
Local Government Committee

HB 2433

Brief Description: Requiring a city or town to notify light and power businesses and gas distribution businesses of annexed areas and affected properties.

Sponsors: Representatives Habib and Ryu.

Brief Summary of Bill

- Expands the list of entities that must be notified by a city or town in the event of a city or town annexation of property within a road district, fire district, or library district.
- Increases the amount of time before the effective date of the annexation that annexation notices must be provided to delineated recipients.
- Specifies that the county treasurer is only required to remit to the city or town those road taxes, fire district taxes, and library district taxes collected to 60 or more days, rather than 30 or more days, after receipt of the annexation notification.
- Specifies that light and power businesses and gas distribution businesses are only required to remit to a city or town those utility taxes collected 60 or more days after receipt of the notification.

Hearing Date: 1/23/14

Staff: Ethan Moreno (786-7386).

Background:

Current law authorizes multiple methods for municipal annexations. While cities that operate under the Optional Municipal Code (code cities) have statutory requirements for governance and operation that are separate from those that do not, the annexation methods that all cities and towns may employ are generally similar.

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.

Provisions governing the collection of taxes collected in annexed territory are established in statute. For example, when territory that is part of a fire protection district (fire district) is annexed to a code city, non-code city, or town, the fire district taxes on the annexed property that were levied, but not collected and not delinquent at the time of annexation, must be paid to the annexing city or town. Similar payment provisions also exist for county road district and library district taxes that were levied and not collected at the time of annexation.

Additionally, a code city, non-code city, or town that has annexed territory in a fire district, county road district, or library district must provide notification, by certified mail, of the annexed parcel numbers to the county treasurer (treasurer) and assessor, and to the fire district and library district, as appropriate, at least 30 days before the effective date of the annexation. The treasurer is only required to remit to the annexing city or town those fire district taxes, road taxes, and library district taxes collected 30 days or more after receipt of the notification.

Summary of Bill:

The list of entities that must be notified by certified mail from a code city, non-code city, or town in the event of an annexation by the city or town of property within a road district, fire district, or library district is expanded to include:

- the applicable street address;
- taxpayers of record for affected parcels;
- light and power businesses; and
- gas distribution businesses.

Also, the amount of time before the effective date of the annexation that the certified mail notices must be provided to the recipients is increased from at least 30 days to at least 60 days.

Regarding remittance requirements, the county treasurer is only required to remit to the annexing city or town those road taxes, fire district taxes, and library districts taxes collected 60 or more days, rather than 30 or more days, after receipt of the annexation notification. Additionally, light and power businesses and gas distribution businesses are only required to remit to an annexing city or town those utility taxes collected 60 or more days after receipt of the notification.

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.