

# HOUSE BILL REPORT

## HB 2610

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### As Reported by House Committee On: Local Government

**Title:** An act relating to repealing provisions governing community municipal corporations.

**Brief Description:** Repealing provisions governing community municipal corporations.

**Sponsors:** Representatives Springer, Eddy, Goodman, Stanford, Moscoso and Kagi.

#### **Brief History:**

##### **Committee Activity:**

Local Government: 1/24/12, 1/27/12 [DP].

#### **Brief Summary of Bill**

- Provides that community municipal corporations for cities and towns may not be organized after January 1, 2012.
- Expires provisions governing existing municipal corporations on January 6, 2014.

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### HOUSE COMMITTEE ON LOCAL GOVERNMENT

**Majority Report:** Do pass. Signed by 6 members: Representatives Takko, Chair; Fitzgibbon, Vice Chair; Asay, Assistant Ranking Minority Member; Springer, Tharinger and Upthegrove.

**Minority Report:** Do not pass. Signed by 3 members: Representatives Angel, Ranking Minority Member; Rodne and Smith.

**Staff:** Ann Koepke (786-7291) and Ethan Moreno (786-7386).

#### **Background:**

Community municipal corporations (corporations) may be organized when unincorporated territory is annexed by a city or town using certain annexation provisions if the service area: (1) would be otherwise eligible for incorporation as a city or town; (2) has at least 300 inhabitants and 10 percent of the population of the annexing city or town; or (3) has at least

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1,000 inhabitants. Corporations may also be organized when two or more cities are consolidated pursuant to specific statutory requirements. Two community municipal corporations currently exist in Washington: the East Bellevue Community Council and the Houghton Community Council.

No territory may be included within the service area of two or more corporations. After initial organization, the ongoing existence of corporations must be ratified by qualified voters within the service area of the corporation every four years.

Corporations are governed by a community council composed of five members serving four-year terms. Community council members are elected at the same elections authorizing the continued existence of the corporation. Community councils are staffed by a deputy to the appropriate city clerk. The city is required to provide the council with clerical and technical assistance and a properly equipped office. The necessary expenses of the community council must be budgeted and paid by the city.

Corporations have specific land use powers and duties prescribed in statute. The adoption, approval, enactment, amendment, granting, or authorization by the city council or commission of an ordinance or resolution applying to land, buildings, or structures within a corporation becomes effective upon either approval by the community council, or by failure of the community council to disapprove the ordinance or resolution within 60 days. Such authority applies to specified land use controls, including comprehensive plans, zoning ordinances, and subdivision plats.

In addition to powers and duties relating to the approval of zoning regulations and restrictions, a corporation acting through its community council may:

- make recommendations concerning a proposed comprehensive plan or other proposal that directly or indirectly affects the use of property or land within the service area;
- provide a forum for the consideration of the conservation, improvement, or development of property or land within the service area; and
- advise, consult, and cooperate with the legislative authority of the city on local matters directly or indirectly affecting the service area.

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**Summary of Bill:**

The statutory authority providing for the initial organization of community municipal corporations for cities and towns expires June 7, 2012. Provisions regarding the governance and operations of community municipal corporations expire January 6, 2014.

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**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed, except for section 2, relating to the governance and operations of community municipal corporations, and section 10, relating to the boundaries of public utility districts, which take effect on January 6, 2014.

**Staff Summary of Public Testimony:**

(In support) This bill fits into the context of the more comprehensive look the Legislature is taking at local governments in general. This legislation is a concerted effort to examine ways to lessen the burden on local governments, to streamline them, and make them more efficient. The statute authorizing the creation of municipal corporations was legitimately created over 40 years ago to facilitate the merger of two cities. But the existence of community councils presents a problem in that everyone in a city should have equal representation. Each person should receive one vote. With community municipal corporations, a small group of people have two votes on land use, as well as veto power over the rest of the city. The fact that there are only two community municipal corporations remaining demonstrates that these are not a viable governmental entity. Neighborhood associations, which operate in an advisory capacity, are a more suitable alternative to address the needs of a smaller group of city residents.

(Opposed) Neither city which currently has a community municipal corporation has requested this legislation. It is not appropriate for the state to decide to dissolve community municipal corporations; that should be a decision for the residents of the city itself. It is true that some people may wish they had the voting and veto power that residents within the service area of a municipal corporation have, but this is not a good enough reason to end community municipal corporations. Some community municipal corporations have voted to end their existence. That has not happened with the two existing corporations because they are working well and are of relatively small cost to the cities in which they are located.

Community municipal corporations work with the cities to better serve the residents. They are another level of government so that cities and citizens can work together constructively and, to date, have been responsible for several projects of benefit to the city. Finally, residents within a community municipal corporation already vote every four years on the continuation of the corporation, so the state does not need to be involved in deciding whether or not they should continue. These are city agreements, and the state Legislature should not insert itself into these agreements.

**Persons Testifying:** (In support) Representative Springer, prime sponsor; and Nona Ganz.

(Opposed) Rick Whitney; Ken Seal; Georgine Foster; and John Kappler.

**Persons Signed In To Testify But Not Testifying:** None.