
SENATE BILL 5038

State of Washington

53rd Legislature

1993 Regular Session

By Senators Haugen and Winsley

Read first time 01/11/93. Referred to Committee on Government Operations.

1 AN ACT Relating to local government service agreements; adding a
2 new chapter to Title 36 RCW; adding a new section to chapter 36.93 RCW;
3 adding new sections to chapter 43.63A RCW; adding a new section to
4 chapter 46.68 RCW; adding a new section to chapter 66.08 RCW; adding
5 new sections to chapter 82.14 RCW; adding a new section to chapter
6 82.44 RCW; and providing a contingent effective date.

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

8 NEW SECTION. **Sec. 1.** The purpose of chapter . . ., Laws of 1993
9 (this act) is to partially implement the provisions of Article XI,
10 section . . . (HJR . . .), of the Washington state Constitution, by
11 establishing a process by which local government service agreements can
12 be established between local governments to determine which local
13 governments should provide various local government services and
14 facilities within specified geographic areas.

15 NEW SECTION. **Sec. 2.** Unless the context clearly requires
16 otherwise, the definitions in this section apply throughout this
17 chapter.

1 (1) "City" means a city or town, including a city operating under
2 Title 35A RCW.

3 (2) "Department" means the department of community development.

4 (3) "Governmental service" includes a service provided by local
5 government, and any facilities and equipment related to the provision
6 of such services, including utility services, health services, social
7 services, law enforcement services, fire prevention and suppression
8 services, community development activities, environmental protection
9 activities, economic development activities, and transportation
10 services and facilities, but shall not include the generation,
11 conservation, or distribution of electrical energy nor maritime
12 shipping activities.

13 (4) "Local government" means a county, city, or special district.

14 (5) "Local government service agreements" means agreements between
15 local governments established pursuant to this chapter.

16 (6) "Special district" means a municipal or quasi-municipal
17 corporation in the state, other than a county, city, or school
18 district.

19 NEW SECTION. **Sec. 3.** (1) Local government service agreements
20 concerning one or more governmental service may be established for a
21 designated geographic area as provided in this section. A local
22 governmental service agreement shall have a term of ten or fewer years,
23 and may be extended at the end of the term in the same manner by which
24 such an agreement is established.

25 (2) A local government service agreement must describe: (a) The
26 governmental service or services addressed by the agreement; (b) the
27 geographic area covered by the agreement; (c) which local government or
28 local governments are to provide each of the governmental services
29 addressed by the agreement within the geographic area covered by the
30 agreement; and (d) the term of the agreement.

31 (3) A local government service agreement becomes effective when
32 approved by: (a) The county legislative authority of each county that
33 includes territory located within the geographic area covered by the
34 agreement; (b) the governing body or bodies of at least a simple
35 majority of the total number of cities that includes territory located
36 within the geographic area covered by the agreement, which cities
37 include at least seventy-five percent of the total population of all
38 cities that includes territory located within the geographic area

1 covered by the agreement; and (c) for each governmental service
2 addressed by the agreement, the governing body or bodies of at least a
3 simple majority of the special districts that include territory located
4 within the geographic area covered by the agreement and which provide
5 the governmental service within such territory. A copy of each local
6 government service agreement must be submitted to the department within
7 thirty days of its final approval.

8 (4) A local government service agreement may cover a geographic
9 area that includes territory located in more than a single county.

10 NEW SECTION. **Sec. 4.** A local government service agreement may
11 include, but is not limited to, any or all of the following matters:

12 (1) A dispute resolution arrangement, including use of mediation
13 services made available by the department pursuant to section 10 of
14 this act, that can be used to resolve disputes over any identified
15 subject matters;

16 (2) How joint land-use planning and zoning controls by the county
17 and a city or cities, or by two or more cities, may be established,
18 made binding, and enforced;

19 (3) How common development standards between the county and a city
20 or cities, or between two or more cities, may be established, made
21 binding, and enforced;

22 (4) How capital improvement plans of the county, cities, and
23 special districts shall be coordinated;

24 (5) A transfer of revenues between local governments in
25 relationship to their obligations for providing governmental services.
26 Such transfers of revenue may include, but not be limited to: (a) Tax-
27 base sharing; (b) reallocating the distribution of state collected tax
28 receipts that are distributed to the county and cities within the
29 county pursuant to RCW 46.68.100 through 46.68.124, 66.08.200,
30 66.08.210, and 82.44.150; (c) reallocating the sales tax equalization
31 receipts provided for in RCW 82.14.200 and 82.14.210 for which the
32 county and cities within the county are eligible; (d) altering or
33 eliminating the percentage of a city's sales and use tax receipts that
34 are distributed to the county pursuant to RCW 82.14.030(2); and (e)
35 altering the rate of a city sales and use tax that is imposed under RCW
36 82.14.030(1), not to exceed a rate of five-tenths of one percent;

37 (6) The designation of additional area-wide governmental services
38 to be provided by the county.

1 NEW SECTION. **Sec. 5.** (1) The county legislative authority of
2 every county with a population of one hundred thousand or more shall
3 convene a meeting on or before March 1, 1994, to consider the
4 establishment of local government service agreements. Invitations to
5 attend this meeting shall be sent to the governing body of each city
6 located in the county, and to the governing body of each special
7 district located in the county that provides one or more of the
8 governmental services as defined in section 2(3) of this act.

9 On or before January 1, 1996, at least one local government service
10 agreement must be in effect in each county with a population of one
11 hundred thousand or more or the county legislative authority must
12 submit an explanation to the department detailing why a local
13 government service agreement was not made.

14 (2) This section shall not be effective unless money is
15 appropriated to the department for purposes of making grants to
16 counties under section 8 of this act during the biennium ending June
17 30, 1995.

18 NEW SECTION. **Sec. 6.** It is the intent of the legislature to
19 permit the creation of a flexible process to establish local government
20 service agreements and that local governments possess broad authority
21 to shape a variety of local government service agreements to meet their
22 local needs and local circumstances. However, it is noted that in
23 general, cities are the unit of local government most appropriate to
24 provide urban governmental services, counties are the unit of local
25 government most appropriate to provide area-wide governmental services,
26 some special districts are the units of local government most
27 appropriate to provide those governmental services transitionally
28 required by a growing population and not otherwise available from
29 counties or cities in a given area, and that those economic development
30 efforts performed by local governments should be concentrated in that
31 unit of local government best able to focus its resources on job
32 creation and retention.

33 The process to establish local government service agreements should
34 assure that all directly affected local governments, and Indian tribes
35 at their option, are allowed to be heard on issues relevant to them.

36 NEW SECTION. **Sec. 7.** A new section is added to chapter 36.93 RCW
37 to read as follows:

1 In addition to the procedure in RCW 36.93.230 for disbanding a
2 boundary review board, a boundary review board in a county shall be
3 abolished if all of the following occur:

4 (1) The director of the department of community development
5 certifies that a local government service agreement has been adopted
6 formally for the county that is in conformance with the requirements of
7 chapter 36.-- RCW (sections 1 through 6 of this act) that includes a
8 dispute resolution arrangement adequate to resolve disputes over
9 matters within the purview of a boundary review board. Final decisions
10 or agreements that are reached over matters referred under the dispute
11 resolution arrangement process must be in writing, and must include
12 findings that address the factors listed in RCW 36.93.170. In addition
13 to the factors listed in RCW 36.93.170, the economic impact to the
14 jurisdictions covered by the agreement shall also be considered. Any
15 final decision or agreement reached pursuant to the dispute resolution
16 arrangement process shall be consistent with the objectives listed in
17 RCW 36.93.180; and

18 (2) Resolutions providing for the dissolution of the boundary
19 review board have been adopted by the county legislative authority and
20 the governing body or bodies of the city or cities that constitute at
21 least fifty percent of the population of the county residing within
22 cities.

23 A boundary review board that is so dissolved shall retain
24 jurisdiction over any matter over which it has taken jurisdiction prior
25 to the adoption of these resolutions and the certification by the
26 director of community development.

27 NEW SECTION. **Sec. 8.** A new section is added to chapter 43.63A RCW
28 to read as follows:

29 The department shall make grants from the moneys appropriated for
30 such purpose to assist in the development of local government service
31 agreements. Such grants shall be made to a county for this purpose
32 only if the director certifies that any agreement addresses services
33 within the included area on a comprehensive basis.

34 The department shall make rules concerning such grants pursuant to
35 chapter 34.05 RCW.

36 NEW SECTION. **Sec. 9.** A new section is added to chapter 43.63A RCW
37 to read as follows:

1 The department shall design, and make available to local
2 governments, a financial methodology or methodologies to assist local
3 governments in assessing the need for, and the appropriate extent of,
4 financial adjustments between local governments that arise from
5 implementing local government service agreements or from annexations or
6 incorporations of areas by cities.

7 NEW SECTION. **Sec. 10.** A new section is added to chapter 43.63A
8 RCW to read as follows:

9 The department shall develop the capacity for and provide mediation
10 services to local governments participating in the local government
11 service agreement process, which may include a hearings officer, to
12 resolve disputes between local governments arising over any matters
13 addressed in a local government service agreement.

14 NEW SECTION. **Sec. 11.** A new section is added to chapter 43.63A
15 RCW to read as follows:

16 The department may undertake one or more demonstration projects
17 with cities, counties, and special districts to carry out the purposes
18 of chapter 36.-- RCW (sections 1 through 6 of this act). If one or
19 more demonstration projects are to be undertaken, preference shall be
20 given based upon the percentage of local government matching
21 contributions on a per capita basis.

22 NEW SECTION. **Sec. 12.** A new section is added to chapter 46.68 RCW
23 to read as follows:

24 Funds that are distributed to counties, cities, or towns pursuant
25 to this chapter may be transferred by the recipient county, city, or
26 town to another unit of local government pursuant to a local government
27 service agreement as provided in sections 3 and 4 of this act.

28 NEW SECTION. **Sec. 13.** A new section is added to chapter 66.08 RCW
29 to read as follows:

30 Funds that are distributed to counties, cities, or towns pursuant
31 to this chapter may be transferred by the recipient county, city, or
32 town to another unit of local government pursuant to a local government
33 service agreement as provided in sections 3 and 4 of this act.

1 NEW SECTION. **Sec. 14.** A new section is added to chapter 82.14 RCW
2 to read as follows:

3 The rate of sales and use tax imposed by a city under RCW
4 82.14.030(1) may be altered not to exceed a rate of five-tenths of one
5 percent of the selling price, in the case of a sales tax, or value, in
6 the case of a use tax, pursuant to a local government service agreement
7 as provided in sections 3 and 4 of this act.

8 NEW SECTION. **Sec. 15.** A new section is added to chapter 82.14 RCW
9 to read as follows:

10 The percentage of a city's sales and use tax receipts that a county
11 receives under RCW 82.14.030(2) may be altered or eliminated pursuant
12 to a local government service agreement as provided in sections 3 and
13 4 of this act.

14 NEW SECTION. **Sec. 16.** A new section is added to chapter 82.14 RCW
15 to read as follows:

16 Funds that are distributed to counties or cities pursuant to RCW
17 82.14.200 or 82.14.210 may be transferred by the recipient county or
18 city to another unit of local government pursuant to a local government
19 service agreement as provided in sections 3 and 4 of this act.

20 NEW SECTION. **Sec. 17.** A new section is added to chapter 82.44 RCW
21 to read as follows:

22 Funds that are distributed to cities or towns pursuant to RCW
23 82.44.150 may be transferred by the recipient city or town to another
24 unit of local government pursuant to a local government service
25 agreement as provided in sections 3 and 4 of this act.

26 NEW SECTION. **Sec. 18.** This act shall take effect on the same date
27 as the proposed amendment to Article XI of the state Constitution takes
28 effect authorizing the legislature to establish processes by which
29 citizens and local officials can alter their local governments, if the
30 proposed amendment is validly submitted and is approved and ratified by
31 the voters of the state at a general election held in November 1993.
32 If this proposed constitutional amendment is not so approved and
33 ratified, this act shall be null and void in its entirety.

1 NEW SECTION. **Sec. 19.** Sections 1 through 6 of this act shall
2 constitute a new chapter in Title 36 RCW.

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