

SENATE BILL REPORT

SB 5432

As Reported By Senate Committee On:
Government Operations & Elections, February 18, 2003

Title: An act relating to the sale of property by water-sewer districts.

Brief Description: Modifying the sale of real property by water-sewer districts.

Sponsors: Senators Roach, Kastama, Stevens and Fairley.

Brief History:

Committee Activity: Government Operations & Elections: 2/7/03, 2/18/03 [DPS].

SENATE COMMITTEE ON GOVERNMENT OPERATIONS & ELECTIONS

Majority Report: That Substitute Senate Bill No. 5432 be substituted therefor, and the substitute bill do pass.

Signed by Senators Roach, Chair; Stevens, Vice Chair; Kastama, McCaslin and Reardon.

Staff: Mac Nicholson (786-7445)

Background: A water-sewer district cannot sell at a private sale real property with an appraised value exceeding \$2,500. The appraised value is established by a written appraisal made by three disinterested and licensed real estate brokers or professionally designated real estate appraisers. The appraisal must be signed by the appraisers and filed with the district. Notice of intent to sell property of the district must recite the appraised value.

Summary of Substitute Bill: A water sewer-district cannot sell real property at a private sale when the initial appraised value exceeds \$2,500. An initial appraised value is determined by the board of commissioners based on an appraisal from a real estate appraiser. When the initial value exceeds \$2,500, a formal appraised value must be determined by a written appraisal made by three real estate brokers or appraisers.

Substitute Bill Compared to Original Bill: The section in the original bill providing water-sewer districts with an alternative method of selling property is eliminated. Prior to selling property, a water-sewer district must seek at least an initial appraised value rather than an estimated value. The original bill changed current law to allow only one appraiser to determine the formal appraised value (rather than three), and the substitute removes that provision.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: This bill makes it easier and less expensive for a water-sewer district to sell a small parcel of real property.

Testimony Against: None.

Testified: Joe Daniels, Hal Schlomann, WA Assn. of Water-Sewer Districts (pro).