

# SENATE BILL REPORT

## SB 5835

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As of March 1, 2005

**Title:** An act relating to dissolving or deactivating joint housing authorities.

**Brief Description:** Prescribing procedures for dissolving or deactivating joint housing authorities.

**Sponsors:** Senators Hewitt, McCaslin and Deccio.

**Brief History:**

**Committee Activity:** Financial Institutions, Housing & Consumer Protection: 2/22/05.

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### SENATE COMMITTEE ON FINANCIAL INSTITUTIONS, HOUSING & CONSUMER PROTECTION

**Staff:** Jennifer Arnold (786-7471)

**Background:** There is currently no statutory process that provides for the dissolution of joint housing authorities, the related disposition of assets and obligations, and the subsequent, activation or reactivation thereof.

**Summary of Substitute Bill:** Joint housing authorities may be dissolved or deactivated by the ordinances or resolutions of the county and city or town that initially authorized the creation of the housing authority.

An ordinance or resolution that provides for dissolution must include procedures for the distribution of the housing authority's assets, liabilities, and obligations. In addition, provisions must be included for the payment of any existing financial obligations incurred by the joint housing authority, which were in good standing at the time the law was passed, along with any other matters necessary to wind up the authority's business affairs.

The needs of the local government may be considered in determining whether to deactivate or dissolve a joint housing authority.

**Substitute Bill Compared to Original Bill:** The original bill was not considered.

**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:** These joint housing authorities were created by the local governments on the assumption that the same parties would also be able to dissolve the entity if so needed.

This process is necessary for situations when the local governments agree that a dissolution is needed, yet they are unable to do so because there is currently no statutory authority.

**Testimony Against:** A process for orderly dissolution and the unwinding of affairs should involve both the local governments and the joint housing authority's board.

**Who Testified:** PRO: Rebecca Francik, council member, City of Pasco; Bob Mack, City of Pasco.

CON: Kurt Creager, Association of Washington Housing Authorities, Vancouver Housing Authority; Greg Pierce, Washington Financial Lobby.