

CERTIFICATION OF ENROLLMENT

HOUSE BILL 1013

52nd Legislature
1991 Regular Session

Passed by the House February 8, 1991
Yeas 92 Nays 0

**Speaker of the
House of Representatives**

Passed by the Senate April 8, 1991
Yeas 48 Nays 0

President of the Senate

Approved

Governor of the State of Washington

CERTIFICATE

I, Alan Thompson, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **HOUSE BILL 1013** as passed by the House of Representatives and the Senate on the dates hereon set forth.

Chief Clerk

FILED

Secretary of State
State of Washington

HOUSE BILL 1013

AS AMENDED BY THE SENATE

Passed Legislature - 1991 Regular Session

State of Washington 52nd Legislature 1991 Regular Session

By Representatives Zellinsky, Ferguson, Haugen, Horn, Roland, Wood and Mitchell.

Read first time January 14, 1991. Referred to Committee on Local Government.

1 AN ACT Relating to cities and towns; amending RCW 35.02.078,
2 35.02.130, 35.02.210, 35.02.220, and 52.02.020; adding new sections to
3 chapter 35.02 RCW; and declaring an emergency.

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

5 **Sec. 1.** RCW 35.02.078 and 1986 c 234 s 10 are each amended to read
6 as follows:

7 An election shall be held in the area proposed to be incorporated
8 to determine whether the proposed city or town shall be incorporated if
9 the boundary review board approves or modifies and approves the
10 proposal, or if the county legislative authority does not disapprove
11 the proposal as provided in RCW 35.02.070. Voters at this election
12 shall determine if the area is to be incorporated.

13 The initial election on the question of incorporation shall be held
14 at the next special election date specified in RCW 29.13.020 that

1 occurs sixty or more days after the final public hearing by the county
2 legislative authority or authorities, or the approval or modification
3 and approval by the boundary review board or boards. The county
4 legislative authority or authorities shall call for this election and,
5 if the incorporation is approved, shall call for other elections to
6 elect the elected officials as provided in this section. If the vote
7 in favor of the incorporation receives (~~forty~~) thirty percent or less
8 of the total vote on the question of incorporation, no new election on
9 the question of incorporation for the area or any portion of the area
10 proposed to be incorporated may be held for a period of three years
11 from the date of the election in which the incorporation failed. This
12 three-year prohibition shall not apply to any proposed city or town in
13 which such election was held before the effective date of this act and
14 the vote in favor of the incorporation received thirty percent or more
15 of the total on the question of incorporation.

16 If the incorporation is authorized as provided by RCW 35.02.120,
17 separate elections shall be held to nominate and elect persons to fill
18 the various elective offices prescribed by law for the population and
19 type of city or town, and to which it will belong. The primary
20 election to nominate candidates for these elective positions shall be
21 held at the next special election date, as specified in RCW 29.13.020,
22 that occurs sixty or more days after the election on the question of
23 incorporation or, if the incorporation election was held in April or
24 May, at a special election by mail ballots to be held on the third
25 Tuesday in July. The election to fill these elective positions shall be
26 held at the next special election date, as specified in RCW 29.13.020,
27 that occurs thirty or more days after certification of the results of
28 the primary election or, if the primary election was held in April or
29 May, at a special election by mail ballots to be held on the third
30 Tuesday in July.

1 NEW SECTION. **Sec. 2.** A new section is added to chapter 35.02 RCW
2 to read as follows:

3 A newly incorporated city or town shall be liable for its
4 proportionate share of the costs of all elections, after the election
5 on whether the area should be incorporated, at which an issue relating
6 to the city or town is placed before the voters, as if the city or town
7 was in existence after the election at which voters authorized the area
8 to incorporate.

9 **Sec. 3.** RCW 35.02.130 and 1986 c 234 s 16 are each amended to read
10 as follows:

11 The city or town officially shall become incorporated at a date
12 from one hundred eighty days to three hundred sixty days after the date
13 of the election on the question of incorporation. An interim period
14 shall exist between the time the newly elected officials have been
15 elected and qualified and this official date of incorporation. During
16 this interim period, the newly elected officials are authorized to
17 adopt ordinances and resolutions which shall become effective on or
18 after the official date of incorporation, and to enter into contracts
19 and agreements to facilitate the transition to becoming a city or town
20 and to ensure a continuation of governmental services after the
21 official date of incorporation. Periods of time that would be required
22 to elapse between the enactment and effective date of such ordinances,
23 including but not limited to times for publication or for filing
24 referendums, shall commence upon the date of such enactment as though
25 the city or town were officially incorporated.

26 During this interim period, the city or town governing body may
27 adopt rules establishing policies and procedures under the state
28 environmental policy act, chapter 43.21C RCW, and may use these rules

1 and procedures in making determinations under the state environmental
2 policy act, chapter 43.21C RCW.

3 During this interim period, the newly formed city or town and its
4 governing body shall be subject to the following as though the city or
5 town were officially incorporated: RCW 4.24.470 relating to immunity;
6 chapter 42.17 RCW relating to open government; chapter 40.14 RCW
7 relating to the preservation and disposition of public records;
8 chapters 42.20, 42.22, and 42.23 RCW relating to ethics and conflicts
9 of interest; chapters 42.30 and 42.32 RCW relating to open public
10 meetings and minutes; RCW 35.22.288, 35.23.310, 35.24.220, 35.27.300,
11 35A.12.160, as appropriate, and chapter 35A.65 RCW relating to the
12 publication of notices and ordinances; RCW 35.21.875 and 35A.21.230
13 relating to the designation of an official newspaper; RCW 36.16.138
14 relating to liability insurance; RCW 35.22.620, 35.23.352, and
15 35A.40.210, as appropriate, and statutes referenced therein relating to
16 public contracts and bidding; and chapter 39.34 RCW relating to
17 interlocal cooperation. Tax anticipation or revenue anticipation notes
18 or warrants and other short-term obligations may be issued and funds
19 may be borrowed on the security of these instruments during this
20 interim period, as provided in chapter 39.50 RCW. Funds also may be
21 borrowed from federal, state, and other governmental agencies in the
22 same manner as if the city or town were officially incorporated.

23 RCW 84.52.020 and 84.52.070 shall apply to the extent that they may
24 be applicable, and the governing body of such city or town may take
25 appropriate action by ordinance during the interim period to adopt the
26 property tax levy for its first full calendar year following the
27 interim period.

28 The governing body of the new city or town may acquire needed
29 facilities, supplies, equipment, insurance, and staff during this
30 interim period as if the city or town were in existence. An interim

1 city manager or administrator, who shall have such administrative
2 powers and duties as are delegated by the governing body, may be
3 appointed to serve only until the official date of incorporation.
4 After the official date of incorporation the governing body of such a
5 new city organized under the council manager form of government may
6 extend the appointment of such an interim manager or administrator with
7 such limited powers as the governing body determines, for up to ninety
8 days. This governing body may submit ballot propositions to the voters
9 of the city or town to authorize taxes to be collected on or after the
10 official date of incorporation, or authorize an annexation of the city
11 or town by a fire protection district or library district to be
12 effective immediately upon the effective date of the incorporation as
13 a city or town.

14 The boundaries of a newly incorporated city or town shall be deemed
15 to be established for purposes of RCW 84.09.030 on the date that the
16 results of the initial election on the question of incorporation are
17 certified or the first day of January following the date of this
18 election if the newly incorporated city or town does not impose
19 property taxes in the same year that the voters approve the
20 incorporation.

21 The newly elected officials shall take office immediately upon
22 their election and qualification with limited powers during this
23 interim period as provided in this section. They shall acquire their
24 full powers as of the official date of incorporation and shall continue
25 in office until their successors are elected and qualified at the next
26 general municipal election after the official date of incorporation:
27 PROVIDED, That if the date of the next general municipal election is
28 less than ~~((seventy-five days))~~ twelve months after the ~~((official))~~
29 date ~~((of incorporation, the))~~ of the first election of councilmembers,
30 those initially elected ~~((officials))~~ councilmembers shall ~~((hold~~

1 office)) serve until their successors are elected and qualified at the
2 next following general municipal election (~~((next—following))~~) as
3 provided in RCW 29.04.170. For purposes of this section, the general
4 municipal election shall be the date on which city and town general
5 elections are held throughout the state of Washington, pursuant to RCW
6 29.13.020.

7 The official date of incorporation shall be on a date from one
8 hundred eighty to three hundred sixty days after the date of the
9 election on the question of incorporation, as specified in a resolution
10 adopted by the governing body during this interim period. A copy of
11 the resolution shall be filed with the county legislative authority of
12 the county in which all or the major portion of the newly incorporated
13 city or town is located. If the governing body fails to adopt such a
14 resolution, the official date of incorporation shall be three hundred
15 sixty days after the date of the election on the question of
16 incorporation. The county legislative authority of the county in which
17 all or the major portion of the newly incorporated city or town is
18 located shall file a notice with the county assessor that the city or
19 town has been authorized to be incorporated immediately after the
20 favorable results of the election on the question of incorporation have
21 been certified. The county legislative authority shall file a notice
22 with the secretary of state that the city or town is incorporated as of
23 the official date of incorporation.

24 NEW SECTION. **Sec. 4.** A new section is added to chapter 35.02 RCW
25 to read as follows:

26 The newly elected officials shall adopt an interim budget for the
27 interim period or until January 1 of the following year, whichever
28 occurs first. A second interim budget shall be adopted for any period
29 between January 1 and the official date of incorporation. These interim

1 budgets shall be adopted in consultation with the office of the state
2 auditor, division of municipal corporations.

3 The governing body shall adopt a budget for the newly incorporated
4 city or town for the period between the official date of incorporation
5 and January 1 of the following year. The mayor or governing body,
6 whichever is appropriate shall prepare or the governing body may direct
7 the interim city manager to prepare a preliminary budget in detail to
8 be made public at least sixty days before the official date of
9 incorporation as a recommendation for the final budget. The mayor,
10 governing body, or the interim city manager shall submit as a part of
11 the preliminary budget a budget message that contains an explanation of
12 the budget document, an outline of the recommended financial policies
13 and programs of the city or town for the ensuing fiscal year, and a
14 statement of the relation of the recommended appropriation to such
15 policies and programs. Immediately following the release of the
16 preliminary budget, the governing body shall cause to be published a
17 notice once each week for two consecutive weeks of a public hearing to
18 be held at least twenty days before the official date of incorporation
19 on the fixing of the final budget. Any taxpayer may appear and be
20 heard for or against any part of the budget. The governing body may
21 make such adjustments and changes as it deems necessary and may adopt
22 the final budget at the conclusion of the public hearing or at any time
23 before the official date of incorporation.

24 NEW SECTION. **Sec. 5.** A new section is added to chapter 35.02 RCW
25 to read as follows:

26 Upon the certification of election of officers, the governing body
27 may by resolution borrow money from the municipal sales and use tax
28 equalization account, up to one hundred thousand dollars or five

1 dollars per capita based on the population estimate required by RCW
2 35.02.030, whichever is less.

3 The loan authorized by this section shall be repaid over a three-
4 year period. The state treasurer shall withhold moneys from the funds
5 otherwise payable to the city or town that has obtained such a loan,
6 either from the municipal sales and use tax equalization account or
7 from sales and use tax entitlements otherwise distributable to such
8 city or town, so that the account is fully reimbursed over the three-
9 year period. The state treasurer shall adopt by rule procedures to
10 accomplish the purpose of this section on a reasonable and equitable
11 basis over the three-year period.

12 NEW SECTION. **Sec. 6.** A new section is added to chapter 35.02 RCW
13 to read as follows:

14 The department of community development shall identify federal,
15 state, and local agencies that should receive notification that a new
16 city or town is about to incorporate and shall assist newly formed
17 cities and towns during the interim period before the official date of
18 incorporation in providing such notification to the identified
19 agencies.

20 NEW SECTION. **Sec. 7.** A new section is added to chapter 35.02 RCW
21 to read as follows:

22 During the interim period, the governing body of the newly formed
23 city or town and the board of fire commissioners may by written
24 agreement delay the transfer of the district's assets and liabilities,
25 and the city's or town's responsibility for the provision of fire
26 protection, that would otherwise occur under RCW 35.02.190 or 35.02.200
27 for up to one year after the official date of incorporation. During the
28 one-year period, the fire protection district may annex the city or

1 town pursuant to chapter 52.04 RCW and retain the responsibility for
2 fire protection.

3 **Sec. 8.** RCW 35.02.210 and 1986 c 234 s 21 are each amended to read
4 as follows:

5 At the option of the governing body of a newly incorporated city or
6 town, any fire protection district or library district serving any part
7 of the area so incorporated shall continue to provide services to such
8 area until the city or town (~~receives distributions of property tax~~
9 ~~receipts from these special districts pursuant to RCW 35.02.140, or the~~
10 ~~city or town~~) receives its own property tax receipts(~~(, whichever is~~
11 ~~earlier)~~).

12 **Sec. 9.** RCW 35.02.220 and 1986 c 234 s 22 are each amended to read
13 as follows:

14 The approval of an incorporation by the voters of a proposed city
15 or town, and the existence of a transition period to become a city or
16 town, shall not remove the responsibility of any county, road district,
17 library district, or fire district, within which the area is located,
18 to continue providing services to the area until the official date of
19 the incorporation.

20 A county shall continue to provide the following services to a
21 newly incorporated city or town, or that portion of the county within
22 which the newly incorporated city or town is located, at the
23 preincorporation level as follows:

24 (1) Law enforcement services shall be provided for a period not to
25 exceed sixty days from the official date of the incorporation or until
26 the city or town is receiving or could have begun receiving sales tax
27 distributions under RCW 82.14.030(1), whichever is the shortest time
28 period.

1 (2) Road maintenance shall be for a period not to exceed sixty days
2 from the official date of the incorporation or until (~~any~~) forty
3 percent of the anticipated annual tax distribution from the road
4 district tax levy is made to the newly incorporated city or town
5 pursuant to RCW 35.02.140, whichever is the shorter time period.

6 **Sec. 10.** RCW 52.02.020 and 1984 c 230 s 1 are each amended to read
7 as follows:

8 Fire protection districts for the provision of fire prevention
9 services, fire suppression services, emergency medical services, and
10 for the protection of life and property in areas outside of cities and
11 towns, except where the cities and towns have been annexed into a fire
12 protection district or where the district is continuing service
13 pursuant to section 7 of this act, are authorized to be established as
14 provided in this title.

15 NEW SECTION. **Sec. 11.** A new section is added to chapter 35.02 RCW
16 to read as follows:

17 During the interim period, the governing body of the newly formed
18 city or town may adopt resolutions establishing moratoria during the
19 interim transition period on the filing of applications with the county
20 for development permits or approvals, including, but not limited,
21 subdivision approvals, short subdivision approvals, and building
22 permits.

23 NEW SECTION. **Sec. 12.** A new section is added to chapter 35.02 RCW
24 to read as follows:

25 Cities, towns, counties, and other local government agencies and
26 state agencies may make loans of staff and equipment, and technical and
27 financial assistance to the newly formed city or town during the

1 interim period to facilitate the transition to an incorporated city or
2 town. Such loans and assistance may be without compensation.

3 NEW SECTION. **Sec. 13.** This act is necessary for the immediate
4 preservation of the public peace, health, or safety, or support of the
5 state government and its existing public institutions, and shall take
6 effect immediately.