

# SENATE BILL REPORT

## SHB 1158

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As Reported By Senate Committee On:  
Government Operations & Elections, March 30, 2005

**Title:** An act relating to county treasurer administrative changes.

**Brief Description:** Modifying county treasurer administrative provisions.

**Sponsors:** House Committee on Local Government (originally sponsored by Representatives Takko and Alexander).

**Brief History:** Passed House: 3/04/05, 96-0.

**Committee Activity:** Government Operations & Elections: 3/24/05, 3/30/05 [DPA].

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### SENATE COMMITTEE ON GOVERNMENT OPERATIONS & ELECTIONS

**Majority Report:** Do pass as amended.

Signed by Senators Kastama, Chair; Berkey, Vice Chair; Roach, Ranking Minority Member; Benton, Fairley, Haugen, Kline, McCaslin, Mulliken and Pridemore.

**Staff:** Genevieve Pisarski (786-7488)

**Background:** State law authorizes the county treasurer to serve as the custodian of county funds and administrator of county financial transactions. The county treasurer also provides these services to special purpose districts and other units of local government in the county, except cities. In addition, the treasurer collects various taxes and performs miscellaneous duties, including sale of bonds and surplus county property.

The county treasurer's functions are governed by a number of state statutes that establish detailed requirements for the receipt, disbursement, investment, and accounting of the funds for which the treasurer is responsible. Specific activities that are governed by statute include receiving required documents and payments from the public, handling funds received by county departments, administering foreclosure proceedings, handling voluntary payments under land use laws, and collecting real estate excise tax and other property taxes and assessments.

**Summary of Amended Bill:** The shipping date on mail or parcels delivered by a private third-party delivery service is treated the same as a United States Postal Service postmark date.

The county treasurer specifies the accounts into which the entities that the treasurer serves must deposit funds they receive.

Excess proceeds from foreclosures are not subject to the Uniform Unclaimed Property Act and are not subject to unclaimed property reporting requirements.

The interest rate paid on refunds of voluntary deposits made under various land use laws is calculated using the same formula that is used to calculate interest on property tax refunds. The rate is set as of the date that the deposit is made.

A boundary line adjustment cannot be recorded unless taxes and assessments have been paid. Adjustments that are made as provided by law to settle a dispute by agreement of the parties or to allow public use by a government are excepted.

Active duty military personnel in armed conflict overseas are not subject to interest or penalties for unpaid property taxes on a personal residence, beginning with taxes due in 2005.

In order to have a right to any of the excess proceeds from a foreclosure sale, a person must pay the taxes before the certificate of delinquency is filed. Thereafter, redemption rights and procedures are those established for persons having a recorded interest.

A third party who makes a property tax payment in error cannot obtain a refund from the county.

**Amended Bill Compared to Original Bill:** The time of judgment is removed from one of two times when taxes could be paid in order to have a right to excess proceeds from foreclosure, leaving only the time of the certificate of delinquency.

**Appropriation:** None.

**Fiscal Note:** Available.

**Committee/Commission/Task Force Created:** No.

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

**Testimony For:** This committee has already passed the identical Senate companion to this bill. This responds to a number of county treasurer needs. Exempting active duty military personnel from interest and penalties is supported by everyone.

**Testimony Against:** There was no testimony in opposition.

**Who Testified:** PRO: Rep. Takko, Prime Sponsor; Rose Bowman, Lewis County Treasurer, Washington State Association of County Treasurers; Phil Sanders, King County Treasurer; Ron Stribbing, Grays Harbor County Treasurer, Washington State Association of County Treasurers.