

FINAL BILL REPORT

SB 5268

C 43 L 05

Synopsis as Enacted

Brief Description: Allowing assumptions of water-sewer districts by code cities.

Sponsors: Senators Esser and Kastama.

Senate Committee on Government Operations & Elections

House Committee on Local Government

Background: Existing law allows a city to assume all or part of a water-sewer district, only if at least part of the district is inside the city. If more than 60 percent of the district's area or assessed value is inside a city, the city can assume all or part of the district by ordinance. If less than 60 percent of the district's area and less than 60 percent of its assessed value is inside a city, the city can assume only the portion that is inside the city; for the city to take over the entire district, a vote of the district residents is required. There is no provision in existing law for a city to assume either all or part of a district that is entirely outside the city.

Summary: A water-sewer district with fewer than 250 customers can be assumed by a code city with more than 100,000 people, even if the district is entirely outside the city. The contract and assumption must be approved by both a resolution of the district's board of commissioners and an ordinance of the city council.

If there are no debts or monetary obligations outstanding on the date of the assumption, the district's surplus funds must be used for water services and facilities in the former district's territory, unless the contract provides otherwise.

Either the district or the city or both can provide for the dissolution of the district.

Votes on Final Passage:

Senate	48	0
House	93	1

Effective: July 24, 2005