

HOUSE OF REPRESENTATIVES

Olympia Washington

BilAnalysis

Bill No. SSB 5028

Modifying County Treasury Management

Public Arg: 3/21/97

Brief title

Committee on Govt Op. (Original Spon. Sellar)

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Sponsor

Comm. on Govt. Admin.

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BACKGROUND:

County treasurers perform a variety of financial functions for counties as well as special districts for which they act as the ex-officio treasurer.

A county imposes, collects, and enforces special assessments within local improvement districts. It has created finance sewer and water facilities in the same manner as a city or town imposes, collects, and enforces special assessments.

County treasurers invest county moneys, and special district moneys in their custody, in a variety of investments. The county finance committee may direct the county treasurer to invest special district moneys if the special district fails to authorize the county treasurer to invest these moneys. The county finance committee consists of the county treasurer, county auditor, and the chair of the board of county legislative authority.

The county treasurer supervises sales of county property, but the county auditor publishes notices of these sales.

Voters may authorize a county to impose fees for withdrawing water or disposing sewage on-site within an aquifer protection area that are used to finance the protection, preservation, and rehabilitation of subterranean water. Liens exist on delinquent fees.

Counties may create road improvement districts and impose special assessments on property located within road improvement districts to finance road improvements. Counties may create guaranty funds to secure road improvement district bonds that are payable from these special assessments. Moneys in a guaranty fund may be invested in obligations of the federal government.

Counties may provide water and sewerage systems and impose connection charges and periodic service charges to finance these systems. Any delinquent charge becomes a lien when it is certified to the county treasurer. Such liens are foreclosed in the same manner as real property tax liens.

The types of investments in which port district money may be invested by a county treasurer are more restricted than the types of investments in which county money may be invested.

Property may not be subdivided unless all taxes due on the property and delinquent assessments on the property have been paid. In addition, any person who files a plat or binding site plan after May 31 in any year and prior to the date of the collection of taxes in the ensuing year must deposit with the county treasurer the following year's anticipated property taxes on the unimproved value of the land. The anticipated taxes are equal to the latest valuation of the land less the value of any improvements multiplied by the current year's property tax rate increased by 25 percent. The deposit is used to pay the taxes on the property when the levy rates are certified and any surplus returned to the party making the deposit.

Senior citizens or disabled persons whose incomes are below a certain level may defer special assessments and property taxes imposed on their residences that they own.

On the first day of January in each year, the county treasurer files with the county auditor a list of taxes on personal property that are uncollectible. The county auditor delivers the list to the county legislative authority and the county legislative authority may cancel any such personal property taxes that it determines are not collectible.

On the first Monday of each January, the county treasurer prepares a report of the property taxes on the tax rolls that have been paid and that remain uncollected.

All current and delinquent property taxes and assessments must be paid on an entire parcel before the parcel may be segregated into separate portions for property tax purposes.

By the first Monday in January of each year, the county treasurer reports to the county legislative authority all property tax refunds that have been made during the previous year.

A first-class must pay \$1,000 per year to the county for clerk hire.-

SUMMARY:

A variety of changes are made in laws that affect county treasury management.

Notice for delinquent special assessments imposed by a city or town in a local improvement district must provide notice of the foreclosure costs that are due, in addition to the amount of the special assessment that is delinquent. It is clarified that the foreclosure costs due on delinquent special assessments are administrative costs.

It is clarified that when the county finance committee directs the county treasurer to invest special district moneys, these investments are made under investment policies established by the county finance committee.

Notice of the sale of county property is made by the county treasurer or the treasurer's designee rather than by the county auditor.

Any lien for delinquent fees imposed by a county in an aquifer protection district must be recorded in the office of the county auditor. Failure to record the lien does not affect the validity of the lien.

Special restrictions on the types of investments in which certain moneys may be invested are deleted or repealed and these moneys are allowed to be invested under general laws relating to investment by the county treasurer.

Delinquent charges for county water or sewer service are certified to the county auditor rather than the county treasurer. It is clarified that costs associated with the foreclosure of such liens are included in the lien.

Moneys deposited with the recording of a plat or binding site plan may be used to pay assessments associated with the property, as well as property taxes associated with the property.

It is clarified that eligible senior citizens or disabled persons may defer all special assessments imposed on their residences that they own.

The county treasurer files various reports relating to county finances in February rather than in January of each year.

A person desiring to segregate land for property tax purposes is only required to pay delinquent taxes and assessments on the land, and no longer is required to pay current year taxes and assessments when these segregations are made.

Whenever land is divided under the platting and subdivision laws or segregated for tax purposes, the county assessor ascertains the true and fair value of each lot. If the advance tax deposit was paid, the new assessment must be established by October 30 of the year following the recording of the plat or binding site plan. If the advance tax deposit was not paid, the new valuations must be made not later than the calendar year after the plat was recorded. It is clarified that the current year taxes required to be paid whenever land is divided means the taxes that are collectable after February 4.

A statute is repealed that required first-class cities to pay \$1,000 per year to the county for clerk hire.-

FISCAL NOTE: Not requested.

EFFECTIVE DATE: The bill contains several effective dates. Please refer to the bill.