
SUBSTITUTE HOUSE BILL 2748

State of Washington

62nd Legislature

2012 Regular Session

By House Ways & Means (originally sponsored by Representatives Fitzgibbon, Anderson, and Hasegawa)

READ FIRST TIME 02/07/12.

1 AN ACT Relating to transferring ferry and flood control zone
2 district functions and taxing authorities to county legislative
3 authorities in counties with a population of one million five hundred
4 thousand or more; adding new chapters to Title 36 RCW; and providing an
5 effective date.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

7 **PART I**
8 **COUNTY FERRY DISTRICT FUNCTIONS AND TAXING AUTHORITY**

9 NEW SECTION. **Sec. 101.** Any county with a population of one
10 million five hundred thousand or more in which a county ferry district
11 has been established pursuant to RCW 36.54.110 through 36.54.190 with
12 boundaries coterminous with the boundaries of the county may by
13 ordinance or resolution, as the case may be, of the county legislative
14 authority assume the rights, powers, functions, and obligations of such
15 county ferry district in accordance with the provisions of this
16 chapter.

1 NEW SECTION. **Sec. 102.** The assumption of the rights, powers,
2 functions, and obligations of a county ferry district may be initiated
3 by the adoption of an ordinance or a resolution, as the case may be, by
4 the county legislative authority indicating its intention to conduct a
5 hearing concerning assumption of such rights, powers, functions, and
6 obligations. In the event the county legislative authority adopts such
7 an ordinance or a resolution of intention, such ordinance or resolution
8 must set a time and place at which it will consider the proposed
9 assumption of the rights, powers, functions, and obligations of the
10 county ferry district, and must state that all persons interested may
11 appear and be heard. Such ordinance or resolution of intention must
12 be published for at least two times during the two weeks next preceding
13 the scheduled hearing in newspapers of daily general circulation
14 printed or published in the county in which the county ferry district
15 is to be located.

16 NEW SECTION. **Sec. 103.** At the time scheduled for the hearing in
17 the ordinance or resolution of intention, the county legislative
18 authority must consider the assumption of the rights, powers,
19 functions, and obligations of the county ferry district, and hear those
20 appearing and all protests and objections to it. The county
21 legislative authority may continue the hearing from time to time, not
22 exceeding sixty days in all.

23 NEW SECTION. **Sec. 104.** (1) If, after receiving testimony, the
24 county legislative authority determines that the public interest or
25 welfare would be satisfied by the county assuming the rights, powers,
26 immunities, functions, and obligations of the county ferry district,
27 the county legislative authority may declare that to be its intent and
28 assume such rights, powers, immunities, functions, and obligations by
29 ordinance or resolution, as the case may be, providing thereby that the
30 county is vested with every right, power, immunity, function, and
31 obligation currently granted to or possessed by the county ferry
32 district pursuant to RCW 36.54.110 through 36.54.190 (including RCW
33 36.54.130 relating to county ferry district authority to levy and use
34 an annual ad valorem property tax) and other provisions of state law
35 applicable to county ferry districts established under RCW 36.54.110
36 through 36.54.190. However, in exercising such rights, powers,

1 immunities, functions, and obligations, all actions must be taken in
2 the name of the county and title to all property or property rights
3 vest in the county.

4 (2) Upon assumption of the rights, powers, immunities, functions,
5 and obligations of the county ferry district by the county, the
6 governing body established pursuant to the provisions of RCW
7 36.54.110(5) must be abolished; such provision must be inapplicable to
8 the county; and the county legislative authority is thereafter vested
9 with all rights, powers, immunities, functions, and obligations
10 otherwise vested by law in the governing board of the county ferry
11 district. However, in any county with a home rule charter such rights,
12 powers, functions, and obligations vest in accordance with the
13 executive and legislative responsibilities defined in such charter.

14 NEW SECTION. **Sec. 105.** Employees and personnel of the county
15 ferry district do not automatically become employees of the county.

16 NEW SECTION. **Sec. 106.** No transfer of any function made pursuant
17 to this chapter may be construed to impair or alter any existing rights
18 acquired under the provisions of RCW 36.54.110 through 36.54.190 or any
19 other provision of law relating to county ferry districts, nor as
20 impairing or altering any actions, activities, or proceedings validated
21 thereunder, nor as impairing or altering any civil or criminal
22 proceedings instituted thereunder, nor any rule, regulation, or order
23 promulgated thereunder, nor any administrative action taken thereunder;
24 and neither the assumption of control of any county ferry district
25 function by a county, nor any transfer of rights, powers, functions,
26 and obligations as provided in this chapter, may impair or alter the
27 validity of any act performed by such county ferry district or division
28 thereof or any officer thereof prior to the assumption of such rights,
29 powers, functions, and obligations by any county as authorized by this
30 chapter. Furthermore, an ad valorem property tax levy upon real and
31 personal property authorized by RCW 36.54.130 and levied by a county as
32 authorized by this chapter must be treated as a levy by a county ferry
33 district for all purposes including, but not limited to, limitations on
34 levies contained in RCW 84.52.043.

1 NEW SECTION. **Sec. 107.** (1) All rules and regulations, and all
2 pending business before the board of any county ferry district
3 transferred pursuant to the provisions of this chapter must be
4 continued and acted upon by the county.

5 (2) All existing contracts and obligations of the transferred
6 county ferry district remain in full force and effect, and must be
7 performed by the county. No transfer authorized in this chapter
8 affects the validity of any official act performed by any official or
9 employee prior to the transfer authorized pursuant to this chapter.

10 NEW SECTION. **Sec. 108.** (1) When the rights, powers, functions,
11 and obligations of a county ferry district are transferred pursuant to
12 this chapter, all real and personal property owned by the county ferry
13 district becomes that of the county.

14 (2) All reports, documents, surveys, books, records, files, papers,
15 or other writings relating to the administration of the powers, duties,
16 and functions transferred pursuant to this chapter and available to the
17 county ferry district must be made available to the county.

18 (3) All cabinets, furniture, office equipment, motor vehicles, and
19 other tangible property employed in carrying out the rights, powers,
20 functions, and obligations transferred by this chapter and available to
21 the county ferry district must be made available to the county.

22 (4) All funds, credits, or other assets held in connection with
23 powers, duties, and functions transferred under this section must be
24 assigned to the county.

25 (5) Any appropriations or federal grant made to the county ferry
26 district for the purpose of carrying out the rights, powers,
27 functions, and obligations authorized to be assumed by a county
28 pursuant to this chapter, on the effective date of such transfer, must
29 be credited to the county for the purpose of carrying out such
30 transferred rights, powers, functions, and obligations.

31 NEW SECTION. **Sec. 109.** (1) The county must assume and agree to
32 provide for the payment of all of the indebtedness of the county ferry
33 district including the payment and retirement of outstanding general
34 obligation and revenue bonds issued by the county ferry district.
35 Until the indebtedness of a county ferry district assumed by a county
36 under this chapter has been discharged, all property within the

1 boundaries of the county ferry district and the owners and occupants of
2 that property continue to be liable for taxes, special assessments, and
3 other charges legally pledged to pay the indebtedness of the county
4 ferry district. The county must assume the obligation of causing the
5 payment of such indebtedness, collecting such taxes, assessments, and
6 charges, and observing and performing the other contractual obligations
7 of the county ferry district. The legislative authority of the county
8 must act in the same manner as the governing body of the county ferry
9 district for the purpose of certifying the amount of any property tax
10 to be levied and collected therein, and may cause service and other
11 charges and assessments to be collected from such property or owners or
12 occupants thereof, enforce such collection, and perform all acts
13 necessary to ensure performance of the contractual obligations of the
14 county ferry district in the same manner and by the same means as if
15 the property of the county ferry district had not been acquired by the
16 county.

17 (2) When a county assumes the obligation of paying indebtedness of
18 a county ferry district and if property taxes or assessments have been
19 levied and service and other charges have accrued for such purpose but
20 have not been collected by the county ferry district prior to such
21 assumption, the same when collected must belong and be paid to the
22 county and be used by such county so far as necessary for payment of
23 the indebtedness of the county ferry district existing and unpaid on
24 the date such county assumed that indebtedness. Any funds received by
25 the county which have been collected for the purpose of paying any
26 bonded or other indebtedness of the county ferry district must be used
27 for the purpose for which they were collected and for no other purpose
28 until such indebtedness has been paid and retired or adequate provision
29 has been made for such payment and retirement. Any funds remaining
30 after the payment and retirement of such indebtedness must be used
31 solely for carrying out the rights, powers, functions, and obligations
32 of the county ferry district assumed by the county. No transfer of
33 property as provided in this chapter derogates from the claims or
34 rights of the creditors of the county ferry district or impair the
35 ability of the county ferry district to respond to its debts and
36 obligations.

1 **PART II**

2 **FLOOD CONTROL ZONE DISTRICT FUNCTIONS AND TAXING AUTHORITY**

3 NEW SECTION. **Sec. 201.** (1) Any county with a population of over
4 one million five hundred thousand persons in which a flood control zone
5 district has been established under chapter 86.15 RCW with boundaries
6 coterminous with the boundaries of the county may by ordinance or by
7 resolution, as the case may be, of the county legislative authority
8 assume the rights, powers, immunities, functions, and obligations of
9 such flood control zone district in accordance with the provisions of
10 this chapter.

11 (2) The definitions in RCW 86.15.010 apply to this chapter.

12 NEW SECTION. **Sec. 202.** The assumption of the rights, powers,
13 immunities, functions, and obligations of a flood control zone district
14 may be initiated by the adoption of an ordinance or a resolution, as
15 the case may be, by the county legislative authority indicating its
16 intention to conduct a hearing concerning assumption of such rights,
17 powers, immunities, functions, and obligations. In the event the
18 county legislative authority adopts such an ordinance or a resolution
19 of intention, such ordinance or resolution must set a time and place at
20 which it will consider the proposed assumption of the rights, powers,
21 immunities, functions, and obligations of the flood control zone
22 district, and must state that all persons interested may appear and be
23 heard. Such ordinance or resolution of intention must be published at
24 least two times during the two weeks next preceding the scheduled
25 hearing in newspapers of daily general circulation printed or published
26 in the county in which the flood control zone district is located.

27 NEW SECTION. **Sec. 203.** At the time scheduled for the hearing in
28 the ordinance or resolution of intention, the county legislative
29 authority must consider the assumption of the rights, powers,
30 immunities, functions, and obligations of the flood control zone
31 district, and hear those appearing and all protests and objections to
32 it. The county legislative authority may continue the hearing from
33 time to time, not exceeding sixty days in all.

34 NEW SECTION. **Sec. 204.** (1) If, after receiving testimony, the
35 county legislative authority determines that the public interest or

1 welfare would be satisfied by the county assuming the rights, powers,
2 immunities, functions, and obligations of the flood control zone
3 district, the county legislative authority may declare that to be its
4 intent and assume such rights, powers, immunities, functions, and
5 obligations by ordinance or resolution, as the case may be, providing
6 thereby that the county is vested with every right, power, immunity,
7 function, and obligation currently granted to or possessed by the flood
8 control zone district pursuant to chapter 86.15 RCW (including RCW
9 86.15.160(3) relating to flood control zone district authority to levy
10 and use an annual ad valorem property tax and other provisions of state
11 law applicable to flood control zone districts established under
12 chapter 86.15 RCW. However, in exercising such rights, powers,
13 immunities, functions, and obligations, all actions must be taken in
14 the name of the county and title to all property or property rights
15 vests in the county, and the proviso contained in RCW 86.15.080(1) does
16 not apply to such county.

17 (2) Upon assumption of the rights, powers, immunities, functions,
18 and obligations of the flood control zone district by the county, the
19 board of supervisors established under RCW 86.15.050 must be abolished,
20 and the provisions of RCW 86.15.050 through 86.15.060 and 86.15.120 are
21 inapplicable to the county, and the county legislative authority is
22 thereafter vested with all rights, powers, immunities, functions, and
23 obligations otherwise vested by law in the flood control zone district.
24 However, in any county with a home rule charter such rights, powers,
25 functions, and obligations vest in accordance with the executive and
26 legislative responsibilities defined in such charter.

27 NEW SECTION. **Sec. 205.** No transfer of any function made pursuant
28 to this chapter may be construed to impair or alter any existing rights
29 acquired under the provisions of chapter 86.15 RCW or any other
30 provision of law relating to flood control zone districts, nor as
31 impairing or altering any actions, activities, or proceedings validated
32 thereunder, nor as impairing or altering any civil or criminal
33 proceedings instituted thereunder, nor any rule, regulation, or order
34 promulgated thereunder, nor any administrative action taken thereunder;
35 and neither the assumption of control of any flood control zone
36 district function by a county, nor any transfer of rights, powers,
37 immunities, functions, and obligations as provided in this chapter, may

1 impair or alter the validity of any act performed by such flood control
2 zone district or any officer thereof prior to the assumption of such
3 rights, powers, immunities, functions, and obligations by any county as
4 authorized by this chapter. Furthermore, an ad valorem property tax
5 levy authorized by RCW 86.15.160 and levied by a county as authorized
6 by this chapter must be treated as a levy by a county flood control
7 zone district for all purposes, including, but not limited to,
8 provisions related to levies contained in RCW 84.52.010, 84.52.043, and
9 84.52.815.

10 NEW SECTION. **Sec. 206.** (1) All rules and regulations, and all
11 pending business before the board of any flood control zone district
12 transferred pursuant to the provisions of this chapter must be
13 continued and acted upon by the county.

14 (2) All existing contracts and obligations of the transferred flood
15 control zone district must remain in full force and effect, and must be
16 performed by the county. No transfer authorized in this chapter
17 affects the validity of any official act performed by any official or
18 employee prior to the transfer authorized pursuant to this chapter.

19 NEW SECTION. **Sec. 207.** (1) When the rights, powers, immunities,
20 functions, and obligations of a flood control zone district are
21 transferred pursuant to this chapter, all real and personal property
22 owned by the flood control zone district becomes that of the county,
23 and the provisions of RCW 86.15.210 do not apply to such county, except
24 that a diking, drainage, or sewerage improvement district, flood
25 control district, diking district, drainage district, intercounty
26 diking and drainage district, or zone may convey title to any property
27 improvements or assets of the districts to the county or a zone for
28 flood control purposes.

29 (2) All reports, documents, surveys, books, records, files, papers,
30 or other writings relating to the administration of the powers, duties,
31 and functions transferred pursuant to this chapter and available to the
32 flood control zone district must be made available to the county.

33 (3) All cabinets, furniture, office equipment, motor vehicles, and
34 other tangible property employed in carrying out the rights, powers,
35 functions, and obligations transferred by this chapter and available to
36 the flood control zone district must be made available to the county.

1 (4) All funds, credits, or other assets held in connection with
2 powers, duties, and functions transferred under this section must be
3 assigned to the county.

4 (5) Any appropriations or federal grant made to the flood control
5 zone district for the purpose of carrying out the rights, powers,
6 immunities, functions, and obligations authorized to be assumed by a
7 county pursuant to this chapter, on the effective date of such
8 transfer, must be credited to the county for the purpose of carrying
9 out such transferred rights, powers, immunities, functions, and
10 obligations.

11 NEW SECTION. **Sec. 208.** (1) The county must assume and agree to
12 provide for the payment of all of the indebtedness of the flood control
13 zone district, including the payment and retirement of outstanding
14 general obligation and revenue bonds issued by the flood control zone
15 district. Until the indebtedness of a flood control zone district
16 assumed by a county under this chapter has been discharged, all
17 property within the boundaries of the flood control zone district and
18 the owners and occupants of that property, continue to be liable for
19 taxes, special assessments, and other charges legally pledged to pay
20 the indebtedness of the flood control zone district. The county must
21 assume the obligation of causing the payment of such indebtedness,
22 collecting such taxes, assessments, and charges, and observing and
23 performing the other contractual obligations of the flood control zone
24 district. The legislative authority of the county must act in the same
25 manner as the governing body of the flood control zone district for the
26 purpose of certifying the amount of any property tax to be levied and
27 collected therein, and may cause service and other charges and
28 assessments to be collected from such property or owners or occupants
29 thereof, enforce such collection, and perform all acts necessary to
30 ensure performance of the contractual obligations of the flood control
31 zone district in the same manner and by the same means as if the
32 property of the flood control zone district had not been acquired by
33 the county.

34 (2) When a county assumes the obligation of paying indebtedness of
35 a flood control zone district and if property taxes or assessments have
36 been levied and service and other charges have accrued for such purpose
37 but have not been collected by the flood control zone district prior to

1 such assumption, the same when collected must belong and be paid to the
2 county and be used by such county so far as necessary for payment of
3 the indebtedness of the flood control zone district existing and unpaid
4 on the date such county assumed that indebtedness. Any funds received
5 by the county which have been collected for the purpose of paying any
6 bonded or other indebtedness of the flood control zone district must be
7 used for the purpose for which they were collected and for no other
8 purpose until such indebtedness has been paid and retired or adequate
9 provision has been made for such payment and retirement. Any funds
10 remaining after the payment and retirement of such indebtedness must be
11 used solely for carrying out the rights, powers, functions, and
12 obligations of the flood control zone district assumed by the county.
13 No transfer of property as provided in this chapter derogates from the
14 claims or rights of the creditors of the flood control zone district or
15 impairs the ability of the flood control zone district to respond to
16 its debts and obligations.

17 **PART III**

18 **MISCELLANEOUS PROVISIONS**

19 NEW SECTION. **Sec. 301.** Sections 101 through 109 of this act
20 constitute a new chapter in Title 36 RCW.

21 NEW SECTION. **Sec. 302.** Sections 201 through 208 of this act
22 constitute a new chapter in Title 36 RCW.

23 NEW SECTION. **Sec. 303.** If any provision of this act or its
24 application to any person or circumstance is held invalid, the
25 remainder of the act or the application of the provision to other
26 persons or circumstances is not affected.

27 NEW SECTION. **Sec. 304.** This act takes effect July 1, 2012.

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