
SUBSTITUTE HOUSE BILL 2433

State of Washington

63rd Legislature

2014 Regular Session

By House Local Government (originally sponsored by Representatives Habib and Ryu)

READ FIRST TIME 02/05/14.

1 AN ACT Relating to notification by a city or town to light and
2 power businesses and gas distribution businesses of annexed areas and
3 affected properties; and amending RCW 35.13.270 and 35A.14.801.

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

5 **Sec. 1.** RCW 35.13.270 and 2007 c 285 s 1 are each amended to read
6 as follows:

7 (1) Whenever any territory is annexed to a city or town which is
8 part of a road district of the county and road district taxes have been
9 levied but not collected on any property within the annexed territory,
10 the same shall when collected by the county treasurer be paid to the
11 city or town and by the city or town placed in the city or town street
12 fund; except that road district taxes that are delinquent before the
13 date of annexation shall be paid to the county and placed in the county
14 road fund.

15 (2) When territory that is part of a fire district is annexed to a
16 city or town, the following apply:

17 (a) Fire district taxes on annexed property that were levied, but
18 not collected, and were not delinquent at the time of the annexation
19 shall, when collected, be paid to the annexing city or town at times

1 required by the county, but no less frequently than by July 10th for
2 collections through June 30th and January 10th for collections through
3 December 31st following the annexation; and

4 (b) Fire district taxes on annexed property that were levied, but
5 not collected, and were delinquent at the time of the annexation and
6 the pro rata share of the current year levy budgeted for general
7 obligation debt, when collected, shall be paid to the fire district.

8 (3) When territory that is part of a library district is annexed to
9 a city or town, the following apply:

10 (a) Library district taxes on annexed property that were levied,
11 but not collected, and were not delinquent at the time of the
12 annexation shall, when collected, be paid to the annexing city or town
13 at times required by the county, but no less frequently than by July
14 10th for collections through June 30th and January 10th for collections
15 through December 31st following the annexation; and

16 (b) Library district taxes on annexed property that were levied,
17 but not collected, and were delinquent at the time of the annexation
18 and the pro rata share of the current year levy budgeted for general
19 obligation debt, when collected, shall be paid to the library district.

20 (4) Subsections (1) through (3) of this section do not apply to any
21 special assessments due in behalf of such property.

22 (5) If a city or town annexes property within a fire district or
23 library district while any general obligation bond secured by the
24 taxing authority of the district is outstanding, the bonded
25 indebtedness of the fire district or library district remains an
26 obligation of the taxable property annexed as if the annexation had not
27 occurred.

28 (6) For each annexation by a city or town, the city or town ((is
29 required to)) must provide notification, by certified mail or
30 electronic means, that includes a list of annexed parcel numbers((7))
31 and the street address to the county treasurer and assessor, to the
32 light and power businesses and gas distribution businesses, and to the
33 fire district and library district, as appropriate, at least ((thirty))
34 sixty days before the effective date of the annexation. The county
35 treasurer is only required to remit to the city or town those road
36 taxes, fire district taxes, and library district taxes collected
37 ((thirty)) sixty days or more after receipt of the notification. The

1 light and power businesses and gas distribution businesses are only
2 required to remit to the city or town those utility taxes collected
3 sixty days or more after receipt of the notification.

4 (7)(a) In counties that do not have a boundary review board, the
5 city or town shall provide notification to the fire district or library
6 district of the jurisdiction's resolution approving the annexation.
7 The notification required under this subsection must:

8 (i) Be made by certified mail within seven days of the resolution
9 approving the annexation; and

10 (ii) Include a description of the annexed area.

11 (b) In counties that have a boundary review board, the city or town
12 shall provide notification of the proposed annexation to the fire
13 district or library district simultaneously when notice of the proposed
14 annexation is provided by the jurisdiction to the boundary review board
15 under RCW 36.93.090.

16 (8) The provisions of this section regarding (a) the transfer of
17 fire and library district property taxes and (b) city and town
18 notifications to fire and library districts do not apply if the city or
19 town has been annexed to and is within the fire or library district
20 when the city or town approves a resolution to annex unincorporated
21 county territory.

22 (9) An error or accidental omission by a city or town in the
23 transmitted annexation notice required under this section may be
24 corrected by the city or town by providing an amended notice to the
25 county treasurer and assessor, the light and power businesses, the gas
26 distribution businesses, and to the fire district and library district,
27 as appropriate. The recipient of the amended notice is only required
28 to remit applicable taxes to the city or town, in accordance with the
29 corrected information, sixty days after its receipt of the amended
30 notice.

31 (10) For purposes of this section, "electronic means" means an
32 electronic format agreed to by both sender and recipient that conveys
33 all applicable notification information.

34 **Sec. 2.** RCW 35A.14.801 and 2007 c 285 s 2 are each amended to read
35 as follows:

36 (1) Whenever any territory is annexed to a code city which is part
37 of a road district of the county and road district taxes have been

1 levied but not collected on any property within the annexed territory,
2 the same shall when collected by the county treasurer be paid to the
3 code city and by the city placed in the city street fund; except that
4 road district taxes that are delinquent before the date of annexation
5 shall be paid to the county and placed in the county road fund.

6 (2) When territory that is part of a fire district is annexed to a
7 code city, the following apply:

8 (a) Fire district taxes on annexed property that were levied, but
9 not collected, and were not delinquent at the time of the annexation
10 shall, when collected, be paid to the annexing code city at times
11 required by the county, but no less frequently than by July 10th for
12 collections through June 30th and January 10th for collections through
13 December 31st following the annexation; and

14 (b) Fire district taxes on annexed property that were levied, but
15 not collected, and were delinquent at the time of the annexation and
16 the pro rata share of the current year levy budgeted for general
17 obligation debt, when collected, shall be paid to the fire district.

18 (3) When territory that is part of a library district is annexed to
19 a code city, the following apply:

20 (a) Library district taxes on annexed property that were levied,
21 but not collected, and were not delinquent at the time of the
22 annexation shall, when collected, be paid to the annexing code city at
23 times required by the county, but no less frequently than by July 10th
24 for collections through June 30th and January 10th for collections
25 through December 31st following the annexation; and

26 (b) Library district taxes on annexed property that were levied,
27 but not collected, and were delinquent at the time of the annexation
28 and the pro rata share of the current year levy budgeted for general
29 obligation debt, when collected, shall be paid to the library district.

30 (4) Subsections (1) through (3) of this section do not apply to any
31 special assessments due in behalf of such property.

32 (5) If a code city annexes property within a fire district or
33 library district while any general obligation bond secured by the
34 taxing authority of the district is outstanding, the bonded
35 indebtedness of the fire district or library district remains an
36 obligation of the taxable property annexed as if the annexation had not
37 occurred.

1 (6) For each annexation by a code city, the code city ((is required
2 to)) must provide notification, by certified mail or electronic means,
3 that includes a list of annexed parcel numbers((7)) and the street
4 address to the county treasurer and assessor, to the light and power
5 businesses and gas distribution businesses, and to the fire district
6 and library district, as appropriate, at least ((thirty)) sixty days
7 before the effective date of the annexation. The county treasurer is
8 only required to remit to the code city those road taxes, fire district
9 taxes, and library district taxes collected ((thirty)) sixty or more
10 days after receipt of the notification. The light and power businesses
11 and gas distribution businesses are only required to remit to the city
12 or town those utility taxes collected sixty days or more after receipt
13 of the notification.

14 (7)(a) In counties that do not have a boundary review board, the
15 code city shall provide notification to the fire district or library
16 district of the jurisdiction's resolution approving the annexation.
17 The notification required under this subsection must:

18 (i) Be made by certified mail within seven days of the resolution
19 approving the annexation; and

20 (ii) Include a description of the annexed area.

21 (b) In counties that have a boundary review board, the code city
22 shall provide notification of the proposed annexation to the fire
23 district or library district simultaneously when notice of the proposed
24 annexation is provided by the jurisdiction to the boundary review board
25 under RCW 36.93.090.

26 (8) The provisions of this section regarding (a) the transfer of
27 fire and library district property taxes and (b) code city
28 notifications to fire and library districts do not apply if the code
29 city has been annexed to and is within the fire or library district
30 when the code city approves a resolution to annex unincorporated county
31 territory.

32 (9) An error or accidental omission by a code city in the
33 transmitted annexation notice required under this section may be
34 corrected by the city by providing an amended notice to the county
35 treasurer and assessor, the light and power businesses, the gas
36 distribution businesses, and to the fire district and library district,
37 as appropriate. The recipient of the amended notice is only required

1 to remit applicable taxes to the city, in accordance with the corrected
2 information, sixty days after its receipt of the amended notice.

3 (10) For purposes of this section, "electronic means" means an
4 electronic format agreed to by both sender and recipient that conveys
5 all applicable notification information.

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