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## Local Government Committee

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### HB 1854

**Brief Description:** Concerning public approval of annexations by cities and towns.

**Sponsors:** Representatives Schmick and Fagan.

<p style="text-align: center;"><b>Brief Summary of Bill</b></p> <ul style="list-style-type: none"><li>• Establishes additional property owner and registered voter approval requirements for certain annexation methods that may be employed by cities and towns.</li></ul>
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**Hearing Date:** 1/23/14

**Staff:** Ethan Moreno (786-7386).

**Background:**

Municipal Annexations - General Information.

Current law authorizes multiple methods for municipal annexations. While cities that operate under the Optional Municipal Code (code cities) have statutory requirements for governance and operation that are separate from those that do not, the annexation methods that all cities and towns may employ are generally similar.

Annexations of Unincorporated "Islands" of Territory.

Among other permitted annexation methods, code cities and non-code cities and towns are authorized to conduct certain annexations through a resolution of the jurisdiction's legislative body. Neither voter nor property owner approvals are necessary for these annexations. An example of this resolution-based authority is the 'island annexation method', a method that allows cities and towns planning under the Growth Management Act (GMA), following the satisfaction of public notice and other procedural requirements, to annex qualifying unincorporated "islands" of territory that meet contiguity and other requirements. Annexations conducted through this island annexation method are subject to referendum.

Annexations of Territory Served by Fire Protection Districts - Interlocal Agreement Process.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

Code and non-code cities and towns may also annex territory served by one or more fire protection districts (fire district or districts) through an ordinance-based interlocal agreement process. Annexations occurring under these processes begin with the adoption of an interlocal agreement (a joint or cooperative action agreement between two or more public agencies) between the annexing city or town and the applicable county and fire districts. The interlocal agreement must meet several requirements, including describing the boundaries of the territory proposed for annexation. Annexations conducted through this method are generally subject to referendum.

#### Annexations of Territory within an Urban Growth Area - Interlocal Agreement Process.

Large cities in the six counties that are subject to specific land use review and evaluation requirements established in the GMA may annex certain territory by ordinance if certain requirements, including the negotiation of interlocal agreements between the participating the applicable city and county, are satisfied. Annexations conducted through this method are subject to referendum.

#### Recent Annexation Legislation.

Legislation adopted in the 2013 regular legislative session ( Senate Bill 5417, enacted as ch. 333, Laws of 2013) modified provisions governing code city annexations by amending eligibility criteria for the island annexation method. Additionally, legislation adopted in the second special session of 2013 (Engrossed House Bill 2068, enacted as ch. 27 Laws of 2013, 2nd sp. s.), further modified eligibility criteria for the island annexation method. Engrossed House Bill 2068 also expanded the circumstances under which code and non-code city and town annexation ordinances for territory served by one or more fire districts that occur through an ordinance-based interlocal agreement processes are subject to referendum.

#### **Summary of Bill:**

Additional property owner and voter approval requirements are established for specific annexation methods.

Code and non-code cities and towns may use the island annexation method only after obtaining approval by the owners of not less than 70 percent in value, according to the assessed valuation for general taxation, of the property for which annexation is proposed.

Code and non-code cities and towns may use the interlocal agreement annexation method for territory served by one or more fire districts only after obtaining approval:

- by the owners of not less than 70 percent in value according to the assessed valuation for general taxation of the property for which annexation is proposed; or
- through a ballot proposition that is approved by 60 percent of the voters voting on the proposition.

Similarly, code and non-code cities and towns may use the interlocal agreement-based annexation method for qualifying territory within an urban growth area only after obtaining approval:

- by the owners of not less than 70 percent in value according to the assessed valuation for general taxation of the property for which annexation is proposed; or

- through a ballot proposition that is approved by 60 percent of the voters voting on the proposition.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.