

HOUSE BILL REPORT

SB 5265

As Reported by House Committee On:
Local Government

Title: An act relating to flood control zone districts.

Brief Description: Authorizing multijurisdiction flood control zones.

Sponsors: Senators Swecker, Pridemore and Prentice.

Brief History:

Committee Activity:

Local Government: 3/8/11, 3/15/11 [DPA].

**Brief Summary of Bill
(As Amended by House)**

- Authorizes the creation of multijurisdiction flood control zone districts (multijurisdiction zones) to exercise the same powers as flood control zone districts over watersheds spanning two or more counties or reservations of federally recognized Indian tribes.
- Provides for the formation, governance, and operations of a multijurisdiction zone.

HOUSE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: Do pass as amended. Signed by 8 members: Representatives Takko, Chair; Tharinger, Vice Chair; Angel, Ranking Minority Member; Asay, Assistant Ranking Minority Member; Fitzgibbon, Rodne, Springer and Upthegrove.

Minority Report: Without recommendation. Signed by 1 member: Representative Smith.

Staff: Heather Emery (786-7136).

Background:

Flood Control Zone District.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

A flood control zone district (zone) is a special purpose district designed to undertake, operate, or maintain flood control projects or storm water control projects that are of special benefit to specified areas of a county. A zone must be located in a single county and may include any area within a county that is not included in another zone. Alternatively, a zone may be countywide and incorporate the boundaries of any and all watersheds not specifically organized into flood control zone districts. Countywide zones may be divided into subzones, each of which operates like a zone.

Formation of a Zone.

A zone may be formed by action of the legislative body of the county or by petition by 25 percent of voters in a zone. If the zone is formed by petition, the county legislative body must incorporate the terms of the petition in a resolution within 40 days of receipt of the petition.

Governance and Operations of a Zone.

Members of the board of county commissioners are ex officio supervisors of zones. If a zone has more than 2,000 inhabitants, an election to elect three zone supervisors other than county commissioners may be held.

Because each zone is located in a single county, existing county officials may handle zone administration. The county engineer, who is charged with administering the affairs of a zone, is authorized to appoint deputies, engage employees, and organize the zone into administrative departments. The county engineer is also authorized to approve all plans for specific projects and to supervise work whenever certain state grant funds are used in a flood control maintenance project. The county treasurer, who serves as zone treasurer, is responsible for establishing a zone flood control fund into which revenues available to a zone are deposited. Zone supervisors adopt a zone budget at the same time the county budget is prepared.

Powers and Duties of a Zone.

The powers and authority of zones are far-reaching. Among other functions, zones may:

- exercise the powers vested in a county for flood water or storm water control purposes;
- plan, construct, acquire, repair, maintain, and operate all necessary equipment, facilities, improvements, and works to control, conserve, and remove flood waters and storm waters, and protect quality of water sources;
- control, conserve, retain, reclaim, and remove flood waters and storm waters, including waters of lakes and ponds, subject to the acquisition of appropriate water rights;
- acquire necessary property, property rights, facilities, and equipment necessary to the purposes of the zone by purchase, gift, or condemnation;
- acquire or reclaim lands when incidental to the purposes of the zone and dispose of such lands; and
- sue and be sued in the name of the zone.

Zone Finances.

A zone is an independent taxing authority subject to the 1 percent levy lid. A zone may receive funding from a variety of sources, including property tax receipts; rates, charges, and assessments; and debt proceeds.

A zone may impose annual, nonvoter-approved regular property tax levies of up to 50 cents per \$1,000 of assessed value. With 60 percent voter approval, a zone may also impose excess levies for general purposes and to retire general obligation bonds issued for capital purposes.

A zone may issue three kinds of bonds: nonvoter-approved general obligation bonds, voter-approved general obligation bonds, and revenue bonds. Without voter approval, a zone may incur general indebtedness and issue general obligation bonds of up to three-eighths of 1 percent of the value of taxable property in the zone. With voter approval, a zone may authorize the issuance of general obligation bonds not to exceed an amount, together with any outstanding general obligation indebtedness, equal to three-fourths of 1 percent of the value of taxable property within the zone or participating zones. A zone may also issue a variety of revenue bonds that are payable from a specified fund.

Summary of Amended Bill:

When a watershed spans territory in two or more counties or reservations of federally recognized Indian tribes, formation of a multijurisdiction flood control zone (multijurisdiction zone) vested with the same powers and immunities as a flood control zone district is authorized.

Formation of a Multijurisdiction Flood Control Zone District.

Unlike a flood control zone district, creation of a multijurisdiction zone may not be initiated by petition. The legislative authorities of participating counties and tribes may create a multijurisdiction zone by executing a formation agreement, which must specify:

- the multijurisdiction zone's boundaries;
- the multijurisdiction zone's flood control needs or requirements;
- the number, qualifications, terms, and manner of election or appointment of supervisors;
- which county treasurer will carry out the responsibilities of the multijurisdiction zone treasurer;
- which county engineer will carry out the responsibilities of the multijurisdiction zone engineer, or whether the administration of the multijurisdiction zone will be handled by someone other than a county engineer;
- how and when adoption of a budget will occur; and
- how property taxes will be established so that combined levies do not exceed the statutory cap.

Additionally, the formation agreement may specify:

- policies and procedures governing the adoption of rates, charges, taxes, and assessments;
- policies governing expenditures; and

- provisions relating to establishing an advisory committee.

A multijurisdiction zone is formed if the legislative authority of each participating county, after holding a public hearing, approves the formation agreement, and if participating tribes take appropriate tribal action to approve the agreement.

Governance and Operations of a Multijurisdiction Zone.

The roles and responsibilities of the multijurisdiction zone's supervisors, treasurer, and engineer are set forth in the formation agreement. A supervisor is eligible to vote on policies relating to the imposition of rates, charges, taxes, and assessments if the supervisor represents a jurisdiction that:

- is subject to the imposition of the rates, charges, taxes, and assessments of the multijurisdiction zone;
- agrees to subject itself to the imposition of these rates, charges, taxes, and assessments of the multijurisdiction zone; or
- agrees to contribute an amount commensurate to what its obligation would be if these rates, charges, taxes, and assessments were imposed on all lands within its jurisdiction.

Powers and Duties of a Multijurisdiction Zone.

A multijurisdiction zone is authorized to exercise the same powers and duties as a zone. Additionally, a multijurisdiction zone or a zone may contract with any government entity with which it is authorized to cooperate, including federally recognized Indian tribes, and it may convey property, with or without compensation, to the state, another local government entity, or a federally recognized Indian tribe.

Multijurisdiction Zone Finances.

A multijurisdiction zone is authorized to impose taxes and levies and to incur indebtedness to the same extent as a zone. However, if the boundaries of a multijurisdiction zone overlap with the boundaries of a zone, the combined ad valorem property tax may not exceed 50 cents per \$1,000 of assessed value of land, unless other impacted taxing districts agree to release their share of the authorized levy.

Boundary Review Boards.

While a flood control zone district is subject to the jurisdiction of a boundary review board, a multijurisdiction zone is not.

Amended Bill Compared to Original Bill:

A provision is added establishing that only a supervisor who represents a jurisdiction subject to the imposition of rates, charges, taxes, and assessments imposed by the multijurisdiction zone, or a jurisdiction that agrees to subject itself to such financial obligations or contribute an amount commensurate, is eligible to vote on policies related to the imposition of rates, charges, taxes, and assessments by a multijurisdiction zone.

Appropriation: None.

Fiscal Note: Available on original bill.

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

Staff Summary of Public Testimony:

(In support) This bill is designed to address a particular problem concerning the Chehalis River basin. Several jurisdictions working on flood control plans have noted the need for a district to be formed before projects can proceed. Flood-related issues need study and collaboration to come up with effective solutions.

(Opposed) None.

Persons Testifying: Senator Swecker, prime sponsor.

Persons Signed In To Testify But Not Testifying: None.