

HOUSE BILL REPORT

SB 6466

As Reported by House Committee On:
Local Government & Housing

Title: An act relating to county treasurer administration.

Brief Description: Modifying county treasurer administration provisions.

Sponsors: Senators Gardner and Swecker.

Brief History:

Committee Activity:

Local Government & Housing: 2/20/02, 2/28/02 [DP].

Brief Summary of Bill

- Modifies county treasurer administrative provisions.

HOUSE COMMITTEE ON LOCAL GOVERNMENT & HOUSING

Majority Report: Do pass. Signed by 11 members: Representatives Dunshee, Chair; Edwards, Vice Chair; Mulliken, Ranking Minority Member; Berkey, Crouse, DeBolt, Dunn, Hatfield, Kirby, Mielke and Sullivan.

Staff: Amy Wood (786-7127).

Background:

The county treasurer operates under the authority of various state statutes concerning aspects of receiving, processing and disbursing funds. The county treasurer is the custodian of the county's money and the administrator of the county's financial transactions. In addition to services for the county, the county treasurer provides financial services to special purpose districts and other units of local government, including the responsibility to receipt, disburse, invest and account for the funds of each of these entities. The treasurer receives and disburses funds, invests funds held and maintains financial records in accordance with accepted accounting principles. The county treasurer is also responsible for collection of various taxes, including legal proceedings to collect past due amounts. The county treasurer has other miscellaneous duties such as conducting bond sales and sales of surplus county property.

Summary of Bill:

A variety of technical changes are made in laws relating to county treasurers.

- Notice requirements for foreclosure for delinquent local improvement assessments are clarified. The current assessor rolls and treasurer rolls must be checked so that foreclosure notices are sent to all known addresses identified for the owner and/or taxpayer.
- The treasurer may in his or her discretion grant an exception to the requirement that the local government make deposits with the treasurer every 24 hours if the treasurer has a written request from the agency; and if the agency ensures that the money is held with proper safekeeping and proper theft protection. If an exception is granted, the treasurer shall state the frequency with which deposits are required as long as no exception is longer than one week.
- Makes mandatory the requirement that owners of mobile homes or park model trailers obtain a temporary trip permit from the department of transportation to operate the vehicle on public highways. The department of transportation may only issue a trip permit if the owner's property taxes have been paid in full.
- Property cannot be subdivided into two or more lots until all delinquent taxes and assessments on the entire parcel have been paid, unless the property is being acquired by a government for public use.
- An owner is prohibited from selling or mortgaging personal property until all property taxes have been satisfied.
- Tax refunds made as a result of mistake, inadvertence or lack of knowledge by either a public official, employee, or any person with no legal interest in the property shall not include refund interest.

Appropriation: None.

Fiscal Note: Not Requested.

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

Testimony For: County treasurers spend their day dealing with these and various statutes. As times change, there is a need to update and clarify the laws, and to make sure that gaps are filled. The treasurer wants to be sure that all appropriate people are notified regarding foreclosure. Where it is inconvenient for local governments in rural

areas to travel to banks every day, treasurers want to modify provisions to allow compliance and more flexibility. The treasurers want to update the trip permit statute to tie into an existing permit statute. Treasurers are concerned that personal property is being moved out of state before the taxes are paid. Regarding tax refunds, there have been problems with people showing up the day before a foreclosure sale claiming to have ownership. The treasurers do not know if they are a legal agent of the owner or not. We need some clarification to protect property owners. The person must have proper documentation. Foreclosure can be very tricky, owners are not always aware that they receive all proceeds from the sale minus back taxes and the cost of the foreclosure sale. We need to make sure that owners are not being taken advantage of.

Testimony Against: The county treasurer should collect taxes, not determine who can pay those taxes. This is problematic for people who purchase foreclosed property and attempt to pay the taxes for them.

Testified: (In support) Senator Gardner, prime sponsor; Ron Strabbing, Washington State Association of County Treasurers; and Rose Bowman, Lewis County Treasurer.

(Opposed) Kim Carpenter, citizen.