
Local Government Committee

HB 1801

Brief Description: Authorizing an alternative method of annexation by cities and towns based on utility service.

Sponsors: Representatives Moeller, Clements and Wood.

Brief Summary of Bill
<ul style="list-style-type: none">Creates an alternative means of annexation allowing cities and towns to annex qualifying territory where the city or town provides or has committed to providing retail sewer or water service to at least 75 percent of the proposed annexation territory.Requires sellers of residential real property to indicate on the real property transfer disclosure statement whether utility service or annexation agreements affect the property.

Hearing Date: 1/14/04

Staff: Ethan Moreno (786-7386).

Background:

Current law provides multiple methods for municipal annexations by code and non-code cities and towns. While requirements vary, the annexation methods employed by code and non-code cities and towns are generally similar. A summary of the methods is as follows:

- *Resolution/election method* - requires approval of city or town resolutions by voters residing in the proposed annexation area;
- *Petition/election method* - includes initiatives petitioned by and approved by the voters residing in the proposed annexation area;
- *Direct petition method* - requires approval of direct petitions signed by property owners comprising a specific percentage of land value, without voter action. An alternative direct petition method based upon the signatures of qualifying property owners and registered voters meeting specified criteria was enacted into law in 2003; and
- *Resolution only method* - includes annexations for municipal purposes approved by a majority of the city or town legislative body, or other actions not requiring voter or property owner action.

In 2003 the legislature also enacted a new annexation method by which certain cities and towns planning under the major provisions of the Growth Management Act (GMA jurisdictions) may annex qualifying territory by ordinance if specific requirements, including the negotiation of

interlocal agreements between the participating jurisdictions, are satisfied. In accordance with the newly enacted provisions, an annexation election must be held in the territory to be annexed if more than one city or town adopts interlocal agreements providing for annexation of the same territory.

Annexations for Municipal Purposes

The council of a second class non-code city or town may, by majority vote, annex unincorporated territory for park, cemetery, or other municipal purposes when the territory proposed for annexation is owned by the city or town or when all of the property owners give written consent to the city.

Any legislative body of a code city may, by majority vote, annex territory outside the limits of such city for any municipal purpose when the territory is owned by the city.

Urban Growth Areas

GMA jurisdictions must designate urban growth areas (UGAs) within which urban growth must be encouraged and outside of which growth can occur only if it is not urban in nature. No city or town planning under the major provisions of the GMA may annex territory beyond a UGA.

Residential Property Seller Disclosure Statement

In a transaction for the sale of residential property, the seller must, unless the buyer has expressly waived the right to receive the disclosure statement, or unless the transfer is exempt as provided by law, deliver to the buyer a completed seller disclosure statement in a format prescribed by law. The disclosures pertain to:

1. Title;
2. Water;
3. Sewer/on-site sewage system;
4. Structural
5. Systems and fixtures;
6. Common interests;
7. General;
8. Manufactured and mobile homes; and
9. Full disclosures by sellers.

Summary of Bill:

Municipal purpose annexation statutes are amended to allow city and town legislative bodies to, by majority vote thorough ordinance, annex contiguous unincorporated territory when the city or town provides, or has committed to providing, retail sewer or water service to at least 75 percent of the territory proposed for annexation. The legislative body of the annexing city or town must satisfy public hearing and notification requirements prior to voting on the annexation. Any territory annexed must be within a UGA or otherwise qualified for annexation.

The means of annexation provided for are alternative to existing methods and do not supersede other methods.

The residential real property transfer seller's disclosure statement is amended to require sellers of residential real property to indicate whether utility service or annexation agreements affect the property.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill contains an emergency clause and takes effect immediately.