pay the
28 balance of the purchase price in ten equal annual installments
29 commencing November 1st and each year following the date of the
30 sale, and shall require the purchaser to pay twelve percent
31 interest on all deferred payments, interest to be paid at the time
32 the annual installment is due; and may contain a provision
33 authorizing the purchaser to make payment in full at any time of
34 any balance due on the total purchase price plus accrued interest
35 on such balance. The contract shall contain a provision requiring
36 the purchaser to pay before delinquency all subsequent taxes and
37 assessments that may be levied or assessed against the property
38 subsequent to the date of the contract, and shall contain a

1 provision that time is of the essence of the contract and that in
2 event of a failure of the vendee to make payments at the time and
3 in the manner required and to keep and perform the covenants and
4 conditions therein required of him or her that the contract may be
5 forfeited and terminated at the election of the vendor, and that
6 in event of the election all sums theretofore paid by the vendee
7 shall be forfeited as liquidated damages for failure to comply
8 with the provisions of the contract; and shall require the vendor
9 to execute and deliver to the vendee a deed of conveyance covering
10 the property upon the payment in full of the purchase price, plus
11 accrued interest.

12 The county legislative authority may, by order entered in its
13 records, direct the coal, oil, gas, gravel, minerals, ores,
14 timber, or other resources sold apart from the land, such sale to
15 be conducted in the manner hereinabove prescribed for the sale of
16 the land. Any such reserved minerals or resources not exceeding two
17 hundred dollars in value may be sold, when the county legislative
18 authority deems it advisable, either with or without such
19 publication of the notice of sale, and in such manner as the
20 county legislative authority may determine will be most beneficial
21 to the county.

22 **Sec. 10.** RCW 36.35.150 and 1997 c 244 s 2 are each amended to read
23 as follows:

24 The county legislative authority may dispose of tax foreclosed
25 property by private negotiation, without a call for bids, for not
26 less than the principal amount of the unpaid taxes in any of the
27 following cases: (1) When the sale is to any governmental agency
28 and for public purposes; (2) when the county legislative authority
29 determines that it is not practical to build on the property due
30 to the physical characteristics of the property or legal
31 restrictions on construction activities on the property; (3) when
32 the property has an assessed value of less than five hundred
33 dollars and the property is sold to an adjoining landowner; or (4)
34 when no acceptable bids were received at the attempted public
35 auction of the property, if the sale is made within (~~six~~) twelve
36 months from the date of the attempted public auction.

37

1 **Sec. 11.** RCW 39.44.200 and 1990 c 220 s 1 are each amended to read
2 as follows:

3 Unless the context clearly requires otherwise, the definitions
4 in this section apply throughout RCW 39.44.200 through 39.44.240.

5 (1) "Bond" means "bond" as defined in RCW 39.46.020, but also
6 includes any other indebtedness that may be issued by any local
7 government to fund private activities or purposes where the
8 indebtedness is of a nonrecourse nature payable from private
9 sources, including debt issued under chapter 39.50 RCW.

10 (2) "Local government" means "local government" as defined in
11 RCW 39.46.020.

12 (3) "Type of bond" includes: (a) General obligation bonds,
13 including councilmanic and voter-approved bonds; (b) revenue
14 bonds; (c) local improvement district bonds; (d) special
15 assessment bonds such as those issued by irrigation districts and
16 diking districts; and (e) other classes of bonds.

17 (4) "State" means "state" as defined in RCW 39.46.020 but also
18 includes any commissions or other entities of the state.

19 **Sec. 12.** RCW 39.46.020 and 1995 c 38 s 6 are each amended to read
20 as follows:

21 Unless the context clearly requires otherwise, the definitions
22 in this section apply throughout this chapter.

23 (1) "Bond" means any agreement which may or may not be
24 represented by a physical instrument, including notes, warrants,
25 or certificates of indebtedness, that evidences an indebtedness of
26 the state or a local government or a fund thereof, where the state
27 or local government agrees to pay a specified amount of money,
28 with or without interest, at a designated time or times to either
29 registered owners or bearers, including debt issued under chapter
30 39.50 RCW.

31 (2) "Local government" means any county, city, town, special
32 purpose district, political subdivision, municipal corporation, or
33 quasi municipal corporation, including any public corporation
34 created by such an entity.

35 (3) "Obligation" means an agreement that evidences an
36 indebtedness of the state or a local government, other than a

1 bond, and includes, but is not limited to, conditional sales
2 contracts, lease obligations, and promissory notes.

3 (4) "State" includes the state, agencies of the state, and
4 public corporations created by the state or agencies of the state.

5 (5) "Treasurer" means the state treasurer, county treasurer,
6 city treasurer, or treasurer of any other municipal corporation.

7 **Sec. 13.** RCW 39.50.010 and 1999 c 153 s 54 are each amended to read
8 as follows:

9 As used in this chapter, the following terms have the meanings
10 indicated unless the context clearly requires otherwise.

11 (1) "Governing body" means the legislative authority of a
12 municipal corporation by whatever name designated;

13 (2) "Local improvement district" includes local improvement
14 districts, utility local improvement districts, road improvement
15 districts, and other improvement districts that a municipal
16 corporation is authorized by law to establish;

17 (3) "Municipal corporation" means any city, town, county, water-
18 sewer district, school district, port district, public utility
19 district, metropolitan municipal corporation, public
20 transportation benefit area, park and recreation district,
21 irrigation district, fire protection district or any other
22 municipal or quasi municipal corporation described as such by
23 statute, or regional transit authority, except joint operating
24 agencies under chapter 43.52 RCW;

25 (4) "Ordinance" means an ordinance of a city or town or
26 resolution or other instrument by which the governing body of the
27 municipal corporation exercising any power under this chapter
28 takes formal action and adopts legislative provisions and matters
29 of some permanency; and

30 (5) "Short-term obligations" are warrants, notes, capital
31 leases, or other evidences of indebtedness, except bonds.

32 **Sec. 14.** RCW 39.50.030 and 1995 c 38 s 9 are each amended to read
33 as follows:

34 (1) The issuance of short-term obligations shall be authorized
35 by ordinance of the governing body which ordinance shall fix the
36 maximum amount of the obligations to be issued or, if applicable,

1 the maximum amount which may be outstanding at any time, the
2 maximum term and interest rate or rates to be borne thereby, the
3 manner of sale, maximum price, form including bearer or registered
4 as provided in RCW 39.46.030, terms, conditions, and the covenants
5 thereof. For those municipalities and taxing and assessment
6 districts for which the county treasurer is not the designated
7 treasurer by law, the ordinance may provide for designation and
8 employment of a paying agent for the short-term obligations and
9 may authorize a designated representative of the municipal
10 corporation, ((or if the county, the county treasurer to act on
11 its behalf and)) subject to the terms of the ordinance in selling
12 and delivering short-term obligations authorized and fixing the
13 dates, price, interest rates, and other details as may be
14 specified in the ordinance. For the county and those taxing and
15 assessment districts for which the county treasurer is the
16 designated treasurer by law or other appointment, the county
17 treasurer shall be notified thirty days in advance of borrowing
18 under this chapter and will be the designated paying agent to act
19 on its behalf for all payments of principal, interest, and
20 penalties for that obligation, subject to the terms of the
21 ordinance in selling and delivering short-term obligations
22 authorized and fixing the dates, price, interest rates, and other
23 details as may be specified in the ordinance. Short-term
24 obligations issued under this section shall bear such fixed or
25 variable rate or rates of interest as the governing body considers
26 to be in the best interests of the municipal corporation. Variable
27 rates of interest may be fixed in relationship to such standard or
28 index as the governing body designates.

29 The governing body may make contracts for the future sale of
30 short-term obligations pursuant to which the purchasers are
31 committed to purchase the short-term obligations from time to time
32 on the terms and conditions stated in the contract, and may pay
33 such consideration as it considers proper for the commitments.
34 Short-term obligations issued in anticipation of the receipt of
35 taxes shall be paid within six months from the end of the fiscal
36 year in which they are issued. For the purpose of this subsection,
37 short-term obligations issued in anticipation of the sale of

1 general obligation bonds shall not be considered to be obligations
2 issued in anticipation of the receipt of taxes.

3 (2) Notwithstanding subsection (1) of this section, such short-
4 term obligations may be issued and sold in accordance with chapter
5 39.46 RCW.

6 **Sec. 15.** RCW 84.38.140 and 1984 c 220 s 27 are each amended to read
7 as follows:

8 (1) The (~~county treasurer~~) department shall collect all the
9 amounts deferred together with interest under this
10 chapter(~~(7)~~). However, in the event that the department is unable
11 to collect an amount deferred together with interest, that amount
12 deferred together with interest shall be collected by the county
13 treasurer in the manner provided for in chapter 84.56 RCW. For
14 purposes of collection of deferred taxes, the provisions of
15 chapters 84.56, 84.60, and 84.64 RCW shall be applicable.

16 (2) When any deferred special assessment and/or real property
17 taxes together with interest are collected the moneys shall be
18 (~~credited to a special account in the county treasury. The county~~
19 ~~treasurer shall remit the amount of deferred special assessment~~
20 ~~and/or real property taxes together with interest to the~~
21 ~~department within thirty days from the date of collection.~~

22 (~~3) The department shall deposit the deferred taxes~~) deposited
23 in the state general fund.

24 **Sec. 16.** RCW 84.40.042 and 1997 c 393 s 17 are each amended to read
25 as follows:

26 (1) When real property is divided in accordance with chapter
27 58.17 RCW, the assessor shall carefully investigate and ascertain
28 the true and fair value of each lot and assess each lot on that
29 same basis, unless specifically provided otherwise by law. For
30 purposes of this section, "lot" has the same definition as in RCW
31 58.17.020.

32 (a) For each lot on which an advance tax deposit has been paid
33 in accordance with RCW 58.08.040, the assessor shall establish the
34 true and fair value by October 30 of the year following the
35 recording of the plat, replat, altered plat, or binding site
36 plan. The value established shall be the value of the lot as of

1 January 1 of the year the original parcel of real property was
2 last revalued. An additional property tax shall not be due on the
3 land until the calendar year following the year for which the
4 advance tax deposit was paid if the deposit was sufficient to pay
5 the full amount of the taxes due on the property.

6 (b) For each lot on which an advance tax deposit has not been
7 paid, the assessor shall establish the true and fair value not
8 later than the calendar year following the recording of the plat,
9 map, subdivision, or replat. For purposes of this section,
10 "subdivision" means a division of land into two or more lots or
11 boundary line adjustments between two or more parcels.

12 (c) For each subdivision, all current year and delinquent taxes
13 and assessments on the entire tract must be paid in full in
14 accordance with RCW 58.17.160 and 58.08.030. For purposes of this
15 section, "current year taxes" means taxes that are collectible
16 under RCW 84.56.010 subsequent to February 14.

17 (2) When the assessor is required by law to segregate any part
18 or parts of real property, assessed before or after July 27, 1997,
19 as one parcel or when the assessor is required by law to combine
20 parcels of real property assessed before or after July 27, 1997,
21 as two or more parcels, the assessor shall carefully investigate
22 and ascertain the true and fair value of each part or parts of the
23 real property and each combined parcel and assess each part or
24 parts or each combined parcel on that same basis.

25 **Sec. 17.** RCW 84.56.250 and 1961 c 15 s 84.56.250 are each amended
26 to read as follows:

27 If any county treasurer (~~shall~~) willfully refuses or neglects
28 to collect any taxes assessed upon personal property, where the
29 same is collectible, or to file the delinquent list and affidavit,
30 as herein provided, (~~he~~) the treasurer shall be held, in his or
31 her next settlement with the (~~auditor~~) county legislative
32 authority, liable for the whole amount of such taxes uncollected,
33 and the same shall be deducted from his or her salary and applied
34 to the several funds for which they were levied.

35 NEW SECTION. **Sec. 18.** RCW 84.36.015 (Property valued at less than

1 five hundred dollars--Exceptions) and 1997 c 244 s 1 are each
2 repealed.

--- END ---

