
SENATE BILL 6733

State of Washington

59th Legislature

2006 Regular Session

By Senators Jacobsen, Prentice, Thibaudeau, Poulsen, Kline and Kohl-Welles

Read first time 01/19/2006. Referred to Committee on Transportation.

1 AN ACT Relating to city transportation authorities; amending RCW
2 35.95A.010, 4.96.010, 4.96.020, 36.93.090, 39.33.020, 43.21C.227, and
3 53.48.010; adding new sections to chapter 35.95A RCW; creating a new
4 section; repealing RCW 35.95A.010, 35.95A.040, 35.95A.050, 35.95A.060,
5 35.95A.080, 35.95A.090, 35.95A.100, 35.95A.130, 35.95A.020, 35.95A.030,
6 35.95A.070, 35.95A.110, 35.95A.120, and 35.95A.140; providing an
7 expiration date; and declaring an emergency.

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

9 **Sec. 1.** RCW 35.95A.010 and 2002 c 248 s 1 are each amended to read
10 as follows:

11 The definitions in this section apply throughout this chapter
12 unless the context clearly requires otherwise.

13 (1) "Authority" means a city transportation authority created
14 pursuant to chapter 248, Laws of 2002.

15 (2) "Authority area" means the territory within a city as
16 designated in the ordinance creating the authority.

17 (3) "Bonds" means bonds, notes, or other evidences of indebtedness.

18 (4) "Dissolution expenses" means those financial obligations
19 incurred by the authority for the purpose of liquidating the

1 authority's assets, satisfying or providing for all qualified
2 obligations, transferring any residual assets, and dissolving the
3 authority.

4 (5) "Local city" means the city in which the authority area lies.

5 (6) "Motor vehicle" means all motor vehicles, trailers, and
6 semitrailers used, or of the type designed primarily to be used, upon
7 the public streets and highways, for the convenience or pleasure of the
8 owner, or for the conveyance, for hire or otherwise, of persons or
9 property, including fixed loads and facilities for human habitation,
10 but shall not include (a) vehicles carrying exempt licenses, (b) dock
11 and warehouse tractors and their cars or trailers, lumber carriers of
12 the type known as spiders, and all other automotive equipment not
13 designed primarily for use upon public streets or highways, (c) motor
14 vehicles or their trailers used entirely upon private property, (d)
15 mobile homes and travel trailers as defined in RCW 82.50.010, or (e)
16 motor vehicles owned by nonresident military personnel of the armed
17 forces of the United States stationed in the state of Washington as
18 long as such personnel were nonresident at the time of their entry into
19 military service.

20 (7) "Postdissolution assets" means: (a) amounts in an account,
21 fund, or similar financial arrangement established by the authority, as
22 of the date of winding up to provide for an obligation or expense of
23 the authority, and that remain in the account, fund, or similar
24 arrangement after the obligation or expense is discharged in full; and
25 (b) refunds or credits to which the authority, but for its dissolution,
26 would be entitled after the date of winding up.

27 (8) "Preexisting governing body" means the governing body of the
28 authority in place on the day before the effective date of this act.

29 (9) "Public monorail transportation function" means the
30 transportation of passengers and their incidental baggage by means of
31 public monorail transportation facilities as authorized in this
32 chapter.

33 ((+5)) (10) "Public monorail transportation facilities" means a
34 transportation system that utilizes train cars running on a guideway,
35 together with the necessary passenger stations, terminals, parking
36 facilities, related facilities or other properties, and facilities
37 necessary and appropriate for passenger and vehicular access to and

1 from people-moving systems, not including fixed guideway light rail
2 systems.

3 ~~((+6+))~~ (11) "Qualified elector" means any person registered to
4 vote within the city boundaries.

5 (12) "Qualified obligations" means financial obligations of the
6 authority:

7 (a) For payment of the principal of, interest or premium on, or
8 other amounts owing with respect to a bond secured by the authority's
9 pledge of revenue from any tax or fee the authority was authorized,
10 prior to the effective date of this act, to levy;

11 (b) Accruing on or before the effective date of this act to the
12 extent that they are either:

13 (i) Asserted prior to the effective date of this act in a legal
14 proceeding before a tribunal with jurisdiction thereof; or

15 (ii) Asserted in a timely and complete notice of claim submitted
16 pursuant to section 5(2) of this act, and is either: (A) Accepted by
17 the authority; or (B) rejected by the authority and thereafter asserted
18 by commencing a legal proceeding before a tribunal with jurisdiction
19 thereof within the time limit established by section 5(4) of this act;

20 (c) Accrued after the effective date of this act and asserted by
21 commencing a legal proceeding before a tribunal with jurisdiction
22 thereof within the time limit established by section 6 of this act;

23 (d) For payment of a dissolution expense; or

24 (e) For interest allowed by law on a qualified obligation.

25 (13) "Residual assets" means the assets, if any, owned by the
26 authority after winding up the authority. "Residual assets" does not
27 include: (a) Amounts in an account, fund, or similar arrangement
28 established by the authority as of the date of winding up to provide
29 for an obligation or expense of the authority; or (b) refunds or
30 credits to which the authority, but for its dissolution, would be
31 entitled after the date of winding up.

32 (14) "Truck-type power or trailing unit" means any vehicle that is
33 subject to the fees under RCW 46.16.070, except vehicles with an
34 unladen weight of six thousand pounds or less, RCW 46.16.079,
35 46.16.085, or 46.16.090.

36 (15) "Winding up the authority" means liquidating the authority's
37 assets in an orderly manner and satisfying or providing for all

1 qualified obligations. For purposes of this subsection, "liquidating"
2 means converting to cash or cash equivalents, except to the extent this
3 is not reasonably practicable with respect to particular assets.

4 NEW SECTION. Sec. 2. A new section is added to chapter 35.95A RCW
5 to read as follows:

6 No new authority may be created under this chapter after the
7 effective date of this act. The provisions of this act, other than
8 this section, apply to every authority in existence on and after the
9 effective date of this act.

10 NEW SECTION. Sec. 3. A new section is added to chapter 35.95A RCW
11 to read as follows:

12 (1) On or after the effective date of this act, the authority shall
13 be governed by a caretaker board.

14 (2) The caretaker board shall consist of five individuals. Except
15 as otherwise required in sections 2 through 12 of this act, the board
16 shall act by vote of a majority of the members voting, as long as a
17 quorum of three members is present, either in person or by electronic
18 means. The board may either establish its own rules of procedure
19 consistent with this act or be governed by procedural bylaws or other
20 procedures adopted by the preexisting governing body. Until the board
21 chooses either option, the board shall be governed by preexisting
22 procedures that are consistent with this act.

23 (3) If, on the day before the effective date of this act, the
24 preexisting governing body includes one or more members serving a term
25 of office on the preexisting governing body to which they were elected
26 by a vote of electors residing within the authority area, those elected
27 persons who do not decline to serve shall then serve on the caretaker
28 board. If those elected persons number more than five, the five who
29 were most recently elected to the preexisting governing body shall
30 serve on the caretaker board. If there are more than five members on
31 the preexisting governing body who were elected to that body on the
32 date when members were most recently elected to that body, and who do
33 not decline to serve on the caretaker board, the membership of the
34 caretaker board shall be resolved by the drawing of lots among such
35 members of the preexisting governing body. No election shall be held
36 to fill any caretaker board position.

1 (4) Each position on the caretaker board not filled under
2 subsection (3) of this section may be filled on an interim basis by a
3 member of the preexisting governing body, who shall be chosen by a
4 majority vote of the members of the preexisting governing body who are
5 present when a quorum exists and the vote is taken.

6 (5) Each position on the caretaker board not filled under
7 subsection (3) of this section shall be filled through nomination by
8 the mayor of the local city and appointment by the city council of the
9 local city. Immediately upon the effective date of each appointment as
10 specified by the city council, the person serving under subsection (4)
11 of this section, on an interim basis in the position which is filled,
12 shall cease to be a member of the board.

13 (6) Except for interim members selected under subsection (4) of
14 this section, members of the caretaker board shall serve an indefinite
15 term and may resign at any time by giving written notice to the board
16 and the mayor of the local city.

17 (7) Any member of the caretaker board may be removed by a vote of
18 at least three of the board members if such member: (a) Becomes
19 incapable of performing his or her duties as a caretaker board member;
20 (b) willfully fails to perform his or her duties as a caretaker board
21 member; or (c) is convicted of a felony or crime of moral turpitude.

22 (8) Any vacancy on the caretaker board shall be filled through
23 nomination by the mayor of the local city and appointment by the city
24 council of the local city.

25 (9) The caretaker board may authorize the authority to provide:
26 (a) Compensation to board members in an amount not to exceed ten
27 thousand dollars in any twelve-month period for any member; and (b)
28 reimbursement to board members for reasonable expenses incurred in
29 connection with board functions.

30 NEW SECTION. **Sec. 4.** A new section is added to chapter 35.95A RCW
31 to read as follows:

32 (1) On or after the effective date of this act, the authority shall
33 exist solely for the purposes of winding up, transfer of residual
34 assets, and dissolution.

35 (2) The caretaker board may exercise all powers of the authority's
36 preexisting governing body that are consistent with this act, and all

1 powers reasonably necessary to enable the authority to comply with the
2 provisions of this act.

3 (3) When liquidating an interest in real property that the
4 authority originally acquired by condemnation or by a deed in lieu of
5 condemnation, the authority shall, to the extent reasonably possible,
6 notify the person or persons from whom the authority acquired that
7 interest. The notice shall state the authority's intent to liquidate
8 the interest and provide information on the process through which
9 persons might acquire that interest from the authority. Failure by the
10 authority to provide notice required by this subsection (3) shall not:

- 11 (a) Give rise to a claim for injunctive relief or damages; or
- 12 (b) Affect the validity of any conveyance by the authority of an
13 interest in real property.

14 NEW SECTION. **Sec. 5.** A new section is added to chapter 35.95A RCW
15 to read as follows:

16 This section shall apply to claims against the authority accruing
17 on or before the effective date of this act.

18 (1) Pursuant to this subsection (1), the authority shall notify
19 potential claimants of the authority's pending dissolution and the
20 limited opportunity to submit a notice of claim to the authority.

21 (a) Within sixty days of the effective date of this act, the
22 authority shall mail a written notice, to all persons known to the
23 authority to have claims that may become qualified obligations only
24 after filing a notice of claim under this act, to the most recent
25 address for each such person shown on the records of the authority and
26 to any other address specified in any written agreement related to that
27 person's claim.

28 (b) The authority shall also publish notice in the official
29 newspaper of the local city. Notice shall be published once a week for
30 three consecutive weeks, commencing within forty-five days after the
31 effective date of this act.

32 (c) The notice shall: (i) Describe the information that must be
33 included in the notice of claim; (ii) provide a mailing address to
34 which the notice of claim must be sent; (iii) state the deadline by
35 which the authority must receive the notice of claim; and (iv) state
36 that the claim will be barred if the notice of claim is not received by
37 the deadline.

1 (2) The deadline for submission of a notice of claim to the
2 authority shall be one hundred twenty days after the effective date of
3 this act. Only actual receipt of the notice of claim by the authority
4 shall constitute submission of the notice of claim.

5 (3) Within one hundred eighty days after the effective date of this
6 act, the authority shall mail a written notice of acceptance, in whole
7 or in part, or rejection, in whole or in part, to all persons who
8 submitted timely notices of claim to the authority. Each notice shall
9 state the date of its mailing. Failure by the authority to mail a
10 timely written notice regarding any particular claim or portion thereof
11 shall be deemed a rejection, which shall be mailed one hundred eighty
12 days after the effective date of this act.

13 (4) No person may commence any legal proceeding of any kind against
14 the authority to enforce any claim accruing on or before the effective
15 date of this act unless that person or his or her predecessor in
16 interest timely submitted a notice of claim containing the required
17 information with respect to such claim and such claim was rejected or
18 deemed rejected by the authority no more than sixty days prior to the
19 date such legal proceeding commenced. Failure by the authority to
20 provide timely or complete notice or notifications shall not affect the
21 limitation on legal proceedings imposed by this section.

22 (5) This section does not apply: (a) To any claim for payment of
23 principal of, or interest or premium on, a bond secured by the
24 authority's pledge of revenue from any tax or fee the authority was
25 authorized, prior to the effective date of this act, to levy; (b) to
26 the extent the claim was asserted prior to the effective date of this
27 act, through a legal proceeding before a tribunal with jurisdiction;
28 (c) for payment of a claim accepted by the authority under subsection
29 (3) of this section; or (d) for payment of a dissolution expense.

30 NEW SECTION. **Sec. 6.** A new section is added to chapter 35.95A RCW
31 to read as follows:

32 No person may commence any legal proceeding of any kind against the
33 authority to enforce any claim accruing after the effective date of
34 this act, including, but not limited to, a claim for payment of either
35 a claim accepted by the authority under section 5(3) of this act or a
36 dissolution expense, if that legal proceeding is not commenced before

1 the date the caretaker board files the certificate of winding up with
2 the secretary of state.

3 This limitation does not apply to: (1) Any claim for payment of
4 principal of, or interest or premium on, a bond secured by the
5 authority's pledge of revenue from any tax or fee the authority was
6 authorized, prior to the effective date of this act, to levy; or (2)
7 a legal proceeding to recover solely from a special account, fund, or
8 other facility established by the caretaker board, at or before the
9 time of filing the certificate of winding up, to provide for a disputed
10 or contingent claim or class of claims.

11 NEW SECTION. **Sec. 7.** A new section is added to chapter 35.95A RCW
12 to read as follows:

13 If the authority pledged any revenue from any tax or fee authorized
14 before the effective date of this act to secure the payment of all or
15 part of the principal of or interest on any bond, the authority may
16 continue to levy and collect the tax or fee for the sole purpose of
17 making or providing for full payment of all amounts owing and to become
18 owing with respect to such bonds. After full payment has been made or
19 provided for, the tax or fee shall continue to be levied and shall be
20 collected and used for the purposes set forth in section 8 of this act.

21 NEW SECTION. **Sec. 8.** A new section is added to chapter 35.95A RCW
22 to read as follows:

23 (1) In addition to the taxes and fees authorized by this section,
24 the authority may, by a vote of at least three members of the caretaker
25 board, levy and collect a special excise tax, not exceeding 1.4 percent
26 annually on the value of every motor vehicle owned by a resident of the
27 authority area, for the privilege of using a motor vehicle. The
28 authority may use the proceeds of this special excise tax only for the
29 purpose of winding up and dissolving the authority and, to the extent
30 not used for that purpose, for the purposes to which residual and
31 postdissolution assets may be placed.

32 (2) At no time shall the special excise tax, together with any
33 motor vehicle excise tax in effect pursuant to section 7 of this act,
34 exceed a combined annual rate of 1.4 percent of the value of any
35 vehicle.

1 (3) The department of licensing will administer and collect the
2 special excise tax. The special excise tax will be collected at the
3 same time and in the same manner as relicensing tab fees under RCW
4 46.16.0621 and 35.95A.090. Every year on January 1st, April 1st, July
5 1st, and October 1st, the department shall remit the special excise
6 taxes collected on behalf of an authority back to the authority at no
7 cost to the authority.

8 (4) Before the caretaker board files the certificate of winding up,
9 the authority may reduce the rate of, or cease to impose, the special
10 excise tax, effective as to vehicles due to be relicensed on or after
11 the first day of a specified calendar quarter, to the extent that is
12 consistent with the orderly winding up of the authority. The authority
13 may reverse any such reduction or cessation to, by way of example and
14 not limitation, pay or provide for a judgment, award, or settlement of
15 a qualified obligation. The authority shall not levy taxes or fees
16 after the caretaker board files the certificate of winding up.

17 NEW SECTION. **Sec. 9.** A new section is added to chapter 35.95A RCW
18 to read as follows:

19 (1) For the purpose of determining the special excise tax under
20 section 8 of this act, the value of a truck-type power or trailing unit
21 shall be the most recent purchase price of the vehicle, excluding
22 applicable federal excise taxes, state and local sales or use taxes,
23 transportation or shipping costs, or preparatory or delivery costs,
24 multiplied by the following percentage based on year of service of the
25 vehicle since the last sale. The most recent purchase year shall be
26 considered the first year of service.

YEAR OF SERVICE	PERCENTAGE
1	100
2	90
3	83
4	75
5	67
6	59
7	52
8	44

1	9	36
2	10	28
3	11	21
4	12	13
5	13 or older	10

6 (2) The reissuance of title and registration for a truck-type power
7 or trailing unit because of the installation of body or special
8 equipment shall be treated as a sale, and the value of the truck-type
9 power or trailing unit at that time, as determined by the department of
10 licensing from such information as may be available, shall be
11 considered the most recent purchase price.

12 (3) For the purpose of determining the special excise tax under
13 section 8 of this act, the value of a motor vehicle other than a
14 truck-type power or trailing unit shall be the manufacturer's base
15 suggested retail price of the vehicle when first offered for sale as a
16 new vehicle, excluding any optional equipment, applicable federal
17 excise taxes, state and local sales or use taxes, transportation or
18 shipping costs, or preparatory or delivery costs, multiplied by the
19 applicable percentage listed in subsection (1) of this section based on
20 year of service of the vehicle.

21 If the manufacturer's base suggested retail price is unavailable or
22 otherwise unascertainable at the time of initial registration in this
23 state, the department of licensing shall determine a value equivalent
24 to a manufacturer's base suggested retail price as follows:

25 (a) The department of licensing shall determine a value using any
26 information that may be available, including any guidebook, report, or
27 compendium of recognized standing in the automotive industry or the
28 selling price and year of sale of the vehicle. The department may use
29 an appraisal by the county assessor. In valuing a vehicle for which
30 the current value or selling price is not indicative of the value of
31 similar vehicles of the same year and model, the department shall
32 establish a value that more closely represents the average value of
33 similar vehicles of the same year and model.

34 (b) The value determined in (a) of this subsection shall be divided
35 by the applicable percentage listed in this subsection (3)(b) to
36 establish a value equivalent to a manufacturer's base suggested retail
37 price. The applicable percentage shall be based on the year of service
38 of the vehicle for which the value is determined.

	YEAR OF SERVICE	PERCENTAGE
1		
2	1	100
3	2	95
4	3	89
5	4	83
6	5	74
7	6	65
8	7	57
9	8	48
10	9	40
11	10	31
12	11	22
13	12	14
14	13 or older	10

15 (4) For purposes of this section, value shall exclude value
16 attributable to modifications of a motor vehicle and equipment that are
17 designed to facilitate the use or operation of the motor vehicle by
18 individuals with disabilities.

19 NEW SECTION. **Sec. 10.** A new section is added to chapter 35.95A
20 RCW to read as follows:

21 Until expended, money accumulated in the funds and accounts of the
22 authority may be invested in the manner authorized by the caretaker
23 board that is consistent with state law.

24 NEW SECTION. **Sec. 11.** A new section is added to chapter 35.95A
25 RCW to read as follows:

26 (1) Upon winding up the authority, but no earlier than two years
27 after the effective date of this act, the caretaker board shall file on
28 behalf of the authority a written certificate of winding up with the
29 secretary of state. The certificate of winding up shall state that the
30 authority has wound up and ceased imposing and collecting the taxes and
31 fees authorized by sections 7 and 8 of this act.

32 (2) Upon filing of the certificate of winding up and satisfying or
33 providing for any outstanding dissolution expenses, the authority shall
34 tender all of its residual assets to the local city by appropriate

1 instruments, together with an itemized description thereof. The local
2 city shall accept all residual assets that are in the form of cash and
3 cash equivalents, and may, by ordinance, accept any or all other
4 residual assets. Any residual assets not accepted by the local city
5 within one hundred eighty days after they are tendered by the authority
6 shall become the property of the state.

7 (3) After the authority has transferred, or provided for the
8 transfer of, residual assets to the local city or state under
9 subsection (2) of this section, the caretaker board shall file on
10 behalf of the authority a written certificate of dissolution with the
11 secretary of state. Upon filing of the certificate of dissolution, the
12 authority's existence shall terminate and no longer exist as an entity.

13 (4) Upon transfer of residual assets, the authority tenders all of
14 its right, title, and interest in postdissolution assets, if any, to
15 the local city.

16 (5) The local city may use residual assets and postdissolution
17 assets only for transportation purposes, but if the local city receives
18 one or more assets other than cash equivalents, the local city may use
19 any of the assets for any other purposes, after transferring from its
20 general fund or other appropriate fund to a city fund dedicated to
21 transportation purposes, an amount reasonably equivalent to the fair
22 market value of each asset being applied to a purpose other than
23 transportation.

24 (6) The transfer of residual and postdissolution assets to the
25 local city or the state shall not result in any liability of the local
26 city or the state for any obligation or liability of the authority. No
27 claim shall be made against residual or postdissolution assets if the
28 claim arises out of an alleged liability or obligation of the
29 authority.

30 NEW SECTION. **Sec. 12.** A new section is added to chapter 35.95A
31 RCW to read as follows:

32 To the extent the provisions of this act conflict with other
33 provisions of this chapter, with any measures adopted or ratified by
34 electors residing within the authority area, or with any governing
35 documents adopted by the preexisting governing body, the provisions of
36 this act shall prevail.

1 Actions taken by the authority on or after the effective date of
2 this act shall not be subject to, and the authority shall be exempt
3 from the application of, chapters 36.93, 43.21C, and 53.48 RCW and RCW
4 39.33.020.

5 **Sec. 13.** RCW 4.96.010 and 2001 c 119 s 1 are each amended to read
6 as follows:

7 (1) All local governmental entities, whether acting in a
8 governmental or proprietary capacity, shall be liable for damages
9 arising out of their tortious conduct, or the tortious conduct of their
10 past or present officers, employees, or volunteers while performing or
11 in good faith purporting to perform their official duties, to the same
12 extent as if they were a private person or corporation. Filing a claim
13 for damages within the time allowed by law shall be a condition
14 precedent to the commencement of any action claiming damages, except
15 for any action claiming damages against a city transportation authority
16 under chapter 35.95A RCW. The laws specifying the content for such
17 claims shall be liberally construed so that substantial compliance
18 therewith will be deemed satisfactory.

19 (2) Unless the context clearly requires otherwise, for the purposes
20 of this chapter, "local governmental entity" means a county, city,
21 town, special district, municipal corporation as defined in RCW
22 39.50.010, quasi-municipal corporation, or public hospital.

23 (3) For the purposes of this chapter, "volunteer" is defined
24 according to RCW 51.12.035.

25 **Sec. 14.** RCW 4.96.020 and 2001 c 119 s 2 are each amended to read
26 as follows:

27 (1) The provisions of this section apply to claims for damages
28 against all local governmental entities, except city transportation
29 authorities under chapter 35.95A RCW.

30 (2) The governing body of each local (~~government~~~~[governmental]~~)
31 governmental entity shall appoint an agent to receive any claim for
32 damages made under this chapter. The identity of the agent and the
33 address where he or she may be reached during the normal business hours
34 of the local governmental entity are public records and shall be
35 recorded with the auditor of the county in which the entity is located.

1 All claims for damages against a local governmental entity shall be
2 presented to the agent within the applicable period of limitations
3 within which an action must be commenced.

4 (3) All claims for damages arising out of tortious conduct must
5 locate and describe the conduct and circumstances which brought about
6 the injury or damage, describe the injury or damage, state the time and
7 place the injury or damage occurred, state the names of all persons
8 involved, if known, and shall contain the amount of damages claimed,
9 together with a statement of the actual residence of the claimant at
10 the time of presenting and filing the claim and for a period of six
11 months immediately prior to the time the claim arose. If the claimant
12 is incapacitated from verifying, presenting, and filing the claim in
13 the time prescribed or if the claimant is a minor, or is a nonresident
14 of the state absent therefrom during the time within which the claim is
15 required to be filed, the claim may be verified, presented, and filed
16 on behalf of the claimant by any relative, attorney, or agent
17 representing the claimant.

18 (4) No action shall be commenced against any local governmental
19 entity for damages arising out of tortious conduct until sixty days
20 have elapsed after the claim has first been presented to and filed with
21 the governing body thereof. The applicable period of limitations
22 within which an action must be commenced shall be tolled during the
23 sixty-day period.

24 **Sec. 15.** RCW 36.93.090 and 1996 c 230 s 1608 are each amended to
25 read as follows:

26 Whenever any of the following described actions are proposed in a
27 county in which a board has been established, the initiators of the
28 action shall file within one hundred eighty days a notice of intention
29 with the board: PROVIDED, That when the initiator is the legislative
30 body of a governmental unit, the notice of intention may be filed
31 immediately following the body's first acceptance or approval of the
32 action. The board may review any such proposed actions pertaining to:

33 (1) The: (a) Creation, incorporation, or change in the boundary,
34 other than a consolidation, of any city, town, or special purpose
35 district; (b) consolidation of special purpose districts, but not
36 including consolidation of cities and towns; or (c) dissolution or
37 disincorporation of any city, town, or special purpose district, except

1 that a board may not review the dissolution or disincorporation of a
2 special purpose district which was dissolved or disincorporated
3 pursuant to the provisions of chapters 35.95A and 36.96 RCW: PROVIDED,
4 That the change in the boundary of a city or town arising from the
5 annexation of contiguous city or town owned property held for a public
6 purpose shall be exempted from the requirements of this section; or

7 (2) The assumption by any city or town of all or part of the
8 assets, facilities, or indebtedness of a special purpose district which
9 lies partially within such city or town; or

10 (3) The establishment of or change in the boundaries of a mutual
11 water and sewer system or separate sewer system by a water-sewer
12 district pursuant to RCW 57.08.065 (~~(or chapter 57.40 RCW)~~); or

13 (4) The extension of permanent water or sewer service outside of
14 its existing service area by a city, town, or special purpose district.
15 The service area of a city, town, or special purpose district shall
16 include all of the area within its corporate boundaries plus, (a) for
17 extensions of water service, the area outside of the corporate
18 boundaries which it is designated to serve pursuant to a coordinated
19 water system plan approved in accordance with RCW 70.116.050; and (b)
20 for extensions of sewer service, the area outside of the corporate
21 boundaries which it is designated to serve pursuant to a comprehensive
22 sewerage plan approved in accordance with chapter 36.94 RCW and RCW
23 90.48.110.

24 **Sec. 16.** RCW 39.33.020 and 1995 c 123 s 1 are each amended to read
25 as follows:

26 Before disposing of surplus property with an estimated value of
27 more than fifty thousand dollars, the state or a political subdivision
28 shall hold a public hearing in the county where the property or the
29 greatest portion thereof is located. At least ten days but not more
30 than twenty-five days prior to the hearing, there shall be published a
31 public notice of reasonable size in display advertising form, setting
32 forth the date, time, and place of the hearing at least once in a
33 newspaper of general circulation in the area where the property is
34 located. A news release pertaining to the hearing shall be
35 disseminated among printed and electronic media in the area where the
36 property is located. If real property is involved, the public notice
37 and news release shall identify the property using a description which

1 can easily be understood by the public. If the surplus is real
2 property, the public notice and news release shall also describe the
3 proposed use of the lands involved. If there is a failure to
4 substantially comply with the procedures set forth in this section,
5 then the sale, transfer, exchange, lease, or other disposal shall be
6 subject to being declared invalid by a court. Any such suit must be
7 brought within one year from the date of the disposal agreement.

8 This section does not apply to the liquidation or other disposition
9 of property by a city transportation authority under chapter 35.95A
10 RCW.

11 **Sec. 17.** RCW 43.21C.227 and 2002 c 93 s 2 are each amended to read
12 as follows:

13 (1) The disincorporation of a city or town is exempt from
14 compliance with this chapter.

15 (2) The reduction of city or town limits is exempt from compliance
16 with this chapter.

17 (3) The dissolution of a city transportation authority under
18 chapter 35.95A RCW is exempt from compliance with this chapter.

19 **Sec. 18.** RCW 53.48.010 and 1999 c 153 s 63 are each amended to
20 read as follows:

21 The following words and terms shall, whenever used in this chapter,
22 have the meaning set forth in this section:

23 (1) The term "district" as used herein, shall include all municipal
24 and quasi-municipal corporations having a governing body, other than
25 cities, towns, counties, and townships, such as port districts, school
26 districts, water-sewer districts, fire protection districts, and all
27 other special districts of similar organization, but shall not include
28 local improvement districts, diking, drainage and irrigation districts,
29 special districts as defined in RCW 85.38.010, nor public utility
30 districts. The term "district" as used herein does not include a city
31 transportation authority under chapter 35.95A RCW.

32 (2) The words "board of commissioners," as used herein, shall mean
33 the governing authority of any district as defined in subdivision (1)
34 of this section.

- 1 (1) RCW 35.95A.020 (Creation of authority--Vote of the people) and
2 2002 c 248 s 2;
- 3 (2) RCW 35.95A.030 (Creation by ordinance--Proposal by petition)
4 and 2002 c 248 s 3;
- 5 (3) RCW 35.95A.070 (Excess levies--General obligation bonds--
6 Revenue bonds) and 2002 c 248 s 8;
- 7 (4) RCW 35.95A.110 (Taxes and fees--Limitation on use) and 2002 c
8 248 s 12;
- 9 (5) RCW 35.95A.120 (Dissolution of authority) and 2003 c 147 s 14
10 & 2002 c 248 s 13; and
- 11 (6) RCW 35.95A.140 (Requirements for signage) and 2005 c 19 s 2.

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