SENATE BILL REPORT HB 1207

As Reported by Senate Committee On: Governmental Operations, March 26, 2013

Title: An act relating to cemetery district formation requirements.

Brief Description: Concerning cemetery district formation requirements.

Sponsors: Representatives Haigh, Takko and Ryu.

Brief History: Passed House: 3/05/13, 54-42.

Committee Activity: Governmental Operations: 3/18/13, 3/26/13 [DP, w/oRec].

SENATE COMMITTEE ON GOVERNMENTAL OPERATIONS

Majority Report: Do pass.

Signed by Senators Benton, Vice Chair; Hasegawa, Ranking Member; Conway and Fraser.

Minority Report: That it be referred without recommendation.

Signed by Senators Roach, Chair; Braun and Rivers.

Staff: Sam Thompson (786-7413)

Background: Cemetery districts (districts) are local government entities that can acquire and operate cemeteries. They are governed by three elected district commissioners. To finance operations, districts may annually levy a property tax of up to \$0.1125 per \$1,000 of assessed valuation. They may also charge fees and issue bonds. Since 1947, when they were authorized, more than 100 districts have been formed, in most counties in the state. The process to form a district can be started either by voter petition or by county ordinance or resolution. In either case, voters must approve a ballot proposition to form a district.

<u>Voter Petition.</u> A petition to form a district must be signed by at least 10 percent of registered voters in the proposed district and filed with the county auditor. The auditor must determine, within 30 days after filing, whether the petition includes sufficient valid signatures. The name of a person who signed a petition cannot be withdrawn from the petition after it has been filed with the county auditor. If the petition contains sufficient valid signatures, the county legislative authority must conduct a public hearing on the proposal. If the county legislative authority finds that creating a district is conducive to public welfare and

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convenience, it must call for an election on a ballot proposition to form the district, and to elect the district's first commissioners.

<u>County Ordinance or Resolution.</u> Alternatively, a county legislative authority may, by ordinance or resolution, provide for a ballot proposition to form a cemetery district. A public hearing is not expressly required.

<u>Voter Approval of Proposition.</u> Voters in a proposed district must approve a ballot proposition to form a district. Unlike formation of many other special purpose districts – such as public utility districts, park and recreation districts, and water-sewer districts – which require majority voter approval, formation of a cemetery district requires two-thirds voter approval. If voters do not approve a ballot proposition to form a district, the concurrent election of the district's first commissioners is null and void.

<u>Election Returns.</u> Election returns must be canvassed at the court house on the Monday following the election.

Summary of Bill: <u>Voter Petition</u>. A petition to form a district must be signed by at least 10 percent of registered voters in the proposed district based on total votes cast in the last general county election, rather than 10 percent of registered voters in the proposed district. A county auditor must determine within 15 days, rather than 30 days, whether the petition includes sufficient valid signatures. If the petition is found to be insufficient, it must be returned to the filers, who may amend or add names to the petition for ten days, when it must be returned to the auditor. The auditor then has 15 days to examine the petition. No person signing the petition may withdraw their name from the petition after filing.

<u>Voter Approval of Proposition.</u> A ballot proposition to form a district must be approved by a majority of voters, rather than two-thirds of voters.

<u>Election Returns.</u> Election returns must be canvassed at the courthouse following the election, rather than on the Monday following the election.

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.

Staff Summary of Public Testimony: PRO: Simple majority voter approval should be required to form cemetery districts, rather than two-thirds voter approval. There is no good reason to hold cemetery districts to higher standards than other special purpose districts. A 2010 proposition to form a cemetery district in Mason County was approved by over 59 percent of voters, but lost because it failed to win two-thirds voter approval. If that district is formed, it will levy \$0.02-\$0.03 per \$1,000 of assessed valuation. These assessments will not decrease property values. The Shelton City Council declined to operate the historic cemetery in Shelton that the proposed cemetery district would operate.

Persons Testifying: PRO: Representative Haigh, prime sponsor; Karen Herr, Mason County Auditor, WA State Assn. of County Auditors; David Pifke, Robert Shaw, Shelton Memorial Park.

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