

SENATE BILL REPORT

SB 5467

As Passed Senate, February 26, 2025

Title: An act relating to the sale of surplus property by water-sewer districts.

Brief Description: Concerning the sale of surplus property by water-sewer districts.

Sponsors: Senators Goehner, Short, Cleveland, Orwall, Muzzall, Salomon and Wagoner.

Brief History:

Committee Activity: Local Government: 2/06/25, 2/13/25 [DP].

Floor Activity: Passed Senate: 2/26/25, 45-1.

Brief Summary of Bill

- Changes the threshold for the notice of intention requirement for sale of personal property belonging to water-sewer districts to \$5,400.
- Changes the threshold for permitting the private sale of real property belonging to water-sewer districts from \$5,000 to \$7,500.

SENATE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: Do pass.

Signed by Senators Salomon, Chair; Lovelett, Vice Chair; Torres, Ranking Member; Bateman and Goehner.

Staff: Rohan Bhattacharjee (786-7534)

Background: Water-sewer districts are special-purpose districts that provide water supply and wastewater management services to residents and businesses within a defined geographic area. These districts operate independently from city and county governments and are governed by a board of commissioners (Board). The powers of a district include the authority to purchase, construct, maintain, and supply waterworks to furnish water to

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residents and businesses, and to develop and operate systems of sewers and drainage. Districts also have authority to regulate service rates, water usage, sewer systems, and drainage operations within their jurisdiction.

The Board of a district may sell property belonging to the district, at a public or private sale, if the property is no longer needed. A notice of intention is required to sell personal property which is valued at \$2,500 or more.

A private sale of real property is not permitted where the estimated value exceeds \$5,000. Estimated value is determined by the Board and based upon real estate appraiser and broker advice.

Summary of Bill: The monetary threshold for the notice of intention requirement for sale of personal property is changed from \$2,500 to \$5,400 in value.

The monetary threshold for permitting the private sale of real property is changed from \$5,000 to \$7,500.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: Supporters emphasized that the outdated thresholds create unnecessary administrative burdens. They agreed that while a higher threshold would be ideal, the proposed increases reflect a compromise reached with stakeholders, including newspapers. The bill is seen as a necessary update to streamline the disposal of surplus property and improve efficiency.

Persons Testifying: PRO: Senator Keith Goehner, Prime Sponsor; Joren Clowers, Sno-King Water District Coalition; Devin Gombosky, Washington Association of Sewer and Water Districts.

Persons Signed In To Testify But Not Testifying: No one.