

2 **SSB 5638** - H COMM AMD **ADOPTED 4/12/01**
3 By Committee on Local Government & Housing

4

5 Strike everything after the enacting clause and insert the
6 following:

7 "**Sec. 1.** RCW 35.02.140 and 1986 c 234 s 20 are each amended to
8 read as follows:

9 Whenever in any territory forming a part of an incorporated city or
10 town which is part of a road district, and road district regular
11 property taxes are collectable on any property within such territory,
12 the same shall, when collected by the county treasurer, be paid to such
13 city or town and placed in the city or town street fund by the city or
14 town(~~(:—PROVIDED, That))~~); except that road district taxes that are
15 delinquent before the date of incorporation shall be paid to the county
16 and placed in the county road fund. This section shall not apply to
17 excess property tax levies securing general indebtedness or any special
18 assessments due in behalf of such property.

19 **Sec. 2.** RCW 35.13.270 and 1998 c 106 s 1 are each amended to read
20 as follows:

21 Whenever any territory is annexed to a city or town which is part
22 of a road district of the county and road district taxes have been
23 levied but not collected on any property within the annexed territory,
24 the same shall when collected by the county treasurer be paid to the
25 city or town and by the city or town placed in the city or town street
26 fund(~~(:—PROVIDED, That))~~); except that road district taxes that are
27 delinquent before the date of annexation shall be paid to the county
28 and placed in the county road fund. This section shall not apply to
29 any special assessments due in behalf of such property. The city or
30 town is required to provide notification, by certified mail, that
31 includes a list of annexed parcel numbers, to the county treasurer and
32 assessor at least thirty days before the effective date of the
33 annexation. The county treasurer is only required to remit to the city
34 or town those road taxes collected thirty days or more after receipt of
35 the notification.

1 **Sec. 3.** RCW 35A.14.801 and 1998 c 106 s 2 are each amended to read
2 as follows:

3 Whenever any territory is annexed to a code city which is part of
4 a road district of the county and road district taxes have been levied
5 but not collected on any property within the annexed territory, the
6 same shall when collected by the county treasurer be paid to the code
7 city and by the city placed in the city street fund(~~(:—PROVIDED,~~
8 ~~That))~~); except that road district taxes that are delinquent before the
9 date of annexation shall be paid to the county and placed in the county
10 road fund. This section shall not apply to any special assessments due
11 in behalf of such property. The code city is required to provide
12 notification, by certified mail, that includes a list of annexed parcel
13 numbers, to the county treasurer and assessor at least thirty days
14 before the effective date of the annexation. The county treasurer is
15 only required to remit to the code city those road taxes collected
16 thirty or more days after receipt of the notification.

17 **Sec. 4.** RCW 36.29.010 and 1998 c 106 s 3 are each amended to read
18 as follows:

19 The county treasurer:

20 (1) Shall receive all money due the county and disburse it on
21 warrants issued and attested by the county auditor and electronic funds
22 transfer under RCW 39.58.750 as attested by the county auditor;

23 (2) Shall issue a receipt in duplicate for all money received other
24 than taxes; the treasurer shall deliver immediately to the person
25 making the payment the original receipt and the duplicate shall be
26 retained by the treasurer;

27 (3) Shall affix on the face of all paid warrants the date of
28 redemption or, in the case of proper contract between the treasurer and
29 a qualified public depository, the treasurer may consider the date
30 affixed by the financial institution as the date of redemption;

31 (4) Shall (~~indorse~~) endorse, before the date of issue by the
32 county or by any taxing district for whom the county treasurer acts as
33 treasurer, on the face of all warrants for which there are not
34 sufficient funds for payment, "interest bearing warrant." When there
35 are funds to redeem outstanding warrants, the county treasurer shall
36 give notice:

37 (a) By publication in a legal newspaper published or circulated in
38 the county; or

1 (b) By posting at three public places in the county if there is no
2 such newspaper; or

3 (c) By notification to the financial institution holding the
4 warrant;

5 (5) Shall pay interest on all interest-bearing warrants from the
6 date of issue to the date of notification;

7 (6) Shall maintain financial records reflecting receipts and
8 disbursement by fund in accordance with generally accepted accounting
9 principles;

10 (7) Shall account for and pay all bonded indebtedness for the
11 county and all special districts for which the county treasurer acts as
12 treasurer;

13 (8) Shall invest all funds of the county or any special district in
14 the treasurer's custody, not needed for immediate expenditure, in a
15 manner consistent with appropriate statutes. If cash is needed to
16 redeem warrants issued from any fund in the custody of the treasurer,
17 the treasurer shall liquidate investments in an amount sufficient to
18 cover such warrant redemptions; and

19 (9) May provide certain collection services for county departments.

20 The treasurer, at the expiration of the term of office, shall make
21 a complete settlement with the county legislative authority, and shall
22 deliver to the successor all public money, books, and papers in the
23 treasurer's possession.

24 **Sec. 5.** RCW 36.29.050 and 1969 ex.s. c 48 s 1 are each amended to
25 read as follows:

26 When the county treasurer redeems any warrant on which interest is
27 due, (~~he~~) the treasurer shall enter on (~~his~~) the warrant register
28 account the amount of interest paid, distinct from the principal.

29 **Sec. 6.** RCW 36.29.090 and 1963 c 4 s 36.29.090 are each amended to
30 read as follows:

31 Whenever an action based upon official misconduct is commenced
32 against any county treasurer the county commissioners may suspend
33 (~~him~~) the treasurer from office until such suit is determined, and
34 may appoint some person to fill the vacancy.

35 **Sec. 7.** RCW 36.29.100 and 1963 c 4 s 36.29.100 are each amended to
36 read as follows:

1 The county treasurer of each county in which there is a city of the
2 first class is ex officio collector of city taxes of such city, and
3 before entering upon the duties of ~~((his))~~ office ~~((he))~~ the treasurer
4 shall execute in favor of the city and file with the clerk thereof a
5 good and sufficient bond, the penal sum to be fixed by the city
6 council, such bond to be approved by the mayor of such city or other
7 authority thereof by whom the bond of the city treasurer is required to
8 be approved. All special assessments and special taxation for local
9 improvements assessed on property benefited shall be collected by the
10 city treasurer.

11 **Sec. 8.** RCW 36.29.160 and 1998 c 106 s 4 are each amended to read
12 as follows:

13 The county treasurer shall make segregation, collect, and receive
14 from any owner or owners of any subdivision or portion of any lot,
15 tract or parcel of land upon which assessments or charges have been
16 made or may be made by public utility districts, water-sewer districts,
17 or the county, under the terms of Title 54 RCW, Title 57 RCW, or
18 chapter 36.88, 36.89, or 36.94 RCW, such portion of the assessments or
19 charges levied or to be levied against such lot, tract or parcel of
20 land in payment of such assessment or charges as the board of
21 commissioners of the public utility district, the water-sewer district
22 commissioners or the board of county commissioners, respectively, shall
23 certify to be chargeable to such subdivision, which certificate shall
24 state that such property as segregated is sufficient security for the
25 assessment or charges. Upon making collection upon any such
26 subdivision the county treasurer shall note such payment upon ~~((his))~~
27 the records of the office of the treasurer and give receipt therefor.
28 When a segregation is required, a certified copy of the resolution
29 shall be delivered to the treasurer of the county in which the real
30 property is located who shall proceed to make the segregation ordered
31 upon being tendered a fee of three dollars for each tract of land for
32 which a segregation is to be made.

33 **Sec. 9.** RCW 36.29.170 and 1963 c 4 s 36.29.170 are each amended to
34 read as follows:

35 The county treasurer shall keep ~~((his))~~ the office of the treasurer
36 at the ~~((seat of justice of his))~~ county seat, and shall keep the same
37 open for transaction of business during business hours; and ~~((he and~~

1 his)) the treasurer and the treasurer's deputy are authorized to
2 administer all oaths necessary in the discharge of the duties of
3 ((his)) the office.

4 **Sec. 10.** RCW 36.35.120 and 1993 c 310 s 1 are each amended to read
5 as follows:

6 Real property acquired by any county of this state by foreclosure
7 of delinquent taxes may be sold by order of the county legislative
8 authority of the county when in the judgment of the county legislative
9 authority it is deemed in the best interests of the county to sell the
10 real property.

11 When the legislative authority desires to sell any such property it
12 may, if deemed advantageous to the county, combine any or all of the
13 several lots and tracts of such property in one or more units, and may
14 reserve from sale coal, oil, gas, gravel, minerals, ores, fossils,
15 timber, or other resources on or in the lands, and the right to mine
16 for and remove the same, and it shall then enter an order on its
17 records fixing the unit or units in which the property shall be sold
18 and the minimum price for each of such units, and whether the sale will
19 be for cash or whether a contract will be offered, and reserving from
20 sale such of the resources as it may determine and from which units
21 such reservations shall apply, and directing the county treasurer to
22 sell such property in the unit or units and at not less than the price
23 or prices and subject to such reservations so fixed by the county
24 legislative authority. The order shall be subject to the approval of
25 the county treasurer if several lots or tracts of land are combined in
26 one unit.

27 Except in cases where the sale is to be by direct negotiation as
28 provided in ((~~this chapter~~)) RCW 36.35.150, it shall be the duty of the
29 county treasurer upon receipt of such order to publish once a week for
30 three consecutive weeks a notice of the sale of such property in a
31 newspaper of general circulation in the county where the land is
32 situated. The notice shall describe the property to be sold, the unit
33 or units, the reservations, and the minimum price fixed in the order,
34 together with the time and place and terms of sale, in the same manner
35 as foreclosure sales as provided by RCW 84.64.080.

36 The person making the bid shall state whether he or she will pay
37 cash for the amount of his or her bid or accept a real estate contract
38 of purchase in accordance with the provisions hereinafter contained.

1 The person making the highest bid shall become the purchaser of the
2 property. If the highest bidder is a contract bidder the purchaser
3 shall be required to pay thirty percent of the total purchase price at
4 the time of the sale and shall enter into a contract with the county as
5 vendor and the purchaser as vendee which shall obligate and require the
6 purchaser to pay the balance of the purchase price in ten equal annual
7 installments commencing November 1st and each year following the date
8 of the sale, and shall require the purchaser to pay twelve percent
9 interest on all deferred payments, interest to be paid at the time the
10 annual installment is due; and may contain a provision authorizing the
11 purchaser to make payment in full at any time of any balance due on the
12 total purchase price plus accrued interest on such balance. The
13 contract shall contain a provision requiring the purchaser to pay
14 before delinquency all subsequent taxes and assessments that may be
15 levied or assessed against the property subsequent to the date of the
16 contract, and shall contain a provision that time is of the essence of
17 the contract and that in event of a failure of the vendee to make
18 payments at the time and in the manner required and to keep and perform
19 the covenants and conditions therein required of him or her that the
20 contract may be forfeited and terminated at the election of the vendor,
21 and that in event of the election all sums theretofore paid by the
22 vendee shall be forfeited as liquidated damages for failure to comply
23 with the provisions of the contract; and shall require the vendor to
24 execute and deliver to the vendee a deed of conveyance covering the
25 property upon the payment in full of the purchase price, plus accrued
26 interest.

27 The county legislative authority may, by order entered in its
28 records, direct the coal, oil, gas, gravel, minerals, ores, timber, or
29 other resources sold apart from the land, such sale to be conducted in
30 the manner hereinabove prescribed for the sale of the land. Any such
31 reserved minerals or resources not exceeding two hundred dollars in
32 value may be sold, when the county legislative authority deems it
33 advisable, either with or without such publication of the notice of
34 sale, and in such manner as the county legislative authority may
35 determine will be most beneficial to the county.

36 **Sec. 11.** RCW 36.35.150 and 1997 c 244 s 2 are each amended to read
37 as follows:

1 The county legislative authority may dispose of tax foreclosed
2 property by private negotiation, without a call for bids, for not less
3 than the principal amount of the unpaid taxes in any of the following
4 cases: (1) When the sale is to any governmental agency and for public
5 purposes; (2) when the county legislative authority determines that it
6 is not practical to build on the property due to the physical
7 characteristics of the property or legal restrictions on construction
8 activities on the property; (3) when the property has an assessed value
9 of less than five hundred dollars and the property is sold to an
10 adjoining landowner; or (4) when no acceptable bids were received at
11 the attempted public auction of the property, if the sale is made
12 within (~~six~~) twelve months from the date of the attempted public
13 auction.

14 **Sec. 12.** RCW 36.96.040 and 1979 ex.s. c 5 s 4 are each amended to
15 read as follows:

16 After such hearings, the county legislative authority shall make
17 written findings whether each of the special purpose districts that was
18 a subject of the hearings meets each of the criteria of being
19 "inactive." Whenever a special purpose district other than a public
20 utility district has been found to meet a criterion of being inactive,
21 or a public utility district has been found to meet both criteria of
22 being inactive, the county legislative authority shall adopt an
23 ordinance dissolving the special purpose district if it also makes
24 additional written findings detailing why it is in the public interest
25 that the special purpose district be dissolved, and shall provide a
26 copy of the ordinance to the county treasurer. Except for the purpose
27 of winding up its affairs as provided by this chapter, a special
28 purpose district that is so dissolved shall cease to exist and the
29 authority and obligation to carry out the purposes for which it was
30 created shall cease thirty-one days after adoption of the dissolution
31 ordinance.

32 **Sec. 13.** RCW 36.96.070 and 1979 ex.s. c 5 s 7 are each amended to
33 read as follows:

34 Any moneys or funds of the dissolved special purpose district and
35 any moneys or funds received by the board of trustees from the sale or
36 other disposition of any property of the dissolved special purpose
37 district shall be used, to the extent necessary, for the payment or

1 settlement of any outstanding obligations of the dissolved special
2 purpose district. Any remaining moneys or funds shall be used to pay
3 the county legislative authority for all costs and expenses incurred in
4 the dissolution and liquidation of the dissolved special purpose
5 district. Thereafter, any remaining moneys, funds, or property shall
6 become that of the county in which the dissolved special purpose
7 district was located(~~(:—PROVIDED, That)~~). However, if the territory
8 of the dissolved special purpose district was located within more than
9 one county, the remaining moneys, funds, and personal property shall be
10 apportioned and distributed to each county in the proportion that the
11 geographical area of the dissolved special purpose district within the
12 county bears to the total geographical area of the dissolved special
13 purpose district, and any remaining real property or improvements to
14 real property shall be transferred to the county within whose
15 boundaries it lies. A county to which real property or improvements to
16 real property are transferred under this section does not have an
17 obligation to use the property or improvements for the purposes for
18 which the dissolved special purpose district used the property or
19 improvements and the county does not assume the obligations or
20 liabilities of the dissolved special purpose district as a result of
21 the transfer.

22 **Sec. 14.** RCW 39.44.200 and 1990 c 220 s 1 are each amended to read
23 as follows:

24 Unless the context clearly requires otherwise, the definitions in
25 this section apply throughout RCW 39.44.200 through 39.44.240.

26 (1) "Bond" means "bond" as defined in RCW 39.46.020, but also
27 includes any other indebtedness that may be issued by any local
28 government to fund private activities or purposes where the
29 indebtedness is of a nonrecourse nature payable from private sources,
30 including debt issued under chapter 39.50 RCW.

31 (2) "Local government" means "local government" as defined in RCW
32 39.46.020.

33 (3) "Type of bond" includes: (a) General obligation bonds,
34 including councilmanic and voter-approved bonds; (b) revenue bonds; (c)
35 local improvement district bonds; (d) special assessment bonds such as
36 those issued by irrigation districts and diking districts; and (e)
37 other classes of bonds.

1 (4) "State" means "state" as defined in RCW 39.46.020 but also
2 includes any commissions or other entities of the state.

3 **Sec. 15.** RCW 39.46.020 and 1995 c 38 s 6 are each amended to read
4 as follows:

5 Unless the context clearly requires otherwise, the definitions in
6 this section apply throughout this chapter.

7 (1) "Bond" means any agreement which may or may not be represented
8 by a physical instrument, including notes, warrants, or certificates of
9 indebtedness, that evidences an indebtedness of the state or a local
10 government or a fund thereof, where the state or local government
11 agrees to pay a specified amount of money, with or without interest, at
12 a designated time or times to either registered owners or bearers,
13 including debt issued under chapter 39.50 RCW.

14 (2) "Local government" means any county, city, town, special
15 purpose district, political subdivision, municipal corporation, or
16 quasi municipal corporation, including any public corporation created
17 by such an entity.

18 (3) "Obligation" means an agreement that evidences an indebtedness
19 of the state or a local government, other than a bond, and includes,
20 but is not limited to, conditional sales contracts, lease obligations,
21 and promissory notes.

22 (4) "State" includes the state, agencies of the state, and public
23 corporations created by the state or agencies of the state.

24 (5) "Treasurer" means the state treasurer, county treasurer, city
25 treasurer, or treasurer of any other municipal corporation.

26 **Sec. 16.** RCW 39.50.010 and 1999 c 153 s 54 are each amended to
27 read as follows:

28 As used in this chapter, the following terms have the meanings
29 indicated unless the context clearly requires otherwise.

30 (1) "Governing body" means the legislative authority of a municipal
31 corporation by whatever name designated;

32 (2) "Local improvement district" includes local improvement
33 districts, utility local improvement districts, road improvement
34 districts, and other improvement districts that a municipal corporation
35 is authorized by law to establish;

36 (3) "Municipal corporation" means any city, town, county, water-
37 sewer district, school district, port district, public utility

1 district, metropolitan municipal corporation, public transportation
2 benefit area, park and recreation district, irrigation district, fire
3 protection district or any other municipal or quasi municipal
4 corporation described as such by statute, or regional transit
5 authority, except joint operating agencies under chapter 43.52 RCW;

6 (4) "Ordinance" means an ordinance of a city or town or resolution
7 or other instrument by which the governing body of the municipal
8 corporation exercising any power under this chapter takes formal action
9 and adopts legislative provisions and matters of some permanency; and

10 (5) "Short-term obligations" are warrants, notes, capital leases,
11 or other evidences of indebtedness, except bonds.

12 **Sec. 17.** RCW 39.50.030 and 1995 c 38 s 9 are each amended to read
13 as follows:

14 (1) The issuance of short-term obligations shall be authorized by
15 ordinance of the governing body which ordinance shall fix the maximum
16 amount of the obligations to be issued or, if applicable, the maximum
17 amount which may be outstanding at any time, the maximum term and
18 interest rate or rates to be borne thereby, the manner of sale, maximum
19 price, form including bearer or registered as provided in RCW
20 39.46.030, terms, conditions, and the covenants thereof. For those
21 municipalities and taxing and assessment districts for which the county
22 treasurer is not the designated treasurer by law, the ordinance may
23 provide for designation and employment of a paying agent for the short-
24 term obligations and may authorize a designated representative of the
25 municipal corporation, ((or if the county, the county treasurer to act
26 on its behalf and)) subject to the terms of the ordinance in selling
27 and delivering short-term obligations authorized and fixing the dates,
28 price, interest rates, and other details as may be specified in the
29 ordinance. For the county and those taxing and assessment districts
30 for which the county treasurer is the designated treasurer by law or
31 other appointment, the county treasurer shall be notified thirty days
32 in advance of borrowing under this chapter and will be the designated
33 paying agent to act on its behalf for all payments of principal,
34 interest, and penalties for that obligation, subject to the terms of
35 the ordinance in selling and delivering short-term obligations
36 authorized and fixing the dates, price, interest rates, and other
37 details as may be specified in the ordinance. Short-term obligations
38 issued under this section shall bear such fixed or variable rate or

1 rates of interest as the governing body considers to be in the best
2 interests of the municipal corporation. Variable rates of interest may
3 be fixed in relationship to such standard or index as the governing
4 body designates.

5 The governing body may make contracts for the future sale of short-
6 term obligations pursuant to which the purchasers are committed to
7 purchase the short-term obligations from time to time on the terms and
8 conditions stated in the contract, and may pay such consideration as it
9 considers proper for the commitments. Short-term obligations issued in
10 anticipation of the receipt of taxes shall be paid within six months
11 from the end of the fiscal year in which they are issued. For the
12 purpose of this subsection, short-term obligations issued in
13 anticipation of the sale of general obligation bonds shall not be
14 considered to be obligations issued in anticipation of the receipt of
15 taxes.

16 (2) Notwithstanding subsection (1) of this section, such short-term
17 obligations may be issued and sold in accordance with chapter 39.46
18 RCW.

19 **Sec. 18.** RCW 84.38.140 and 1984 c 220 s 27 are each amended to
20 read as follows:

21 (1) The (~~county treasurer~~) department shall collect all the
22 amounts deferred together with interest under this chapter(~~(7)~~).
23 However, in the event that the department is unable to collect an
24 amount deferred together with interest, that amount deferred together
25 with interest shall be collected by the county treasurer in the manner
26 provided for in chapter 84.56 RCW. For purposes of collection of
27 deferred taxes, the provisions of chapters 84.56, 84.60, and 84.64 RCW
28 shall be applicable.

29 (2) When any deferred special assessment and/or real property taxes
30 together with interest are collected the moneys shall be (~~credited to~~
31 ~~a special account in the county treasury.~~ The county treasurer shall
32 ~~remit the amount of deferred special assessment and/or real property~~
33 ~~taxes together with interest to the department within thirty days from~~
34 ~~the date of collection.~~

35 (~~The department shall deposit the deferred taxes~~) deposited in
36 the state general fund.

1 **Sec. 19.** RCW 84.40.042 and 1997 c 393 s 17 are each amended to
2 read as follows:

3 (1) When real property is divided in accordance with chapter 58.17
4 RCW, the assessor shall carefully investigate and ascertain the true
5 and fair value of each lot and assess each lot on that same basis,
6 unless specifically provided otherwise by law. For purposes of this
7 section, "lot" has the same definition as in RCW 58.17.020.

8 (a) For each lot on which an advance tax deposit has been paid in
9 accordance with RCW 58.08.040, the assessor shall establish the true
10 and fair value by October 30 of the year following the recording of the
11 plat, replat, altered plat, or binding site plan. The value
12 established shall be the value of the lot as of January 1 of the year
13 the original parcel of real property was last revalued. An additional
14 property tax shall not be due on the land until the calendar year
15 following the year for which the advance tax deposit was paid if the
16 deposit was sufficient to pay the full amount of the taxes due on the
17 property.

18 (b) For each lot on which an advance tax deposit has not been paid,
19 the assessor shall establish the true and fair value not later than the
20 calendar year following the recording of the plat, map, subdivision, or
21 replat. For purposes of this section, "subdivision" means a division
22 of land into two or more lots or boundary line adjustments between two
23 or more parcels.

24 (c) For each subdivision, all current year and delinquent taxes and
25 assessments on the entire tract must be paid in full in accordance with
26 RCW 58.17.160 and 58.08.030. For purposes of this section, "current
27 year taxes" means taxes that are collectible under RCW 84.56.010
28 subsequent to February 14.

29 (2) When the assessor is required by law to segregate any part or
30 parts of real property, assessed before or after July 27, 1997, as one
31 parcel or when the assessor is required by law to combine parcels of
32 real property assessed before or after July 27, 1997, as two or more
33 parcels, the assessor shall carefully investigate and ascertain the
34 true and fair value of each part or parts of the real property and each
35 combined parcel and assess each part or parts or each combined parcel
36 on that same basis.

37 **Sec. 20.** RCW 84.56.250 and 1961 c 15 s 84.56.250 are each amended
38 to read as follows:

1 If any county treasurer (~~((shall wilfully))~~) willfully refuses or
2 neglects to collect any taxes assessed upon personal property, where
3 the same is collectible, or to file the delinquent list and affidavit,
4 as herein provided, (~~((he))~~) the treasurer shall be held, in his or her
5 next settlement with the (~~((auditor))~~) county legislative authority,
6 liable for the whole amount of such taxes uncollected, and the same
7 shall be deducted from his or her salary and applied to the several
8 funds for which they were levied.

9 **Sec. 21.** RCW 85.38.220 and 1986 c 278 s 10 are each amended to
10 read as follows:

11 Any special district may have its operations suspended as provided
12 in this section. The process of suspending a special district's
13 operations may be initiated by: (1) The adoption of a resolution
14 proposing such action by the governing body of the special district;
15 (2) the filing of a petition proposing such action with the county
16 legislative authority of the county in which all or the largest portion
17 of the special district is located, which petition is signed by voters
18 of the special district who own at least ten percent of the acreage in
19 the special district or is signed by ten or more voters of the special
20 district; or (3) the adoption of a resolution proposing such action by
21 the county legislative authority of the county in which all or the
22 largest portion of the special district is located.

23 A public hearing on the proposed action shall be held by the county
24 legislative authority at which it shall inquire into whether such
25 action is in the public interest. Notice of the public hearing shall
26 be published in a newspaper of general circulation in the special
27 district, posted in at least four locations in the special district to
28 attract the attention of the public, and mailed to the members of the
29 governing body of the special district, if there are any. After the
30 public hearing, the county legislative authority may adopt a resolution
31 suspending the operations of the special district if it finds such
32 suspension to be in the public interest, and shall provide a copy of
33 the resolution to the county treasurer. When a special district is
34 located in more than one county, the legislative authority of each of
35 such counties must so act before the operations of the special district
36 are suspended.

37 After holding a public hearing on the proposed reactivation of a
38 special district that has had its operations suspended, the legislative

1 authority or authorities of the county or counties in which the special
2 district is located may reactivate the special district by adopting a
3 resolution finding such action to be in the public interest. Notice of
4 the public hearing shall be posted and published as provided for the
5 public hearing on a proposed suspension of a special district's
6 operations. The governing body of a reactivated special district shall
7 be appointed as in a newly created special district.

8 No special district that owns drainage or flood control
9 improvements may be ((dissolved)) suspended unless the legislative
10 authority of a county accepts responsibility for operation and
11 maintenance of the improvements during the suspension period.

12 **Sec. 22.** RCW 85.38.225 and 1991 c 28 s 2 are each amended to read
13 as follows:

14 As an alternative to this chapter a drainage district or drainage
15 improvement district located within the boundaries of a county storm
16 drainage and surface water management utility, and which is not
17 currently imposing assessments, may be dissolved by ordinance of the
18 county legislative authority. If the alternative dissolution procedure
19 in this section is used the following shall apply:

20 (1) The county storm drainage and surface water management utility
21 shall assume responsibility for payment or settlement of outstanding
22 debts of the dissolved drainage district or drainage improvement
23 district, and shall notify the county treasurer at such time of the
24 assumption of responsibility.

25 (2) All assets, including money, funds, improvements, or property,
26 real or personal, shall become assets of the county in which the
27 dissolved drainage district or drainage improvement district was
28 located.

29 (3) Notwithstanding RCW 85.38.220, the county storm drainage and
30 surface water management utility may determine how to best manage,
31 operate, maintain, improve, exchange, sell, or otherwise dispose of all
32 property, real and personal, of the dissolved drainage district or
33 drainage improvement district, and may determine to modify, cease the
34 operation of, and/or remove any or all facilities or improvements to
35 real property of the dissolved drainage district or drainage
36 improvement district.

1 NEW SECTION. Sec. 23. RCW 84.36.015 (Property valued at less than
2 five hundred dollars--Exceptions) and 1997 c 244 s 1 are each
3 repealed."

4 Correct the title.

EFFECT: The striking amendment changes the following provisions of the substitute senate bill:

County road district taxes that are delinquent after annexation are paid to the county and deposited into the county road fund.

Special district dissolution procedures are clarified to state that on the day the district ceases to exist, the authority and obligation to carry out the purposes of the district also cease. When properties are transferred to counties as a result of a dissolved special purpose district, the county treasurer is notified, and the county is not required to use real property or improvements for the purposes that the district was created, nor does the county assume the obligations or liabilities of the dissolved district as a result of the transfer.

Suspension procedures for a diking, drainage, or flood control district are amended to state that the county legislative authority must submit a copy of the suspension resolution to the county treasurer, and that no special district that owns drainage or flood control improvements may be suspended unless the county accepts responsibility for operation and maintenance of the improvements during the suspension period. The diking and drainage or drainage improvement district alternative dissolution method is modified to state that the county storm drainage and surface water utility must notify the county treasurer when assuming responsibility for paying the debts of the district, and also has authority to modify, cease the operation of, and/or remove all facilities or improvements to real property of the dissolved district.

The striking amendment retains the following:

Makes two changes relating to county treasurer statutes: (1) Repeals the exemption from property taxes for property valued at \$500 or less; and (2) makes numerous changes relating to county treasurer statutes.

Those changes relating to various county treasurer statutes specify that counties are allowed twelve months to dispose of foreclosed property by private negotiation; capital leases are added to the definition of bonds in relation to short term obligations; only taxing districts not required to use the county treasurer may designate a paying agent when issuing short term obligations, and the other districts must notify the county treasurer thirty days in advance of issuing short term obligations. The State Department of Revenue is designated to collect deferred taxes from the senior citizen deferral program. In the event the debt becomes delinquent, the county treasurer collects the delinquent taxes.

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