

SENATE BILL REPORT

HB 3056

As Reported By Senate Committee On:
Government Operations & Elections, February 21, 2006

Title: An act relating to payment of claims by checks or warrants.

Brief Description: Allowing second class cities and towns to pay claims by check or warrant.

Sponsors: Representatives Takko, Woods, Clibborn, B. Sullivan and Springer.

Brief History: Passed House: 2/08/06, 98-0.

Committee Activity: Government Operations & Elections: 2/21/06 [DP].

SENATE COMMITTEE ON GOVERNMENT OPERATIONS & ELECTIONS

Majority Report: Do pass.

Signed by Senators Kastama, Chair; Berkey, Vice Chair; Roach, Ranking Minority Member; Benton, Fairley, Haugen, Kline, McCaslin, Mulliken and Pridemore.

Staff: Cindy Fazio (786-7405)

Background: Second class cities are cities with populations of at least 1,500 at the time of organization, or reorganization, and that have not adopted Home Rule Charters. A second class city treasurer receives all money due the city and pays out city money on warrants issued by the clerk and countersigned by the mayor. The treasurer reconciles monthly with the city clerk, providing the clerk with receipts for money received and canceled warrants as evidence of money paid out.

Towns generally have had populations fewer than 1,500 at the time of organization. A town's treasurer receives all money due the town and pays out the town's money on warrants signed by the mayor and countersigned by the clerk. The treasurer reconciles monthly with the clerk.

Summary of Bill: A second class city, or a town, may adopt by ordinance a policy that allows the city or town to pay claims or obligations out of solvent funds by using warrants or checks. When the fund from which the payment is to be drawn is insolvent, a warrant must be used. On checks, the legislative body must designate the qualified depository from which the check will be drawn and the officer authorized or required to sign the check.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

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

Testimony For: This is discretionary for the cities. Warrants are expensive. This allows flexibility, reduces costs, and increases efficiency. The bill is endorsed by the treasurers. This bill will cover about seventy-five cities and towns; they eagerly await it.

Testimony Against: None.

Who Testified: PRO: Representative Takko, Sponsor; Doug Lasher, Clark County Treasurer, Victoria Lincoln, Association of Washington Cities.