SUBSTITUTE HOUSE BILL 1250

State of Washington 64th Legislature 2015 Regular Session

By House Local Government (originally sponsored by Representatives Holy and S. Hunt; by request of Office of Financial Management)

READ FIRST TIME 02/19/15.

- AN ACT Relating to notice and review processes for annexations, 1 2 deannexations, incorporations, disincorporations, consolidations, and 3 boundary line adjustments under Titles 35 and 35A RCW; amending RCW 35.02.030, 35.02.037, 35.02.070, 35.02.100, 4 35.02.130, 35.07.020, 5 35.07.040, 35.07.230, 35A.15.010, 35A.15.040, 35.10.265, 35.10.400, 35.10.410, 35.10.420, 35.13.010, 35.13.020, 6 35.13.100, 35.13.130, 7 35.13.150, 35.13.180, 35.13.182, 35.13.1822, 35.13.185, 35.13.190, 8 35.13.238, 35.13.260, 35.13.300, 35.13.420, 35.13.440, 35.13.480, 35.13.490, 35.16.010, 35.16.040, 35A.14.010, 35A.14.020, 35A.14.090, 9 35A.14.130, 35A.14.140, 35A.14.295, 10 35A.14.297, 35A.14.300, 35A.14.440, 11 35A.14.310, 35A.14.430, 35A.14.460, 35A.14.470, 12 35A.14.480, 35A.14.490, 35A.14.700, 35A.16.010, and 35A.16.040; and 13 adding a new section to chapter 43.41 RCW.
- 14 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- NEW SECTION. Sec. 1. A new section is added to chapter 43.41
 RCW to read as follows:
- 17 (1) The initiator of a proposed action regarding (a) annexation,
- 18 (b) deannexation, (c) incorporation, (d) disincorporation, (e)
- 19 consolidation of cities, or (f) boundary line adjustment under Titles
- 20 35 and 35A RCW must file notice of intention with the office of
- 21 financial management for its review within three days of initial

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acceptance or approval of the proposed action by the appropriate entity, except if the initiator is the legislative body of a government unit, the notice of intention must be filed immediately following the legislative body's initial acceptance or approval of the action.

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- (2) The notice of intention must be submitted with the following:
- (a) A legal description of the proposed annexation, deannexation, incorporation, disincorporation, consolidation, or boundary line adjustment, which must be reviewed by the office of financial management before subsequent notices regarding the proposed action are filed;
- (b) A map showing the specific territory boundaries of the proposed annexation, deannexation, incorporation, disincorporation, consolidation, or boundary line adjustment;
 - (c) The proposed action or resolution, if applicable;
 - (d) Parcel numbers of affected properties, if applicable; and
- (e) Street addresses of affected properties, if applicable, but excluding the names of owners and residents.
- (3) Within thirty days of receipt of notice of intention, the office of financial management must review the documents submitted under the notice and provide comments to the initiator of the proposed action if any of the following occur:
- (a) Except for city consolidations and boundary line adjustments, the ordinance or resolution includes any territory that is part of another city or that is already part of the city boundaries;
- (b) The territory to be annexed, deannexed, or incorporated, or subject to consolidation is not contiguous to existing city boundaries;
- (c) The proposed action or resolution does not include or excludes the full right-of-way when roads are being used as part of the city boundary;
- 32 (d) Except for municipal purpose annexations, the proposed action 33 or resolution includes any territory that is outside of an urban 34 growth area in counties that are required or choose to plan under RCW 35 36.70A.040; or
- (e) The map of the territory to be annexed, deannexed, incorporated, disincorporated, consolidated, or subject to boundary line adjustment is not an accurate representation of the legal description.

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(4) If the office of financial management denies approval of a proposed action under subsection (3) of this section, it must, within three days of the denial, provide written notice of the reason or reasons for denial to the affected government unit or units or, in the case of a city incorporation, the incorporation initiators.

- (5) The office of financial management must post required documents as described in subsection (2) of this section on its web site and notify the department of transportation. The office of financial management must produce an annexation, deannexation, incorporation, disincorporation, city consolidation, and boundary line adjustment report thirty days prior to the commencement of each quarterly period, post the report on its web site, and notify state entities pursuant to RCW 35.13.260 and 35A.14.700.
- (6) The requirements for the office of financial management to approve of initiated actions under this section does not affect the authority of boundary review boards to review and approve, disapprove, or modify actions subject to their review under chapter 36.93 RCW.
- (7) For purposes of this section, "contiguous" means that territory proposed to be annexed, deannexed, incorporated, or consolidated touches or is in physical contact with a city boundary, though the contact must be more than a single point. Territory connected to a city only by a public right-of-way, where the edge of the right-of-way does not constitute part of the city boundary, is not considered contiguous for purposes of this section.

PART I - INCORPORATION

Sec. 101. RCW 35.02.030 and 1994 c 216 s 3 are each amended to 28 read as follows:

The petition for incorporation shall: (1) Indicate whether the proposed city or town shall be a noncharter code city operating under Title 35A RCW, or a city or town operating under Title 35 RCW; (2) indicate the form or plan of government the city or town is to have; (3) set forth and particularly describe the proposed boundaries of the proposed city or town; (4) state the name of the proposed city or town; (5) state the number of inhabitants therein, as ((nearly as may be)) determined by the office of financial management through use of its small area estimate program; and (6) pray that the city or town be incorporated. The petition shall conform to the requirements for

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form prescribed in RCW 35A.01.040. The petition shall include the identification number provided under RCW 35.02.017 and state the last date by which the petition may be filed, as determined under RCW 35.02.020.

If the proposed city or town is located in more than one county, the petition shall be prepared in such a manner as to indicate the different counties within which the signators reside.

A city or town operating under Title 35 RCW may have a mayor/council, council/manager, or commission form of government. A city operating under Title 35A RCW may have a mayor/council or council/manager plan of government.

If the petition fails to specify the matters described in subsection (1) of this section, the proposal shall be to incorporate as a noncharter code city. If the petition fails to specify the matter described in subsection (2) of this section, the proposal shall be to incorporate with a mayor/council form or plan of government.

Sec. 102. RCW 35.02.037 and 1986 c 234 s 6 are each amended to 19 read as follows:

The county auditor who certifies the sufficiency of the petition shall notify the person or persons who submitted the petition of its sufficiency within five days of when the determination of sufficiency is made. Notice shall be by certified mail and may additionally be made by telephone. The petitioners must file notice of the proposed action with the office of financial management for its review pursuant to section 1 of this act. If a boundary review board or boards exists in the county or counties in which the proposed city or town is located, the petitioners ((shall)) must also file notice of the proposed incorporation with the boundary review board or boards.

Sec. 103. RCW 35.02.070 and 1994 c 216 s 17 are each amended to read as follows:

(1) If a county legislative authority holds a public hearing on a proposed incorporation, it shall establish and define the boundaries of the proposed city or town, being authorized to decrease or increase the area proposed in the petition under the same restrictions that a boundary review board may modify the proposed boundaries. The ((county legislative authority, or the boundary review board if it takes jurisdiction, shall)) office of financial

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- management must determine the number of inhabitants within the proposed boundaries ((it has established)) through use of its small area estimate program. If the boundary review board modifies the proposed boundaries, the county legislative authority must notify the office of financial management of the modifications.
- 6 (2) A county legislative authority shall disapprove the proposed 7 incorporation if, without decreasing the area proposed in the 8 petition, it does not conform with RCW 35.02.010. A county 9 legislative authority may not otherwise disapprove a proposed 10 incorporation.
- 11 (3) A county legislative authority or boundary review board has 12 jurisdiction only over that portion of a proposed city or town 13 located within the boundaries of the county.
- **Sec. 104.** RCW 35.02.100 and 1986 c 234 s 13 are each amended to read as follows:
- The notice of election on the question of the incorporation shall be given as provided by RCW ((29.27.080)) 29A.52.355 but shall further describe the boundaries of the proposed city or town, its name, and the number of inhabitants ((ascertained by the county legislative authority or the boundary review board to reside in it)) as determined by the office of financial management through use of its small area estimate program.
- **Sec. 105.** RCW 35.02.130 and 2011 c 60 s 15 are each amended to 24 read as follows:

Subject to review of the proposed action by the office of financial management pursuant to section 1 of this act, the city or town officially shall become incorporated at a date from one hundred eighty days to three hundred sixty days after the date of the election on the question of incorporation. An interim period shall exist between the time the newly elected officials have been elected and qualified and this official date of incorporation. During this interim period, the newly elected officials are authorized to adopt ordinances and resolutions which shall become effective on or after the official date of incorporation, and to enter into contracts and agreements to facilitate the transition to becoming a city or town and to ensure a continuation of governmental services after the official date of incorporation. Periods of time that would be required to elapse between the enactment and effective date of such

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ordinances, including but not limited to times for publication or for filing referendums, shall commence upon the date of such enactment as though the city or town were officially incorporated.

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During this interim period, the city or town governing body may adopt rules establishing policies and procedures under the state environmental policy act, chapter 43.21C RCW, and may use these rules and procedures in making determinations under the state environmental policy act, chapter 43.21C RCW.

During this interim period, the newly formed city or town and its 9 governing body shall be subject to the following as though the city 10 11 or town were officially incorporated: RCW 4.24.470 relating to 12 immunity; chapter 42.17A RCW relating to open government; chapter 42.56 RCW relating to public records; chapter 40.14 RCW relating to 13 the preservation and disposition of public records; chapters 42.20 14 and 42.23 RCW relating to ethics and conflicts of interest; chapters 15 16 42.30 and 42.32 RCW relating to open public meetings and minutes; RCW 17 35.22.288, 35.23.221, 35.27.300, 35A.12.160, as appropriate, and chapter 35A.65 RCW relating to the publication of notices and 18 ordinances; RCW 35.21.875 and 35A.21.230 relating to the designation 19 of an official newspaper; RCW 36.16.138 relating to liability 20 21 insurance; RCW 35.22.620, 35.23.352, and 35A.40.210, as appropriate, 22 and statutes referenced therein relating to public contracts and bidding; and chapter 39.34 RCW relating to interlocal cooperation. 23 Tax anticipation or revenue anticipation notes or warrants and other 24 25 short-term obligations may be issued and funds may be borrowed on the 26 security of these instruments during this interim period, as provided in chapter 39.50 RCW. Funds also may be borrowed from federal, state, 27 and other governmental agencies in the same manner as if the city or 28 29 town were officially incorporated.

RCW 84.52.020 and 84.52.070 shall apply to the extent that they may be applicable, and the governing body of such city or town may take appropriate action by ordinance during the interim period to adopt the property tax levy for its first full calendar year following the interim period.

The governing body of the new city or town may acquire needed facilities, supplies, equipment, insurance, and staff during this interim period as if the city or town were in existence. An interim city manager or administrator, who shall have such administrative powers and duties as are delegated by the governing body, may be appointed to serve only until the official date of incorporation.

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After the official date of incorporation the governing body of such a new city organized under the council manager form of government may extend the appointment of such an interim manager or administrator with such limited powers as the governing body determines, for up to ninety days. This governing body may submit ballot propositions to the voters of the city or town to authorize taxes to be collected on or after the official date of incorporation, or authorize an annexation of the city or town by a fire protection district or library district to be effective immediately upon the effective date of the incorporation as a city or town.

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The boundaries of a newly incorporated city or town shall be deemed to be established for purposes of RCW 84.09.030 on the date that the results of the initial election on the question of incorporation are certified or the first day of January following the date of this election if the newly incorporated city or town does not impose property taxes in the same year that the voters approve the incorporation.

The newly elected officials shall take office immediately upon their election and qualification with limited powers during this interim period as provided in this section. They shall acquire their full powers as of the official date of incorporation and shall continue in office until their successors are elected and qualified at the next general municipal election after the official date of incorporation: PROVIDED, That if the date of the next general municipal election is less than twelve months after the date of the first election of councilmembers, those initially councilmembers shall serve until their successors are elected and qualified at the next following general municipal election provided in RCW ((29A.20.040)) 29A.60.280. For purposes of this section, the general municipal election shall be the date on which city and town general elections are held throughout the state of Washington, pursuant to RCW 29A.04.330.

In any newly incorporated city that has adopted the councilmanager form of government, the term of office of the mayor, during the interim period only, shall be set by the council, and thereafter shall be as provided by law.

The official date of incorporation shall be on a date from one hundred eighty to three hundred sixty days after the date of the election on the question of incorporation, as specified in a resolution adopted by the governing body during this interim period.

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A copy of the resolution shall be filed with the county legislative authority of the county in which all or the major portion of the newly incorporated city or town is located. If the governing body fails to adopt such a resolution, the official date of incorporation shall be three hundred sixty days after the date of the election on б the question of incorporation. The county legislative authority of the county in which all or the major portion of the newly incorporated city or town is located shall file a notice with the county assessor that the city or town has been authorized to be incorporated immediately after the favorable results of the election on the question of incorporation have been certified. The county legislative authority shall file a notice with the secretary of state and the office of financial management that the city or town is incorporated as of the official date of incorporation.

PART II - DISINCORPORATION

Sec. 201. RCW 35.07.020 and 1965 c 7 s 35.07.020 are each 17 amended to read as follows:

The petition for disincorporation must be signed by a majority of the registered voters thereof and filed with the city or town council. The petitioners must also file notice of the proposed action with the office of financial management for its review pursuant to section 1 of this act.

Sec. 202. RCW 35.07.040 and 1997 c 361 s 4 are each amended to 24 read as follows:

The council shall cause an election to be called upon the proposition of disincorporation. The council must also file notice of the proposed action with the office of financial management for its review pursuant to section 1 of this act. If the city or town has any indebtedness or outstanding liabilities, it shall order the election of a receiver at the same time.

Sec. 203. RCW 35.07.230 and 1995 c 301 s 34 are each amended to 32 read as follows:

If any town fails for two successive years to hold its regular municipal election, or if the officers elected at the regular election of any town fail for two successive years to qualify and the government of the town ceases to function by reason thereof, the

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- 1 state auditor may petition the superior court of the county for an
- 2 order((-)) dissolving the town. The state auditor must also file
- 3 <u>notice of the proposed action with the office of financial management</u>
- 4 for its review pursuant to section 1 of this act. In addition to
- 5 stating the facts which would justify the entry of such an order, the
- 6 petition shall set forth a detailed statement of the assets and
- 7 liabilities of the town insofar as they can be ascertained.
- 8 **Sec. 204.** RCW 35A.15.010 and 1990 c 259 s 11 are each amended to 9 read as follows:
- 10 Any noncharter code city may be disincorporated. Proceedings may
- 11 be initiated by the filing with the county auditor of a petition for
- 12 disincorporation signed by a majority of the registered voters
- 13 resident in such city, or the legislative body of the city may
- 14 provide by resolution for an election on the proposition of
- 15 disincorporation. The legislative body of the city must file notice
- 16 of the proposed action with the office of financial management for
- 17 <u>its review pursuant to section 1 of this act.</u>
- 18 **Sec. 205.** RCW 35A.15.040 and 1994 c 223 s 39 are each amended to 19 read as follows:
- 20 Ballot titles shall be prepared by the city as provided in RCW
- 21 35A.29.120 and shall contain the words "For Dissolution" and "Against
- 22 Dissolution", and shall contain on separate lines, alphabetically,
- 23 the names of candidates for receiver. If a majority of the votes cast
- 24 on the proposition are for dissolution, the municipal corporation
- 25 shall be dissolved upon certification of the election results to the
- 26 office of the secretary of state. The legislative body of the city
- 27 <u>must file notice of the disincorporation with the office of financial</u>
- 28 management for its review.

29 PART III - CONSOLIDATION

- 30 **Sec. 301.** RCW 35.10.265 and 1985 c 281 s 17 are each amended to read as follows:
- 32 Immediately after the filing of the statement of an annexation
- 33 election and subject to review of the proposed action by the office
- 34 of financial management pursuant to section 1 of this act, the
- 35 legislative body of the annexing city may, if it deems it wise or
- 36 expedient, adopt an ordinance providing for the annexation. Upon the

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- 1 date fixed in the ordinance of annexation, the area annexed shall
- 2 become a part of the annexing city. The clerk of the annexing city
- 3 shall transmit a certified copy of this ordinance to the secretary of
- 4 state and the office of financial management.

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5 **Sec. 302.** RCW 35.10.400 and 1985 c 281 s 3 are each amended to 6 read as follows:

Two or more contiguous, as defined in section 1(7) of this act, 7 cities located in the same or different counties may consolidate into 8 one city by proceedings in conformity with the provisions of this 9 10 chapter. When cities are separated by water and/or tide or shore lands they shall be deemed contiguous, as defined in section 1(7) of 11 this act, for all the purposes of this chapter and, upon a 12 13 consolidation of such cities under the provisions of this chapter, any such intervening water and/or tide or shore lands shall become a 14 15 part of the consolidated city. The consolidated city shall become a 16 noncharter code city operating under Title 35A RCW.

17 **Sec. 303.** RCW 35.10.410 and 1985 c 281 s 4 are each amended to 18 read as follows:

The submission of a ballot proposal to the voters of two or more contiguous cities for the consolidation of these contiguous, as defined in section 1(7) of this act, cities may be caused by the adoption of a joint resolution, by a majority vote of each city legislative body, seeking consolidation of such contiguous cities. Each city's legislative body must file notice of the proposed action with the office of financial management for its review pursuant to section 1 of this act. The joint resolution shall provide for submission of the question to the voters at the next general municipal election, if one is to be held more than ninety days but not more than one hundred eighty days after the passage of the joint resolution, or shall call for a special election to be held for that purpose at the next special election date, as specified in RCW ((29.13.020)) 29A.04.330, that occurs ninety or more days after the passage of the joint resolution. The legislative bodies of the cities also shall notify the county legislative authority of each county in which the cities are located of the proposed consolidation.

36 **Sec. 304.** RCW 35.10.420 and 1995 c 196 s 7 are each amended to read as follows:

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The submission of a ballot proposal to the voters of two or more contiguous cities for the consolidation of these contiguous, as defined in section 1(7) of this act, cities may also be caused by the filing of a petition with the legislative body of each such city, signed by the voters of each city in number equal to not less than ten percent of voters who voted in the city at the last general municipal election therein, seeking consolidation of such contiguous cities. A copy of the petition shall be forwarded immediately by each city to the auditor of the county or counties within which that city is located.

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The county auditor or auditors shall determine the sufficiency of the signatures in each petition within ten days of receipt of the copies and immediately notify the cities proposed to be consolidated of the sufficiency. Upon receipt of notice from the county auditor or auditors, the cities must file notice of the proposed action with the office of financial management for its review pursuant to section 1 of this act. If each of the petitions is found to have sufficient valid signatures, the auditor or auditors shall call a special election at which the question of whether such cities shall consolidate shall be submitted to the voters of each of such cities. If a general election is to be held more than ninety days but not more than one hundred eighty days after the filing of the last petition, the question shall be submitted at that election. Otherwise the question shall be submitted at a special election to be called for that purpose at the next special election date, as specified in RCW ((29.13.020)) 29A.04.330, that occurs ninety or more days after the date when the last petition was filed.

If each of the petitions is found to have sufficient valid signatures, the auditor or auditors also shall notify the county legislative authority of each county in which the cities are located of the proposed consolidation.

Petitions shall conform with the requirements for form prescribed in RCW 35A.01.040, except different colored paper may be used on petitions circulated in the different cities. A legal description of the cities need not be included in the petitions.

PART IV - ANNEXATION, BOUNDARY LINE ADJUSTMENT, AND CITY LIMIT REDUCTION

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1 **Sec. 401.** RCW 35.13.010 and 2009 c 402 s 2 are each amended to 2 read as follows:

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Any portion of a county not incorporated as part of a city or town but lying contiguous, as defined in section 1(7) of this act, thereto may become a part of the city or town by annexation. An area proposed to be annexed to a city or town shall be deemed contiguous, as defined in section 1(7) of this act, thereto even though separated by water or tide or shore lands on which no bona fide residence is maintained by any person.

Sec. 402. RCW 35.13.020 and 1981 c 332 s 3 are each amended to read as follows:

A petition for an election to vote upon the annexation of a portion of a county to a contiguous, as defined in section 1(7) of this act, city or town signed by qualified voters resident in the area equal in number to twenty percent of the votes cast at the last election ((may)) must be filed in the office of the board of county commissioners: PROVIDED, That any such petition shall first be submitted to the prosecuting attorney who shall, within twenty-one days after submission, certify or refuse to certify the petition as set forth in RCW 35.13.025. If the prosecuting attorney certifies the petition, it shall be filed with the legislative body of the city or town to which the annexation is proposed, and such legislative body shall, by resolution entered within sixty days from the date of presentation, notify the petitioners, either mail by publication in the same manner notice of hearing is required by RCW 35.13.040 to be published, of its approval or rejection of the proposed action. If approved, the legislative body of the city or town must file notice of the proposed action with the office of financial management for its review pursuant to section 1 of this act. The petition may also provide for the simultaneous creation of a community municipal corporation and election councilmembers as provided for in RCW 35.14.010 through 35.14.060. In approving the proposed action, the legislative body may require that there also be submitted to the electorate of the territory to be annexed, a proposition that all property within the area to be annexed shall, upon annexation be assessed and taxed at the same rate and on the same basis as the property of such annexing city or town is assessed and taxed to pay for all or any portion of the then outstanding indebtedness of the city or town to which said area is

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annexed, approved by the voters, contracted, or incurred prior to, or 1 existing at, the date of annexation. Only after the legislative body 2 has completed preparation and filing of a comprehensive plan for the 3 area to be annexed as provided for in RCW 35.13.177 and 35.13.178, 4 5 the legislative body in approving the proposed action, may require 6 that the comprehensive plan be simultaneously adopted upon approval 7 of annexation by the electorate of the area to be annexed. The approval of the legislative body shall be a condition precedent to 8 the filing of such petition with the board of county commissioners 9 ((as hereinafter provided)) pursuant to RCW 35.13.030. The costs of 10 11 conducting such election shall be a charge against the city or town 12 concerned. The proposition or questions provided for in this section may be submitted to the voters either separately or as a single 13 14 proposition.

15 **Sec. 403.** RCW 35.13.100 and 1996 c 286 s 2 are each amended to 16 read as follows:

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If (1) a proposition relating to annexation or annexation and adoption of the comprehensive plan or creation of a community municipal corporation, or both, as the case may be was submitted to the voters and such proposition was approved <u>and (2) the proposed</u> action has been subject to review by the office of financial management pursuant to section 1 of this act, the legislative body shall adopt an ordinance providing for the annexation or adopt ordinances providing for the annexation and adoption of the comprehensive plan, or adopt an ordinance providing annexation and creation of a community municipal corporation, as the case may be. If a proposition for annexation or annexation and adoption of the comprehensive plan or creation of a community municipal corporation, as the case may be, and a proposition for assumption of all or of any portion of indebtedness were both submitted((τ)) and ((were)) approved, and the proposed action has been subject to review by the office of financial management pursuant to section 1 of this act, the legislative body shall adopt an ordinance providing for the annexation or annexation and adoption of the comprehensive plan or annexation and creation of a community municipal corporation including the assumption of all or of any portion of indebtedness. If the propositions were submitted and only the annexation or annexation and adoption of the comprehensive plan or annexation and creation of a community municipal corporation

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- proposition was approved, <u>and the proposed action has been subject to</u>

 treview by the office of financial management pursuant to section 1 of

 this act, the legislative body may, if it deems it wise or expedient,

 adopt an ordinance providing for the annexation or adopt ordinances

 providing for the annexation and adoption of the comprehensive plan,

 or adopt ordinances providing for the annexation and creation of a

 community municipal corporation, as the case may be.
- 8 **Sec. 404.** RCW 35.13.130 and 2009 c 60 s 3 are each amended to 9 read as follows:

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A petition for annexation of an area contiguous, as defined in section 1(7) of this act, to a city or town may be made in writing addressed to and filed with the legislative body of the municipality to which annexation is desired. When the petition for annexation is filed with the legislative body, the legislative body must file notice of the proposed action with the office of financial management for its review pursuant to section 1 of this act. Except where all the property sought to be annexed is property of a school district, and the school directors thereof file the petition for annexation as in RCW 28A.335.110 authorized, the petition must be signed by the owners of not less than sixty percent in value according to the assessed valuation for general taxation of the property for which annexation is petitioned: PROVIDED, That in cities and towns with populations greater than one hundred sixty thousand located east of the Cascade mountains, the owner of tax exempt property may sign an annexation petition and have the tax exempt property annexed into the city or town, but the value of the tax exempt property shall not be used in calculating the sufficiency of the required property owner signatures unless only tax exempt property is proposed to be annexed into the city or town. The petition shall set forth a description of the property according to government legal subdivisions or legal plats which is in compliance with RCW 35.02.170, and shall be accompanied by a plat which outlines the boundaries of the property sought to be annexed. If the legislative body has required the assumption of all or of any portion of city or town indebtedness by the area annexed, and/or the adoption of a comprehensive plan for the area to be annexed, these facts, together with a quotation of the minute entry of such requirement or requirements shall be set forth in the petition.

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Sec. 405. RCW 35.13.150 and 1975 1st ex.s. c 220 s 9 are each 2 amended to read as follows:

Following the hearing and review of the proposed action by the office of financial management pursuant to section 1 of this act, the council or commission shall determine by ordinance whether annexation shall be made. Subject to RCW 35.02.170, they may annex all or any portion of the proposed area but may not include in the annexation any property not described in the petition. Upon passage of the ordinance a certified copy shall be filed with the board of county commissioners of the county in which the annexed property is located.

Sec. 406. RCW 35.13.180 and 1994 c 81 s 11 are each amended to 12 read as follows:

City and town councils of second-class cities and towns may by a majority vote annex new unincorporated territory outside the city or town limits, whether contiguous or noncontiguous for park, cemetery, or other municipal purposes when such territory is owned by the city or town or all of the owners of the real property in the territory give their written consent to the annexation. The city or town council must file notice of the proposed action with the office of financial management for its review pursuant to section 1 of this act.

- **Sec. 407.** RCW 35.13.182 and 1998 c 286 s 1 are each amended to 23 read as follows:
- (1) The legislative body of a city or town planning under chapter 36.70A RCW ((as of June 30, 1994,)) may resolve to annex territory to the city or town if there is, within the city or town, unincorporated territory containing residential property owners within the same county and within the same urban growth area designated under RCW 36.70A.110 as the city or town:
- 30 (a) Containing less than one hundred acres and having at least 31 eighty percent of the boundaries of such area contiguous to the city 32 or town; or
- 33 (b) Of any size and having at least eighty percent of the 34 boundaries of the area contiguous to the city ((if the area existed 35 before June 30, 1994)).
- 36 (2) The resolution shall describe the boundaries of the area to 37 be annexed, state the number of voters residing in the area as nearly 38 as may be, and set a date for a public hearing on the resolution for

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annexation. The legislative body of the city or town must file notice of the proposed action with the office of financial management for its review pursuant to section 1 of this act. Notice of the hearing shall be given by publication of the resolution at least once a week for two weeks before the date of the hearing in one or more newspapers of general circulation within the city or town and one or more newspapers of general circulation within the area to be annexed.

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- 8 (3) For purposes of subsection (1)(b) of this section, territory 9 bounded by a river, lake, or other body of water is considered 10 contiguous to a city that is also bounded by the same river, lake, or 11 other body of water.
- 12 **Sec. 408.** RCW 35.13.1822 and 1998 c 286 s 3 are each amended to 13 read as follows:

On the date set for hearing as provided in RCW 35.13.182(2), residents or property owners of the area included in the resolution for annexation shall be afforded an opportunity to be heard. Subject to review of the proposed action by the office of financial management pursuant to section 1 of this act, the legislative body may provide by ordinance for annexation of the territory described in the resolution, but the effective date of the ordinance shall be not less than forty-five days after the passage thereof. The legislative body shall cause notice of the proposed effective date of the annexation, together with a description of the property to be annexed, to be published at least once each week for two weeks subsequent to passage of the ordinance, in one or more newspapers of general circulation within the city and in one or more newspapers of general circulation within the area to be annexed. If the annexation ordinance provides for assumption of indebtedness or adoption of a proposed zoning regulation, the notice shall include a statement of such requirements.

Sec. 409. RCW 35.13.185 and 1965 c 7 s 35.13.185 are each amended to read as follows:

Any unincorporated area contiguous, as defined in section 1(7) of this act, to a first-class city may be annexed thereto by an ordinance accepting a gift, grant, lease, or cession of jurisdiction from the government of the United States of the right to occupy or control it. The first-class city must file notice of the proposed

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- 1 action with the office of financial management for its review
- 2 pursuant to section 1 of this act.

Sec. 410. RCW 35.13.190 and 1994 c 81 s 12 are each amended to 4 read as follows:

Any unincorporated area contiguous, as defined in section 1(7) of this act, to a second-class city or town may be annexed thereto by an ordinance accepting a gift, grant, or lease from the government of the United States of the right to occupy, control, improve it or sublet it for commercial, manufacturing, or industrial purposes: PROVIDED, That this shall not apply to any territory more than four miles from the corporate limits existing before such annexation. The second-class city or town must file notice of the proposed action with the office of financial management for its review pursuant to section 1 of this act.

- **Sec. 411.** RCW 35.13.238 and 2013 2nd sp.s. c 27 s 3 are each 16 amended to read as follows:
 - (1)(a) An annexation by a city or town that is proposing to annex territory served by one or more fire protection districts may be accomplished by ordinance after entering into an interlocal agreement as provided in chapter 39.34 RCW with the county and the fire protection district or districts that have jurisdiction over the territory proposed for annexation.
 - (b) A city or town proposing to annex territory shall initiate the interlocal agreement process by sending notice to the fire protection district representative and county representative stating the city's or town's interest to enter into an interlocal agreement negotiation process. The parties have forty-five days to respond in the affirmative or negative. A negative response must state the reasons the parties do not wish to participate in an interlocal agreement negotiation. A failure to respond within the forty-five day period is deemed an affirmative response and the interlocal agreement negotiation process may proceed. The interlocal agreement process may not proceed if any negative responses are received within the forty-five day period.
 - (c) The interlocal agreement must describe the boundaries of the territory proposed for annexation and must be consistent with the boundaries identified in an ordinance describing the boundaries of the territory proposed for annexation and setting a date for a public

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- 1 hearing on the ordinance. If the boundaries of the territory proposed
- 2 for annexation are agreed to by all parties, a notice of intention
- 3 must be filed with the boundary review board created under RCW
- 4 36.93.030 and the office of financial management. However, the
- 5 jurisdiction of the board may not be invoked as described in RCW
- 6 36.93.100 for annexations that are the subject of such agreement.
- 7 (2) An interlocal annexation agreement under this section must 8 include the following:
- 9 (a) A statement of the goals of the agreement. Goals must 10 include, but are not limited to:
- 11 (i) The transfer of revenues and assets between the fire 12 protection districts and the city or town;
- (ii) A consideration and discussion of the impact to the level of service of annexation on the unincorporated area, and an agreement that the impact on the ability of fire protection and emergency medical services within the incorporated area must not be negatively impacted at least through the budget cycle in which the annexation occurs;
- 19 (iii) A discussion with fire protection districts regarding the 20 division of assets and its impact to citizens inside and outside the 21 newly annexed area;
- (iv) Community involvement, including an agreed upon schedule of public meetings in the area or areas proposed for annexation;
 - (v) Revenue sharing, if any;
- 25 (vi) Debt distribution;

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- 26 (vii) Capital facilities obligations of the city, county, and 27 fire protection districts;
- (viii) An overall schedule or plan on the timing of any annexations covered under this agreement; and
- 30 (ix) A description of which of the annexing cities' development 31 regulations will apply and be enforced in the area.
- 32 (b) The subject areas and policies and procedures the parties 33 agree to undertake in annexations. Subject areas may include, but are 34 not limited to:
 - (i) Roads and traffic impact mitigation;
- 36 (ii) Surface and storm water management;
- 37 (iii) Coordination and timing of comprehensive plan and 38 development regulation updates;
- 39 (iv) Outstanding bonds and special or improvement district 40 assessments;

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(v) Annexation procedures;

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- 2 (vi) Distribution of debt and revenue sharing for annexation 3 proposals, code enforcement, and inspection services;
 - (vii) Financial and administrative services; and
- 5 (viii) Consultation with other service providers, including 6 water-sewer districts, if applicable.
 - (c) A term of at least five years, which may be extended by mutual agreement of the city or town, the county, and the fire protection district.
 - (3) If the fire protection district, annexing city or town, and county reach an agreement on the enumerated goals, or if only the annexing city or town and county reach an agreement on the enumerated goals, the city or town may adopt an annexation ordinance, but the annexation ordinance provided for in this section is subject to review by the office of financial management pursuant to section 1 of this act and referendum for forty-five days after its passage, provided that no referendum shall be allowed for an annexation under this section if the fire protection district, annexing city or town, and the county reach agreement on an annexation for which a city or town has initiated the interlocal agreement process by sending notice the fire protection district representative and county representative prior to July 28, 2013. Upon the filing of a timely and sufficient referendum petition with the legislative body of the city or town, signed by qualified electors in a number not less than ten percent of the votes cast in the last general state election in the area to be annexed, the question of annexation must be submitted to the voters of the area in a general election if one is to be held within ninety days or at a special election called for that purpose according to RCW 29A.04.330. Notice of the election must be given as provided in RCW 35.13.080, and the election must be conducted as provided in the general election laws under Title 29A RCW. The annexation must be deemed approved by the voters unless a majority of the votes cast on the proposition are in opposition to the annexation.

After the expiration of the forty-fifth day from, but excluding, the date of passage of the annexation ordinance, if a timely and sufficient referendum petition has not been filed, the area annexed becomes a part of the city or town upon the date fixed in the ordinance of annexation.

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(4) If any portion of a fire protection district is proposed for annexation to or incorporation into a city or town, both the fire protection district and the city or town shall jointly inform the employees of the fire protection district about hires, separations, terminations, and any other changes in employment that are a direct consequence of annexation or incorporation at the earliest reasonable opportunity.

- (5) The needed employees shall be taken in order of seniority and the remaining employees who transfer as provided in this section and RCW 35.10.360 and 35.10.370 shall head the list for employment in the civil service system in order of their seniority, to the end that they shall be the first to be reemployed in the city or town fire department when appropriate positions become available. Employees who are not immediately hired by the city or town shall be placed on a reemployment list for a period not to exceed thirty-six months unless a longer period is authorized by an agreement reached between the collective bargaining representatives of the employees of the annexing and annexed fire agencies.
- (6)(a) Upon transfer, an employee is entitled to the employee rights, benefits, and privileges to which he or she would have been entitled as an employee of the fire protection district, including rights to:
- (i) Compensation at least equal to the level of compensation at the time of transfer, unless the employee's rank and duties have been reduced as a result of the transfer. If the transferring employee is placed in a position with reduced rank and duties, the employee's compensation may be adjusted, but the adjustment may not result in a decrease of greater than fifty percent of the difference between the employee's compensation before the transfer and the compensation level for the position that the employee is transferred to;
- 32 (ii) Retirement, vacation, sick leave, and any other accrued 33 benefit;
 - (iii) Promotion and service time accrual; and
 - (iv) The length or terms of probationary periods, including no requirement for an additional probationary period if one had been completed before the transfer date.
 - (b) (a) of this subsection does not apply if upon transfer an agreement for different terms of transfer is reached between the

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collective bargaining representatives of the transferring employees and the participating fire protection jurisdictions.

- (7) If upon transfer, the transferring employee receives the rights, benefits, and privileges established under subsection (6)(a)(i) through (iv) of this section, those rights, benefits, and privileges are subject to collective bargaining at the end of the current bargaining period for the jurisdiction to which the employee has transferred.
- 9 (8) Such bargaining must take into account the years of service 10 the transferring employee accumulated before the transfer and must be 11 treated as if those years of service occurred in the jurisdiction to 12 which the employee has transferred.
- **Sec. 412.** RCW 35.13.260 and 2011 c 342 s 1 are each amended to 14 read as follows:
- 15 (1) Whenever any territory is annexed to <u>or deannexed from</u> a city 16 or town, <u>any territory is subject to boundary line adjustment</u>, or 17 cities are consolidated pursuant to chapter 35.10 RCW:
 - (a) A copy of the complete ordinance containing a legal description and a map showing specifically the boundaries of the territory or consolidated area must be submitted immediately after the city or town's adoption. Within two days of receipt of the ordinance, the office of financial management must post a digital copy on the internet or transmit digital copies via email to the departments of transportation and revenue. The requirement to notify the department of revenue of a tax rate change under RCW 82.14.055(1) is met when the office of financial management receives the documents required under this subsection (1)(a); and
 - (b) A certificate as hereinafter provided ((shall)) must be submitted ((in triplicate)) to the office of financial management((7 hereinafter in this section referred to as "the office",)) within thirty days of the effective date of ((annexation)) the action specified in the relevant ordinance. After approval of the certificate, the office ((shall)) of financial management must retain the original copy in its files((7)) and transmit ((the second)) a digital copy to ((the department of transportation and return the third copy to)) the city or town via email. ((Such)) The certificate((s shall)) must be in ((such)) a form and contain ((such)) information as ((shall be)) prescribed by the office of financial management. ((A copy of the complete ordinance containing a

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- legal description and a map showing specifically the boundaries of the annexed territory shall be attached to each of the three copies of the certificate.)) The certificate ((shall)) must be signed by the mayor and attested by the city clerk. Upon request, the office ((shall)) of financial management must furnish certification forms to any city or town.
- (2)(a) The resident population of the ((annexed)) territory ((shall)) or consolidated area must be determined by, or under the direction of, the mayor of the city or town.
- (b) If the ((annexing)) city or town has a population of ten thousand or less, the ((annexed)) territory or consolidated area consists entirely of one or more partial federal census blocks, or 2010 federal decennial census data has not been released within twelve months immediately prior to the date of ((annexation)) the action, the population determination ((shall)) must consist of an actual enumeration of the population.
- (c) In any circumstance, the city or town may choose to have the population determination of the entire ((annexed)) territory or consolidated area consist of an actual enumeration. However, if the city or town does not use actual enumeration for determining population, the ((annexed)) territory or consolidated area includes or consists of one or more complete federal census blocks, and 2010 federal decennial census data has been released within twelve months immediately prior to the date of ((annexation)) the action, the population determination ((shall)) must consist of:
- (i) Relevant 2010 federal decennial census data pertaining to the complete block or blocks, as such data has been updated by the most recent official population estimate released by the office of financial management pursuant to RCW 43.62.030;
- (ii) An actual enumeration of any population located within the ((annexed)) territory or consolidated area but outside the complete federal census block or blocks; and
- (iii) If the office of financial management, at least two weeks prior to the date of ((annexation)) the action, confirms the existence of a known census error within a complete federal census block and identifies a structure or complex listed in (c)(iii)(A) through (E) of this subsection (2) as a likely source of the error, an actual enumeration of one or more of the block's identified:
 - (A) Group quarters;

(B) Mobile home parks;

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- 1 (C) Apartment buildings that are composed of at least fifty units 2 and are certified for occupancy between January 1, 2010, and April 1, 3 2011;
 - (D) Missing subdivisions; and

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- 5 (E) Closures of any of the categories in (c)(iii)(A) through (D) 6 of this subsection.
 - (d) Whenever an actual enumeration is used, it shall be made in accordance with the practices and policies of, and subject to the approval of, the office of financial management.
- 10 (e) The city or town ((shall be)) is responsible for the full cost of the population determination.
- 12 (3) The population ((shall)) <u>must</u> be determined as of the 13 effective date of ((annexation)) <u>the action</u> as specified in the 14 relevant ordinance.
- Until ((an annexation)) <u>a</u> certificate is filed and approved ((as provided herein, such annexed)), the territory ((shall)) or consolidated area must not be considered by the office of financial management in determining the population of such city or town.
 - Upon approval of the ((annexation)) certificate, the office ((shall)) of financial management must forward to each state official or department responsible for making allocations or payments to cities or towns, a revised certificate reflecting the increase in population due to ((such annexation)) the action. Upon and after the date of the commencement of the next quarterly period, the population determination indicated in ((such)) the revised certificate ((shall)) must be used as the basis for the allocation and payment of state funds to such city or town.
 - For the purposes of this section, each quarterly period ((shall)) commences on the first day of the months of January, April, July, and October. Whenever a revised certificate is forwarded by the office of financial management thirty days or less prior to the commencement of the next quarterly period, the population of the ((annexed)) territory ((shall)) or consolidated area must not be considered until the commencement of the following quarterly period.
- 35 **Sec. 413.** RCW 35.13.300 and 1989 c 84 s 12 are each amended to read as follows:
- The purpose of this section and RCW ((35.13.300)) 35.13.310 38 through ((35.13.330)) 35.13.340 is to establish a process for the 39 adjustment of existing or proposed city boundary lines to avoid a

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situation where a common boundary line is or would be located within a right-of-way of a public street, road, or highway, or a situation where two cities are separated or would be separated by only the right-of-way of a public street, road, or highway, other than situations where a boundary line runs from one edge of the right-of-way to the other edge of the right-of-way. Boundary line adjustments under RCW 35.13.310 through 35.13.340 are subject to review by the office of financial management pursuant to section 1 of this act.

10 As used in this section and RCW ((35.13.300)) 35.13.310 through 11 35.13.330, "city" includes every city or town in the state, including 12 a code city operating under Title 35A RCW.

Sec. 414. RCW 35.13.420 and 2003 c 331 s 3 are each amended to 14 read as follows:

- (1) A petition for annexation of an area contiguous, as defined in section 1(7) of this act, to a city or town may be made in writing addressed to and filed with the legislative body of the municipality to which annexation is desired. Except where all the property sought to be annexed is property of a school district, and the school directors thereof file the petition for annexation as in RCW 28A.335.110, the petition must be signed by the owners of a majority of the acreage for which annexation is petitioned and a majority of the registered voters residing in the area for which annexation is petitioned.
- (2) If no residents exist within the area proposed for annexation, the petition must be signed by the owners of a majority of the acreage for which annexation is petitioned.
- (3) The petition shall set forth a legal description of the property proposed to be annexed that complies with RCW 35.02.170, and shall be accompanied by a drawing that outlines the boundaries of the property sought to be annexed. If the petition for annexation is approved by the legislative body, the legislative body must file notice of the proposed action with the office of financial management for its review pursuant to section 1 of this act. If the legislative body has required the assumption of all or any portion of city or town indebtedness by the area annexed, and/or the adoption of a comprehensive plan for the area to be annexed, these facts, together with a quotation of the minute entry of such requirement or requirements, shall be set forth in the petition.

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1 **Sec. 415.** RCW 35.13.440 and 2003 c 331 s 5 are each amended to 2 read as follows:

3 Following the hearing and review of the proposed action by the office of financial management pursuant to section 1 of this act, the 4 council or commission shall determine by ordinance whether annexation 5 б shall be made. Subject to the provisions of RCW 35.13.410, 35.13.460, 7 and 35.21.005, ((they)) the council or commission may annex all or any portion of the proposed area but may not include in the 8 9 annexation any property not described in the petition. Upon passage of the ordinance, a certified copy ((shall)) must be filed with the 10 11 board of county commissioners of the county in which the annexed 12 property is located and a copy must be filed with the office of financial management. 13

14 **Sec. 416.** RCW 35.13.480 and 2006 c 344 s 23 are each amended to 15 read as follows:

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- (1) The legislative body of any county planning under chapter 36.70A RCW and subject to the requirements of RCW 36.70A.215 may initiate an annexation process with the legislative body of any other cities or towns that are contiguous, as defined in section 1(7) of this act, to the territory proposed for annexation in RCW 35.13.470 if:
- 22 (a) The county legislative body initiated an annexation process 23 as provided in RCW 35.13.470; and
 - (b) The affected city or town legislative body adopted a responsive resolution rejecting the proposed annexation or declined to create the requested interlocal agreement with the county; or
 - (c) More than one hundred eighty days have passed since adoption of a county resolution as provided for in RCW 35.13.470 and the parties have not adopted or executed an interlocal agreement providing for the annexation of unincorporated territory. The legislative body for either the county or an affected city or town may, however, pass a resolution extending the negotiation period for one or more six-month periods if a public hearing is held and findings of fact are made prior to each extension.
- 35 (2) Any county initiating the process provided for in subsection 36 (1) of this section must do so by adopting a resolution commencing 37 negotiations for an interlocal agreement as provided in chapter 39.34 38 RCW between the county and any city or town within the county. The 39 annexation area must be within an urban growth area designated under

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RCW 36.70A.110 and at least sixty percent of the boundaries of the territory to be annexed must be contiguous, as defined in section 1(7) of this act, to one or more cities or towns.

- (3) The agreement shall describe the boundaries of the territory to be annexed <u>and be submitted to the office of financial management for its review pursuant to section 1 of this act</u>. A public hearing shall be held by each legislative body, separately or jointly, before the agreement is executed. Each legislative body holding a public hearing shall, separately or jointly, publish the agreement at least once a week for two weeks before the date of the hearing in one or more newspapers of general circulation within the territory proposed for annexation.
- (4) Following adoption and execution of the agreement by both legislative bodies and its review by the office of financial management pursuant to section 1 of this act, the city or town legislative body shall adopt an ordinance providing for the annexation. The legislative body shall cause notice of the proposed effective date of the annexation, together with a description of the property to be annexed, to be published at least once each week for two weeks subsequent to passage of the ordinance, in one or more newspapers of general circulation within the city and in one or more newspapers of general circulation within the territory to be annexed. If the annexation ordinance provides for assumption of indebtedness or adoption of a proposed zoning regulation, the notice shall include a statement of the requirements. Any area to be annexed through an ordinance adopted under this section is annexed and becomes a part of the city or town upon the date fixed in the ordinance of annexation, which date may not be less than forty-five days after adoption of the ordinance.
- (5) The annexation ordinances provided for in RCW 35.13.470(4) and subsection (4) of this section are subject to referendum for forty-five days after passage. Upon the filing of a timely and sufficient referendum petition with the legislative body, signed by registered voters in number equal to not less than fifteen percent of the votes cast in the last general state election in the area to be annexed, the question of annexation shall be submitted to the voters of the area in a general election if one is to be held within ninety days or at a special election called for that purpose according to RCW 29A.04.330. Notice of the election shall be given as provided in RCW 35.13.080 and the election shall be conducted as provided in the

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general election law. The annexation shall be deemed approved by the voters unless a majority of the votes cast on the proposition are in opposition thereto.

After the expiration of the forty-fifth day from but excluding the date of passage of the annexation ordinance, if no timely and sufficient referendum petition has been filed, the area annexed shall become a part of the city or town upon the date fixed in the ordinance of annexation.

- (6) If more than one city or town adopts interlocal agreements providing for annexation of the same unincorporated territory as provided by this section, an election shall be held in the area to be annexed pursuant to RCW 35.13.070 and 35.13.080. In addition to the provisions of RCW 35.13.070 and 35.13.080, the ballot shall also contain a separate proposition allowing voters to cast votes in favor of annexation to any one city or town participating in an interlocal agreement as provided by this section. If a majority of voters voting on the proposition vote against annexation, the proposition is defeated. If, however, a majority of voters voting in the election approve annexation, the area shall be annexed to the city or town receiving the highest number of votes among those cast in favor of annexation.
- 22 (7) Costs for an election required under subsection (6) of this 23 section shall be borne by the county.
- **Sec. 417.** RCW 35.13.490 and 2009 c 402 s 3 are each amended to 25 read as follows:
 - (1) Territory owned by a county and used for an agricultural fair as provided in chapter 15.76 ((RCW)) or ((chapter)) 36.37 RCW may only be annexed to a city or town through the method prescribed in this section.
 - (a) The legislative body of the city or town proposing the annexation must submit a request for annexation and a legal description of the subject territory to the legislative authority of the county within which the territory is located.
 - (b) Upon receipt of the request and description, the county legislative authority has thirty days to review the proposal and determine if the annexation proceedings will continue. As a condition of approval, the county legislative authority may modify the proposal, but it may not add territory that was not included in the request and description. Approval of the county legislative authority

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is a condition precedent to further proceedings upon the request and there is no appeal of the county legislative authority's decision.

- (c) If the county legislative authority determines that the proceedings may continue, it must, within thirty days of the determination, fix a date for a public hearing on the proposal, and cause notice of the hearing to be published at least once a week for two weeks prior to the hearing in one or more newspapers of general circulation in the territory proposed for annexation. The notice must also be posted in three public places within the subject territory, specify the time and place of the hearing, and invite interested persons to appear and voice approval or disapproval of the annexation. If the annexation proposal provides for assumption of indebtedness or adoption of a proposed zoning regulation, the notice must include a statement of these requirements.
- (d) If, following the conclusion of the hearing, a majority of the county legislative authority deems the annexation proposal to be in the best interest of the county, it may adopt a resolution approving of the annexation. The county legislative authority must file notice of the proposed action with the office of financial management for its review pursuant to section 1 of this act.
- (e) If, following the county legislative authority's adoption of the annexation approval resolution and review of the proposed action by the office of financial management pursuant to section 1 of this act, the legislative body of the city or town proposing annexation determines to effect the annexation, it must do so by ordinance. The ordinance: (i) May only include territory approved for annexation in the resolution adopted under (d) of this subsection; and (ii) must not exclude territory approved for annexation in the resolution adopted under (d) of this subsection. Upon passage of the annexation ordinance, a certified copy must be filed with the applicable county legislative authority.
- 32 (2) Any territory annexed through an ordinance adopted under this 33 section is annexed and becomes a part of the city or town upon the 34 date fixed in the ordinance.
- **Sec. 418.** RCW 35.16.010 and 1994 c 273 s 1 are each amended to 36 read as follows:
- Upon the filing of a petition which is sufficient as determined by RCW 35A.01.040 requesting the exclusion from the boundaries of a city or town of an area described by metes and bounds or by reference

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to a recorded plat or government survey, signed by qualified voters 1 of the city or town equal in number to not less than ten percent of 2 the number of voters voting at the last general municipal election, 3 the city or town legislative body shall submit the question to the 4 voters. As an alternate method, the legislative body of the city or 5 б town may by resolution submit a proposal to the voters for excluding 7 such a described area from the boundaries of the city or town. The question shall be submitted at the next general municipal election if 8 one is to be held within one hundred eighty days or at a special 9 election called for that purpose not less than ninety days nor more 10 11 than one hundred eighty days after the certification of sufficiency 12 of the petition or the passage of the resolution. The petition or resolution shall set out and describe the territory to be excluded 13 14 from the city or town, together with the boundaries of the city or town as it will exist after such change is made. The legislative body 15 16 of the city or town must file notice of the proposed action with the 17 office of financial management for its review pursuant to section 1 18 of this act.

19 **Sec. 419.** RCW 35.16.040 and 1994 c 273 s 4 are each amended to 20 read as follows:

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Promptly after the filing of the abstract of votes with the office of the secretary of state and subject to review of the proposed action by the office of financial management pursuant to section 1 of this act, the legislative body of the city or town shall adopt an ordinance defining and fixing the corporate limits after excluding the area as determined by the election. The ordinance shall also describe the excluded territory by metes and bounds or by reference to a recorded plat or government survey and declare it no longer a part of the city or town.

Sec. 420. RCW 35A.14.010 and 2009 c 402 s 4 are each amended to read as follows:

Any portion of a county not incorporated as part of a city or town but lying contiguous, as defined in section 1(7) of this act, to a code city may become a part of the charter code city or noncharter code city by annexation. An area proposed to be annexed to a charter code city or noncharter code city shall be deemed contiguous, as defined in section 1(7) of this act, thereto even though separated by water or tide or shore lands and, upon annexation of such area, any

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- such intervening water and/or tide or shore lands shall become a part of such annexing city.
- 3 **Sec. 421.** RCW 35A.14.020 and 1989 c 351 s 4 are each amended to 4 read as follows:

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- (1) When a petition is sufficient under the rules set forth in RCW 35A.01.040, calling for an election to vote upon the annexation of unincorporated territory contiguous, as defined in section 1(7) of this act, to a code city, describing the boundaries of the area proposed to be annexed, stating the number of voters therein as nearly as may be, and signed by qualified electors resident in such territory equal in number to ten percent of the votes cast at the last state general election therein, it shall be filed with the auditor of the county in which all, or the greatest portion, of the territory is located, and a copy of the petition shall be filed with the legislative body of the code city. If the territory is located in more than a single county, the auditor of the county with whom the petition is filed shall act as the lead auditor and transmit a copy of the petition to the auditor of each other county within which a portion of the territory is located. The auditor or auditors shall examine the petition, and the auditor or lead auditor shall certify the sufficiency of the petition to the legislative authority of the code city.
 - (2) If the signatures on the petition are certified as containing sufficient valid signatures, the city legislative authority shall, by resolution entered within sixty days thereafter, notify the petitioners, either by mail or by publication in the same manner notice of hearing is required by RCW 35A.14.040 to be published, of its approval or rejection of the proposed action. If approved, the legislative body must file notice of the proposed action with the office of financial management for its review pursuant to section 1 of this act. In approving the proposed action, the legislative body may require that there also be submitted to the electorate of the territory to be annexed, a proposition that all property within the area to be annexed shall, upon annexation, be assessed and taxed at the same rate and on the same basis as the property of such annexing city is assessed and taxed to pay for all or any portion of the thenoutstanding indebtedness of the city to which said area is annexed, which indebtedness has been approved by the voters, contracted for, or incurred prior to, or existing at, the date of annexation. Only

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1 after the legislative body has completed preparation and filing of a proposed zoning regulation for the area to be annexed as provided for 2 in RCW 35A.14.330 and 35A.14.340, the legislative body in approving 3 the proposed action, may require that the proposed zoning regulation 4 5 be simultaneously adopted upon the approval of annexation by the 6 electorate of the area to be annexed. The approval of the legislative 7 body shall be a condition precedent to further proceedings upon the petition. The costs of conducting the election called for in the 8 9 petition shall be a charge against the city concerned. proposition or questions provided for in this section may be 10 11 submitted to the voter either separately or as a single proposition.

12 **Sec. 422.** RCW 35A.14.090 and 1979 ex.s. c 124 s 6 are each 13 amended to read as follows:

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Upon filing of the certified copy of the finding of the county legislative authority, the clerk shall transmit it to the legislative body of the city at the next regular meeting or as soon thereafter as practicable. If only a proposition relating to annexation or to annexation and adoption of a proposed zoning regulation was submitted to the voters and ((such proposition was)) approved, and the proposed action has been subject to review by the office of financial management pursuant to section 1 of this act, the legislative body shall adopt an ordinance providing for the annexation or adopt ordinances providing for the annexation and adoption of a proposed zoning regulation, as the case may be. If a proposition for annexation or for annexation and adoption of a proposed zoning regulation ((-)) and a proposition for assumption of all or any portion of indebtedness were both submitted((τ)) and ((both were))approved, and the proposed action has been subject to review by the office of financial management pursuant to section 1 of this act, the legislative body shall adopt an ordinance providing annexation or for annexation and adoption of the proposed zoning regulation, including the assumption of the portion of indebtedness that was approved by the voters. If both propositions were submitted and only the annexation or the annexation and adoption of the proposed zoning regulation was approved, and the proposed action has been subject to review by the office of financial management pursuant to section 1 of this act, the legislative body may adopt an ordinance providing for the annexation or adopt ordinances providing for the annexation and adoption of the proposed zoning regulation, as the

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- 1 case may be, or the legislative body may refuse to annex when a
- 2 proposal for assumption of the portion of indebtedness has been
- 3 disapproved by the voters.

Sec. 423. RCW 35A.14.130 and 1967 ex.s. c 119 s 35A.14.130 are each amended to read as follows:

Whenever such a petition for annexation is filed with the б legislative body of a code city, which petition meets the 7 requirements herein specified and is sufficient according to the 8 rules set forth in RCW 35A.01.040, the legislative body may entertain 9 10 the same, fix a date for a public hearing thereon, and cause notice of the hearing to be published in one or more issues of a newspaper 11 of general circulation in the city. The legislative body must also 12 file notice of the proposed action with the office of financial 13 management for its review pursuant to section 1 of this act. The 14 15 notice ((shall)) of the hearing must also be posted in three public 16 places within the territory proposed for annexation, ((and shall)) 17 specify the time and place of hearing, and invite interested persons to appear and voice approval or disapproval of the annexation. 18

- 19 **Sec. 424.** RCW 35A.14.140 and 1986 c 234 s 31 are each amended to 20 read as follows:
- Following the hearing and review of the proposed action by the 21 22 office of financial management pursuant to section 1 of this act, if 23 the legislative body determines to effect the annexation, they shall do so by ordinance. Subject to RCW 35.02.170, the ordinance may annex 24 25 all or any portion of the proposed area but may not include in the annexation any property not described in the petition. Upon passage 26 27 of the annexation ordinance a certified copy shall be filed with the board of county commissioners of the county in which the annexed 28 29 property is located.
- 30 **Sec. 425.** RCW 35A.14.295 and 2013 2nd sp.s. c 27 s 1 are each 31 amended to read as follows:
- 32 (1) The legislative body of a code city may resolve to annex 33 territory to the city if there is within the city, unincorporated 34 territory:
- 35 (a) Containing less than one hundred seventy-five acres and 36 having all of the boundaries of such area contiguous to the code 37 city; or

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(b) Of any size containing residential property owners and having at least eighty percent of the boundaries of such area contiguous to the city. Territory annexed under this subsection (1)(b) must be within the same county and within the same urban growth area designated under RCW 36.70A.110, and the city must plan under chapter 36.70A RCW.

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- (2) The resolution ((shall)) <u>must</u> describe the boundaries of the area to be annexed, state the number of voters residing therein as nearly as may be, and set a date for a public hearing on such resolution for annexation. <u>The legislative body of the code city must file notice of the proposed action with the office of financial management for its review pursuant to section 1 of this act. Notice of the hearing ((shall)) <u>must</u> be given by publication of the resolution at least once a week for two weeks prior to the date of the hearing, in one or more newspapers of general circulation within the code city and one or more newspapers of general circulation within the area to be annexed.</u>
- 18 (3) For purposes of subsection (1)(b) of this section, territory 19 bounded by a river, lake, or other body of water is considered 20 contiguous to a city that is also bounded by the same river, lake, or 21 other body of water.
- 22 **Sec. 426.** RCW 35A.14.297 and 1967 ex.s. c 119 s 35A.14.297 are 23 each amended to read as follows:

On the date set for hearing as provided in RCW 35A.14.295, residents or property owners of the area included in the resolution for annexation shall be afforded an opportunity to be heard. Subject to review of the proposed action by the office of financial management pursuant to section 1 of this act, the legislative body may provide by ordinance for annexation of the territory described in the resolution, but the effective date of the ordinance shall be not less than forty-five days after the passage thereof. The legislative body shall cause notice of the proposed effective date of the annexation, together with a description of the property to be annexed, to be published at least once each week for two weeks subsequent to passage of the ordinance, in one or more newspapers of general circulation within the city and in one or more newspapers of general circulation within the area to be annexed. If the annexation ordinance provides for assumption of indebtedness or adoption of a proposed zoning regulation, the notice shall include a statement of

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such requirements. Such annexation ordinance shall be subject to 1 referendum for forty-five days after the passage thereof. Upon the 2 filing of a timely and sufficient referendum petition as provided in 3 RCW 35A.14.299 below, a referendum election shall be held as provided 4 in RCW 35A.14.299, and the annexation shall be deemed approved by the 5 6 voters unless a majority of the votes cast on the proposition are in opposition thereto. After the expiration of the forty-fifth day from, 7 but excluding the date of passage of the annexation ordinance, if no 8 timely and sufficient referendum petition has been filed, as provided 9 by RCW 35A.14.299 below, the area annexed shall become a part of the 10 11 code city upon the date fixed in the ordinance of annexation.

12 **Sec. 427.** RCW 35A.14.300 and 1981 c 332 s 7 are each amended to 13 read as follows:

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Legislative bodies of code cities may by a majority vote annex territory outside the limits of such city whether contiguous or noncontiguous for any municipal purpose when such territory is owned by the city. The legislative body of a code city must file notice of the proposed action with the office of financial management for its review pursuant to section 1 of this act.

20 **Sec. 428.** RCW 35A.14.310 and 1985 c 105 s 1 are each amended to 21 read as follows:

A code city may annex an unincorporated area contiguous, as defined in section 1(7) of this act, to the city that is owned by the federal government by adopting an ordinance providing for the annexation and which ordinance either acknowledges an agreement of the annexation by the government of the United States, or accepts a gift, grant, or lease from the government of the United States of the right to occupy, control, improve it or sublet it for commercial, manufacturing, or industrial purposes: PROVIDED, That this right of annexation shall not apply to any territory more than four miles from the corporate limits existing before such annexation. Whenever a code city proposes to annex territory under this section, the city ((shall)) must file notice of the proposed action with the office of financial management for its review pursuant to section 1 of this act and provide written notice of the proposed ((annexation)) action to the legislative authority of the county within which such territory is located. The notice ((shall)) to the legislative authority of the county must be provided at least thirty days before the city proposes

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to adopt the annexation ordinance. The city shall not adopt the annexation ordinance, and the annexation shall not occur under this section, if within twenty-five days of receipt of the notice, the county legislative authority adopts a resolution opposing the annexation, which resolution makes a finding that the proposed annexation will have an adverse fiscal impact on the county or road district.

8 **Sec. 429.** RCW 35A.14.430 and 2003 c 331 s 11 are each amended to 9 read as follows:

When a petition for annexation is filed with the legislative body 10 of a code city, that meets the requirements of RCW 35A.01.040 and 11 35A.14.420, the legislative body may entertain the same, fix a date 12 13 for a public hearing thereon and cause notice of the hearing to be published in one or more issues of a newspaper of general circulation 14 15 in the city. The legislative body must also file notice of the 16 proposed action with the office of financial management for its review pursuant to section 1 of this act. The notice ((shall)) of the 17 hearing must also be posted in three public places within the 18 territory proposed for annexation, ((and shall)) specify the time and 19 place of hearing, and invite interested persons to appear and voice 20 approval or disapproval of the annexation. 21

22 **Sec. 430.** RCW 35A.14.440 and 2003 c 331 s 12 are each amended to 23 read as follows:

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Following the hearing and review of the proposed action by the office of financial management pursuant to section 1 of this act, if the legislative body determines to effect the annexation, ((they shall)) it must do so by ordinance. Subject to RCW 35A.14.410, the ordinance may annex all or any portion of the proposed area but may not include in the annexation any property not described in the petition. Upon passage of the annexation ordinance, a certified copy ((shall)) must be filed with the board of county commissioners of the county in which the annexed property is located and a copy must be filed with the office of financial management.

- 34 **Sec. 431.** RCW 35A.14.460 and 2003 c 299 s 3 are each amended to read as follows:
- 36 (1) The legislative body of a county or code city planning under 37 chapter 36.70A RCW and subject to the requirements of RCW 36.70A.215

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may initiate an annexation process for unincorporated territory by adopting a resolution commencing negotiations for an interlocal agreement as provided in chapter 39.34 RCW between a county and any code city within the county. The territory proposed for annexation must meet the following criteria: (a) Be within the code city urban growth area designated under RCW 36.70A.110, and (b) at least sixty percent of the boundaries of the territory proposed for annexation must be contiguous, as defined in section 1(7) of this act, to the annexing code city or one or more cities or towns.

- (2) If the territory proposed for annexation has been designated in an adopted county comprehensive plan as part of an urban growth area, urban service area, or potential annexation area for a specific city, or if the urban growth area territory proposed for annexation has been designated in a written agreement between a city and a county for annexation to a specific city or town, the designation or designations shall receive full consideration before a city or county may initiate the annexation process provided for in RCW 35A.14.470.
- (3) The agreement shall describe the boundaries of the territory to be annexed <u>and be submitted to the office of financial management for its review pursuant to section 1 of this act</u>. A public hearing shall be held by each legislative body, separately or jointly, before the agreement is executed. Each legislative body holding a public hearing shall, separately or jointly, publish the agreement at least once a week for two weeks before the date of the hearing in one or more newspapers of general circulation within the territory proposed for annexation.
- (4) Following adoption and execution of the agreement by both legislative bodies and its review by the office of financial management pursuant to section 1 of this act, the city legislative body shall adopt an ordinance providing for the annexation of the territory described in the agreement. The legislative body shall cause notice of the proposed effective date of the annexation, together with a description of the property to be annexed, to be published at least once each week for two weeks subsequent to passage of the ordinance, in one or more newspapers of general circulation within the city and in one or more newspapers of general circulation within the territory to be annexed. If the annexation ordinance provides for assumption of indebtedness or adoption of a proposed zoning regulation, the notice shall include a statement of the requirements. Any territory to be annexed through an ordinance

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- adopted under this section is annexed and becomes a part of the city upon the date fixed in the ordinance of annexation, which date may not be fewer than forty-five days after adoption of the ordinance.
 - **Sec. 432.** RCW 35A.14.470 and 2006 c 344 s 26 are each amended to read as follows:

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- (1) The legislative body of any county planning under chapter 36.70A RCW and subject to the requirements of RCW 36.70A.215 may initiate an annexation process with the legislative body of any other cities or towns that are contiguous, as defined in section 1(7) of this act, to the territory proposed for annexation in RCW 35A.14.460 if:
- 12 (a) The county legislative body initiated an annexation process 13 as provided in RCW 35A.14.460; and
 - (b) The affected city legislative body adopted a responsive resolution rejecting the proposed annexation or declined to create the requested interlocal agreement with the county; or
 - (c) More than one hundred eighty days have passed since adoption of a county resolution as provided for in RCW 35A.14.460 and the parties have not adopted or executed an interlocal agreement providing for the annexation of unincorporated territory. The legislative body for either the county or an affected city may, however, pass a resolution extending the negotiation period for one or more six-month periods if a public hearing is held and findings of fact are made prior to each extension.
 - (2) Any county initiating the process provided for in subsection (1) of this section must do so by adopting a resolution commencing negotiations for an interlocal agreement as provided in chapter 39.34 RCW between the county and any city or town within the county. The annexation area must be within an urban growth area designated under RCW 36.70A.110 and at least sixty percent of the boundaries of the territory to be annexed must be contiguous, as defined in section 1(7) of this act, to one or more cities or towns.
 - (3) The agreement shall describe the boundaries of the territory to be annexed and be submitted to the office of financial management for its review pursuant to section 1 of this act. A public hearing shall be held by each legislative body, separately or jointly, before the agreement is executed. Each legislative body holding a public hearing shall, separately or jointly, publish the agreement at least once a week for two weeks before the date of the hearing in one or

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more newspapers of general circulation within the territory proposed for annexation.

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- (4) Following adoption and execution of the agreement by both legislative bodies and its review by the office of financial management pursuant to section 1 of this act, the city or town legislative body shall adopt an ordinance providing for the annexation. The legislative body shall cause notice of the proposed effective date of the annexation, together with a description of the property to be annexed, to be published at least once each week for two weeks subsequent to passage of the ordinance, in one or more newspapers of general circulation within the city and in one or more newspapers of general circulation within the territory to be annexed. If the annexation ordinance provides for assumption of indebtedness or adoption of a proposed zoning regulation, the notice shall include a statement of the requirements. Any area to be annexed through an ordinance adopted under this section is annexed and becomes a part of the city or town upon the date fixed in the ordinance of annexation, which date may not be less than forty-five days after adoption of the ordinance.
- (5) The annexation ordinances provided for in RCW 35A.14.460(4) and subsection (4) of this section are subject to referendum for forty-five days after passage. Upon the filing of a timely and sufficient referendum petition with the legislative body, signed by registered voters in number equal to not less than fifteen percent of the votes cast in the last general state election in the area to be annexed, the question of annexation shall be submitted to the voters of the area in a general election if one is to be held within ninety days or at a special election called for that purpose according to RCW 29A.04.330. Notice of the election shall be given as provided in RCW 35A.14.070 and the election shall be conducted as provided in the general election law. The annexation shall be deemed approved by the voters unless a majority of the votes cast on the proposition are in opposition thereto.

After the expiration of the forty-fifth day from but excluding the date of passage of the annexation ordinance, if no timely and sufficient referendum petition has been filed, the area annexed shall become a part of the city or town upon the date fixed in the ordinance of annexation.

(6) If more than one city or town adopts interlocal agreements providing for annexation of the same unincorporated territory as

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- provided by this section, an election shall be held in the area to be annexed pursuant to RCW 35A.14.070. In addition to the provisions of RCW 35A.14.070, the ballot shall also contain a separate proposition allowing voters to cast votes in favor of annexation to any one city or town participating in an interlocal agreement as provided by this б section. If a majority of voters voting on the proposition vote against annexation, the proposition is defeated. If, however, a majority of voters voting in the election approve annexation, the area shall be annexed to the city or town receiving the highest number of votes among those cast in favor of annexation.
- 11 (7) Costs for an election required under subsection (6) of this 12 section shall be borne by the county.
- **Sec. 433.** RCW 35A.14.480 and 2013 2nd sp.s. c 27 s 2 are each 14 amended to read as follows:

- (1)(a) An annexation by a code city proposing to annex territory served by one or more fire protection districts may be accomplished by ordinance after entering into an interlocal agreement as provided in chapter 39.34 RCW with the county and the fire protection district or districts that have jurisdiction over the territory proposed for annexation.
- (b) A code city proposing to annex territory shall initiate the interlocal agreement process by sending notice to the fire protection district representative and county representative stating the code city's interest to enter into an interlocal agreement negotiation process. The parties have forty-five days to respond in the affirmative or negative. A negative response must state the reasons the parties do not wish to participate in an interlocal agreement negotiation. A failure to respond within the forty-five day period is deemed an affirmative response and the interlocal agreement negotiation process may proceed. The interlocal agreement process may not proceed if any negative responses are received within the forty-five day period.
- (c) The interlocal agreement must describe the boundaries of the territory proposed for annexation and must be consistent with the boundaries identified in an ordinance describing the boundaries of the territory proposed for annexation and setting a date for a public hearing on the ordinance. If the boundaries of the territory proposed for annexation are agreed to by all parties, a notice of intention must be filed with the boundary review board created under RCW

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- 1 36.93.030 and the office of financial management. However, the
- 2 jurisdiction of the board may not be invoked as described in RCW
- 3 36.93.100 for annexations that are the subject of such agreement.
- 4 (2) An interlocal annexation agreement under this section must include the following:
- 6 (a) A statement of the goals of the agreement. Goals must 7 include, but are not limited to:
- 8 (i) The transfer of revenues and assets between the fire 9 protection district and the code city;
- (ii) A consideration and discussion of the impact to the level of service of annexation on the unincorporated area, and an agreement that the impact on the ability of fire protection and emergency medical services within the incorporated area must not be negatively impacted at least through the budget cycle in which the annexation occurs;
- 16 (iii) A discussion with fire protection districts regarding the 17 division of assets and its impact to citizens inside and outside the 18 newly annexed area;
- 19 (iv) Community involvement, including an agreed upon schedule of 20 public meetings in the area or areas proposed for annexation;
- 21 (v) Revenue sharing, if any;
- 22 (vi) Debt distribution;
- (vii) Capital facilities obligations of the code city, county, and fire protection districts;
- (viii) An overall schedule or plan on the timing of any annexations covered under this agreement; and
- 27 (ix) A description of which of the annexing code cities' 28 development regulations will apply and be enforced in the area.
- 29 (b) The subject areas and policies and procedures the parties 30 agree to undertake in annexations. Subject areas may include, but are 31 not limited to:
 - (i) Roads and traffic impact mitigation;
- 33 (ii) Surface and storm water management;
- 34 (iii) Coordination and timing of comprehensive plan and 35 development regulation updates;
- 36 (iv) Outstanding bonds and special or improvement district 37 assessments;
- 38 (v) Annexation procedures;

39 (vi) Distribution of debt and revenue sharing for annexation 40 proposals, code enforcement, and inspection services;

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(vii) Financial and administrative services; and

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(viii) Consultation with other service providers, including water-sewer districts, if applicable.

- (c) A term of at least five years, which may be extended by mutual agreement of the code city, the county, and the fire protection district.
- (3) If the fire protection district, annexing code city, and 7 county reach an agreement on the enumerated goals, or ((if)) only the 8 annexing code city and county reach an agreement on the enumerated 9 goals, the code city may adopt an annexation ordinance, but the 10 11 annexation ordinance provided for in this section is subject to 12 review by the office of financial management pursuant to section 1 of this act and referendum for forty-five days after its passage, 13 provided that no referendum shall be allowed for an annexation under 14 this section if the fire protection district, annexing code city, and 15 16 the county reach agreement on an annexation for which a code city has 17 initiated the interlocal agreement process by sending notice to the 18 fire protection district representative and county representative prior to July 28, 2013. Upon the filing of a timely and sufficient 19 referendum petition with the legislative body of the code city, 20 21 signed by qualified electors in a number not less than ten percent of the votes cast in the last general state election in the area to be 22 annexed, the question of annexation must be submitted to the voters 23 of the area in a general election if one is to be held within ninety 24 25 days or at a special election called for that purpose according to 26 RCW 29A.04.330. Notice of the election must be given as provided in RCW 35A.14.070, and the election must be conducted as provided in the 27 general election laws under Title 29A RCW. The annexation must be 28 29 deemed approved by the voters unless a majority of the votes cast on the proposition are in opposition to the annexation. 30

After the expiration of the forty-fifth day from, but excluding, the date of passage of the annexation ordinance, if a timely and sufficient referendum petition has not been filed, the area annexed becomes a part of the code city upon the date fixed in the ordinance of annexation.

- 36 **Sec. 434.** RCW 35A.14.490 and 2009 c 402 s 5 are each amended to read as follows:
 - (1) Territory owned by a county and used for an agricultural fair as provided in chapter 15.76 ((RCW)) or ((chapter)) 36.37 RCW may

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only be annexed to a code city through the method prescribed in this section.

- (a) The legislative body of the city proposing the annexation must submit a request for annexation and a legal description of the subject territory to the legislative authority of the county within which the territory is located.
- (b) Upon receipt of the request and description, the county legislative authority has thirty days to review the proposal and determine if the annexation proceedings will continue. As a condition of approval, the county legislative authority may modify the proposal, but it may not add territory that was not included in the request and description. Approval of the county legislative authority is a condition precedent to further proceedings upon the request and there is no appeal of the county legislative authority's decision.
- (c) If the county legislative authority determines that the proceedings may continue, it must, within thirty days of the determination, fix a date for a public hearing on the proposal, and cause notice of the hearing to be published at least once a week for two weeks prior to the hearing in one or more newspapers of general circulation in the territory proposed for annexation. The notice must also be posted in three public places within the subject territory, specify the time and place of the hearing, and invite interested persons to appear and voice approval or disapproval of the annexation. If the annexation proposal provides for assumption of indebtedness or adoption of a proposed zoning regulation, the notice must include a statement of these requirements.
- (d) If, following the conclusion of the hearing, a majority of the county legislative authority deems the annexation proposal to be in the best interest of the county, it may adopt a resolution approving of the annexation. The county legislative authority must file notice of the proposed action with the office of financial management for its review pursuant to section 1 of this act.
- (e) If, following the county legislative authority's adoption of the annexation approval resolution and review of the proposed action by the office of financial management pursuant to section 1 of this act, the legislative body of the city proposing annexation determines to effect the annexation, it must do so by ordinance. The ordinance:

 (i) May only include territory approved for annexation in the resolution adopted under (d) of this subsection; and (ii) must not exclude territory approved for annexation in the resolution adopted

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- under (d) of this subsection. Upon passage of the annexation ordinance, a certified copy must be filed with the applicable county legislative authority.
- 4 (2) Any territory annexed through an ordinance adopted under this 5 section is annexed and becomes a part of the code city upon the date 6 fixed in the ordinance.
- 7 **Sec. 435.** RCW 35A.14.700 and 2011 c 342 s 2 are each amended to 8 read as follows:
- 9 (1) Whenever any territory is annexed to <u>or deannexed from</u> a code 10 city, <u>any territory is subject to boundary line adjustment</u>, <u>or cities</u> 11 are consolidated pursuant to chapter 35.10 RCW:

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- (a) A copy of the complete ordinance containing a legal description and a map showing specifically the boundaries of the territory or consolidated area must be submitted immediately after the city or town's adoption. Within two days of receipt of the ordinance, the office of financial management must post a digital copy on the internet or transmit digital copies via email to the departments of transportation and revenue. The requirement to notify the department of revenue of a tax rate change under RCW 82.14.055(1) is met when the office of financial management receives the documents required under this subsection (1)(a); and
- (b) A certificate as hereinafter provided ((shall)) must be submitted ((in triplicate)) to the office of financial management within thirty days of the effective date of ((annexation)) the action specified in the relevant ordinance. After approval of the certificate, the office of financial management ((shall)) <u>must</u> retain the original copy in its files((τ)) and transmit ((the second)) <u>a</u> digital copy to ((the department of transportation and return the third copy to)) the code city via email. ((Such)) The certificate((s shall)) must be in ((such)) a form and contain ((such)) information as ((shall be)) prescribed by the office of financial management. ((A copy of the complete ordinance containing a legal description and a map showing specifically the boundaries of the annexed territory shall be attached to each of the three copies of the certificate.)) The certificate ((shall)) <u>must</u> be signed by the mayor and attested by the city clerk. Upon request, the office of financial management ((shall)) <u>must</u> furnish certification forms to any code city.

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- 1 (2)(a) The resident population of the ((annexed)) territory 2 ((shall)) or consolidated area must be determined by, or under the 3 direction of, the mayor of the code city.
 - (b) If the ((annexing)) code city has a population of ten thousand or less, the ((annexed)) territory or consolidated area consists entirely of one or more partial federal census blocks, or 2010 federal decennial census data has not been released within twelve months immediately prior to the date of ((annexation)) the action, the population determination ((shall)) must consist of an actual enumeration of the population.
 - (c) In any circumstance, the code city may choose to have the population determination of the entire ((annexed)) territory or consolidated area consist of an actual enumeration. However, if the code city does not use actual enumeration for determining population, the ((annexed)) territory or consolidated area includes or consists of one or more complete federal census blocks, and 2010 federal decennial census data has been released within twelve months immediately prior to the date of ((annexation)) the action, the population determination ((shall)) must consist of:
 - (i) Relevant 2010 federal decennial census data pertaining to the complete block or blocks, as such data has been updated by the most recent official population estimate released by the office of financial management pursuant to RCW 43.62.030;
 - (ii) An actual enumeration of any population located within the ((annexed)) territory or consolidated area but outside the complete federal census block or blocks; and
 - (iii) If the office of financial management, at least two weeks prior to the date of ((annexation)) the action, confirms the existence of a known census error within a complete federal census block and identifies a structure or complex listed in (c)(iii)(A) through (E) of this subsection (2) as a likely source of the error, an actual enumeration of one or more of the block's identified:
 - (A) Group quarters;

- (B) Mobile home parks;
- 35 (C) Apartment buildings that are composed of at least fifty units 36 and are certified for occupancy between January 1, 2010, and April 1, 37 2011;
 - (D) Missing subdivisions; and
- 39 (E) Closures of any of the categories in (c)(iii)(A) through (D) 40 of this subsection.

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(d) Whenever an actual enumeration is used, it shall be made in accordance with the practices and policies of, and subject to the approval of, the office of financial management.

- (e) The code city ((shall be)) <u>is</u> responsible for the full cost of the population determination.
- (3) Upon approval of the ((annexation)) certificate, the office of financial management ((shall)) <u>must</u> forward to each state official or department responsible for making allocations or payments to cities or towns, a revised certificate reflecting the increase in population due to ((such annexation)) <u>the action</u>. Upon and after the date of the commencement of the next quarterly period, the population determination indicated in ((such)) <u>the</u> revised certificate ((shall)) <u>must</u> be used as the basis for the allocation and payment of state funds to such city or town.

For the purposes of this section, each quarterly period ((shall)) commences on the first day of the months of January, April, July, and October. Whenever a revised certificate is forwarded by the office of financial management thirty days or less prior to the commencement of the next quarterly period, the population of the ((annexed)) territory ((shall)) or consolidated area must not be considered until the commencement of the following quarterly period.

- (4) Until ((an annexation)) <u>a</u> certificate is filed and approved ((as provided herein, such annexed)), the territory ((shall)) or consolidated area must not be considered by the office of financial management in determining the population of such code city.
 - **Sec. 436.** RCW 35A.16.010 and 1967 ex.s. c 119 s 35A.16.010 are each amended to read as follows:

Upon the filing of a petition which is sufficient as determined by RCW 35A.01.040 praying for the exclusion from the boundaries of a code city of an area described by metes and bounds or by reference to a recorded plat or government survey, signed by qualified voters of the city in number equal to not less than ten percent of the number of votes cast at the last general municipal election, the legislative body of the code city shall cause the question to be submitted to the voters. As an alternate method, such a proposal for exclusion from the code city of a described area may be submitted to the voters by resolution of the legislative body. The question shall be submitted at the next general municipal election if one is to be held within one hundred and eighty days or at a special election called for that

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- purpose not less than ninety days nor more than one hundred and eighty days after the certification of sufficiency of the petition or the passage of the resolution. The petition or resolution shall set out and describe the territory to be excluded from the code city, together with the boundaries of the code city as it will exist after such change is made. The legislative body of the code city must file notice of the proposed action with the office of financial management for its review pursuant to section 1 of this act.
- **Sec. 437.** RCW 35A.16.040 and 1967 ex.s. c 119 s 35A.16.040 are 10 each amended to read as follows:

Promptly after the filing of the abstract of votes with the secretary of state and subject to review of the proposed action by the office of financial management pursuant to section 1 of this act, the legislative body shall adopt an ordinance defining and fixing the corporate limits after excluding the area as determined by the election. The ordinance shall also describe the excluded territory by metes and bounds or by reference to a recorded plat or government survey and declare it no longer a part of the code city.

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