

HOUSE BILL REPORT

HB 3068

As Reported by House Committee On:

Local Government

Appropriations

Title: An act relating to annexation.

Brief Description: Requiring the department of community, trade, and economic development to study annexation progress in certain counties.

Sponsors: Representatives Clibborn and Romero.

Brief History:

Committee Activity:

Local Government: 2/4/04, 2/5/04 [DP];

Appropriations: 2/9/04, 2/10/04 [DP].

Brief Summary of Bill

- Requires the Department of Community, Trade and Economic Development (CTED) to conduct a study to examine annexation in counties subject to the "buildable lands" provisions of the Growth Management Act (GMA).
- Requires the CTED to report the findings and results of its study to the Legislature's committees on economic development by November 30, 2004.

HOUSE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: Do pass. Signed by 7 members: Representatives Romero, Chair; Simpson, D., Vice Chair; Jarrett, Assistant Ranking Minority Member; Clibborn, Edwards, Moeller and Upthegrove.

Minority Report: Do not pass. Signed by 4 members: Representatives Schindler, Ranking Minority Member; Ahern, Ericksen and Mielke.

Staff: Ethan Moreno (786-7386).

Background:

In addition to specifying numerous land use and planning requirements for counties and cities, the Growth Management Act (GMA) includes policy directives regarding the provision of services by local governments. The GMA recognizes that counties are regional governments within their boundaries, and that cities are the primary providers of urban governmental

services within urban growth areas (UGAs), areas within which urban growth must be encouraged and outside of which growth can occur only if it is not urban in nature. Furthermore, the GMA specifies that cities are the units of local government most appropriate to provide urban governmental services, a term defined to include, in part, storm and sanitary sewer systems, domestic water systems, fire and police protection services, and other public utilities associated with urban areas and normally not associated with rural areas.

The GMA requires six western Washington counties (*i.e.*, Clark, King, Kitsap, Pierce, Snohomish, and Thurston counties) and the cities within those counties to establish a review and evaluation "buildable lands" program. The purpose of the program is to determine whether a county and its cities are achieving urban densities, and identify reasonable measures, other than adjusting UGA boundaries, that will be taken to comply with GMA requirements.

The Department of Community, Trade and Economic Development (CTED) provides technical and financial assistance to jurisdictions implementing the GMA. The CTED also adopts procedural criteria to assist counties and cities in adopting comprehensive plans and development regulations that meet the goals and requirements of the GMA.

Current law authorizes multiple methods for municipal annexations. While code and non-code cities and towns have separate statutory requirements for governance and operation, the annexation methods employed are generally similar.

Summary of Bill:

Subject to legislative funding, the Department of Community, Trade and Economic Development (CTED) must conduct a study to examine annexation in counties subject to the "buildable lands" provisions of the Growth Management Act (GMA). The CTED must report the findings and results of its study to the Legislature's committees on economic development by November 30, 2004.

The study is not intended to replicate the requirements to review and evaluate growth prescribed in the "buildable lands" provisions of the GMA.

The study must:

- detail the progress in each of the "buildable lands" counties in achieving annexation or incorporation of its urban growth area (UGA) since adoption of county-wide planning policies;
- determine the characteristics of remaining urban unincorporated areas and current statutes, and estimate when all urban unincorporated areas in each county will be annexed or incorporated;
- survey the counties to identify obstacles that slow or prohibit annexation;
- survey the subject cities to identify obstacles that slow or prohibit annexation;

- survey residents of urban unincorporated areas in the counties to identify attitudes towards annexation or incorporation;
- propose possible changes to city and county taxing authority that will serve to aid the transfer of [or] annexation of remaining UGAs in a timely manner;
- identify and discuss the need for funding of capital improvement projects needed to provide urban levels of service;
- assess the role and statutory authority of the boundary review board and how altering their role and authority might facilitate annexation; and
- propose possible changes to growth management or annexation processes that will facilitate annexation.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.

Testimony For: This bill is a request from and a priority for King County, where annexations are difficult and complicated. The study required by this bill is not intended to replicate the "buildable lands" provisions of the GMA, but rather will require an examination of existing data. The bill will help determine why annexations cannot easily be done. The King County executive is willing to advocate to county council for sharing the costs of conducting the study. Annexations are a final component of implementing the GMA. Islands of unincorporated territory have become burdensome to counties. This bill will be a collaborative and effective way to break the current annexation log jam. Issues addressed through annexation-related considerations, such as providing and paying for services to residents, are important.

Testimony Against: None.

(Concerns) The GMA envisions that a transition of services will occur over time in unincorporated UGAs: annexations are key to these transitions. A recent supreme court decision eased certain annexation processes, but this bill will also address other related issues. The tight timeline of the bill will require the study to be conducted using existing data that may vary in type from jurisdiction to jurisdiction.

(Neutral) Much of the information called for by the study is available and can be combined to comply with the requirements of the bill. The bill should be modified to require related surveys of residents within cities affected by annexations. Examining the role of boundary review boards and annexation statutes, as required by this bill, would be helpful. The provisions of this bill could be incorporated into HB 2805.

Persons Testifying: (In support) Representative J. Clibborn, Prime Sponsor; Karen Reed, King County; and Genesee Adkins, 1000 Friends of Washington.

(Concerns) Leonard Bauer, Washington State Department of Community, Trade and Economic Development.

(Neutral) Dave Williams, Association of Washington Cities.

Persons Signed In To Testify But Not Testifying: None.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: Do pass. Signed by 16 members: Representatives Sommers, Chair; Fromhold, Vice Chair; Chandler, Cody, Conway, Dunshee, Grant, Hunter, Kagi, Kenney, Kessler, Linville, McIntire, Miloscia, Ruderman and Schual-Berke.

Minority Report: Do not pass. Signed by 11 members: Representatives Sehlin, Ranking Minority Member; Pearson, Assistant Ranking Minority Member; Alexander, Anderson, Boldt, Buck, Clements, Cox, McDonald, Sump and Talcott.

Staff: Amy Hanson (786-7118).

Summary of Recommendation of Committee On Appropriations Compared to Recommendation of Committee On Local Government:

No new changes were recommended.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.

Testimony For: The timeline on this bill is much shorter than SHB 2805. The results of this study would be due by November 2004 and the study is isolated to the urban or "buildable" land counties. King County has been tackling an in-depth review of the services provided and where they are provided. Though a fair amount of progress has been made in transitioning urban growth areas to cities, there are still a huge number of residents within the urban growth boundary who don't live in cities. A state look at the implementation of the Growth Management Act may help identify ideas to accelerate the rate of annexation.

Testimony Against: None.

Persons Testifying: (In support) Suzanne Dale-Estey, King County.

Persons Signed In To Testify But Not Testifying: None.