

HOUSE BILL REPORT

ESB 5652

As Reported by House Committee On:
Local Government

Title: An act relating to actions by the boundary review board.

Brief Description: Concerning actions by the boundary review board.

Sponsors: Senators Angel and Rolfes.

Brief History:

Committee Activity:

Local Government: 3/23/17, 3/28/17 [DPA].

Brief Summary of Engrossed Bill
(As Amended by Committee)

- Permits boundary review boards (boards) to allow affected jurisdictions to enter into agreements necessary to address conflicts with the board's factors and objectives prior to ruling on an annexation proposal.
- Requires boards to consider the effect of the proposal on mutual fiscal interests when reaching a decision on a proposal.
- Requires boards to consider the logical and reasonable nature of annexation boundaries to ensure that they do not create unincorporated islands or peninsulas.

HOUSE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: Do pass as amended. Signed by 4 members: Representatives Appleton, Chair; McBride, Vice Chair; Gregerson and Peterson.

Minority Report: Do not pass. Signed by 2 members: Representatives Pike, Assistant Ranking Minority Member; Taylor.

Minority Report: Without recommendation. Signed by 1 member: Representative Griffey, Ranking Minority Member.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Staff: Yvonne Walker (786-7841).

Background:

Boundary review boards (boards) are local government entities that guide and control the creation and growth of municipalities in metropolitan areas. While statute provides for the establishment of boards in counties with at least 210,000 residents, a board may also be established in any other county by resolution or a majority vote of electors. Boards consist of either five or 11 appointed members, depending on the population of the county in which the board exists. The Governor and local government officials from within the applicable county appoint board members.

Upon receiving a timely and sufficient request for review, and following an invocation of a board's jurisdiction, a board must review and approve, disapprove, or modify proposed actions, including actions pertaining to the creation, incorporation, or change in the boundary of any city, town, or special purpose district. When reviewing a proposal, the board may modify the proposal by adjusting boundaries to add or delete territory subject to statutory specifications; determine a division of assets and liabilities between two or more governmental units where relevant; and determine whether, or the extent to, the functions of a special purpose district are to be assumed by the incorporated area.

In reaching decisions, the board must consider various factors affecting the proposal. Such factors include but are not limited to the:

- population and growth patterns, population density, land use and comprehensive planning, service agreements between local jurisdictions, per capita assessed valuation, and natural topography;
- current and future need for municipal services and the effect on the finances, debt structure, and contractual obligations of all affected governmental units; and
- the effect of the proposal on adjacent areas, on mutual economic and social interests, and on the local government structure of the county.

While reaching decisions on proposed actions, boards must satisfy public hearing requirements and must attempt to achieve objectives prescribed in statute, including the:

- preservation of natural neighborhoods and communities;
- use of physical boundaries;
- dissolution of inactive special purpose districts;
- prevention or adjustment of impractical boundaries;
- incorporation as cities or towns or annexation to cities or towns of unincorporated areas, which are urban in character; and
- protection of agricultural and rural lands, which are designated for long-term productive agriculture and resource use by a comprehensive plan adopted by the county.

Generally, decisions on proposed actions must be made within 120 days of the board receiving a valid request for review.

Summary of Amended Bill:

Prior to ruling on an annexation proposal to change the boundaries of a jurisdiction, boundary review boards (boards) may allow affected jurisdictions to enter into agreements necessary to address conflicts with the board's factors and objectives.

When reaching a decision on a proposal, a board must consider the effect of the proposal on mutual fiscal interests. The board must also consider the logical and reasonable nature of annexation boundaries to ensure that they do not create unincorporated islands or peninsulas.

Amended Bill Compared to Engrossed Bill:

The amendment requires boundary review boards, when reaching a decision on an annexation proposal, to consider the nature of the annexation boundaries to ensure they do not create unincorporated islands or peninsulas (instead of ensuring that they do not create or "result in" unincorporated islands, peninsulas, or "other jurisdictional irregularities").

Appropriation: None.

Fiscal Note: Not requested.

Effective Date of Amended Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) Kitsap County is wrestling with the transition of services as urban growth areas start to become incorporated over time. Historically they have seen a number of issues, predominately in the area of islands and peninsulas that are being left behind. The downside to the boundary review board (board) statute is that it is the only statute that describes what annexations should and should not look like. They use factors (what annexations must meet) and objectives (what annexations should attempt to achieve) when making a decision on annexations. Currently there is language regarding the objectives section, but none regarding the factors sections of the statute. As a result, there is no balance.

The bill is much better today than when it was introduced, and there is hope to continue working on this issue. This bill will require a fiscal analysis and the ability for jurisdictions to step aside from the boundary review process and enter into agreements that could address annexations so that annexations do not have to start from scratch.

The board often sees islands, peninsulas, and other oddities come about through the review board process. There is a road that is half in King County and half in Snohomish County whose boundaries, on either side, are in two different cities. When an accident occurs, there is confusion as to who responds and who pays. The board has attempted to resolve this in the past, but, with no way to require these jurisdictions to work together, they are met with

resistance from certain districts, counties, or cities. This bill will help the board to work more aggressively with those affected jurisdictions.

(Opposed) The bill has improved over time but, ultimately, there is the belief that the bill is unnecessary. The current process allows boards the leeway to access and consider both the fiscal and boundary impacts and promote those logical boundaries. Instead this bill will make it mandatory. Many boards currently address these issues at the local level, and it is probably best to continue allowing that process to take place.

Persons Testifying: (In support) Senator Angel, prime sponsor; Eric Baker, Kitsap County; and Mary Lynne Evans, Washington State Association of Boundary Review Boards.

(Opposed) Carl Schroeder, Association of Washington Cities.

Persons Signed In To Testify But Not Testifying: None.