HOUSE BILL REPORT HB 1357

As Reported by House Committee On: Local Government

Title: An act relating to eliminating certain requirements for the annexation of an unincorporated island of territory.

Brief Description: Eliminating certain requirements for the annexation of an unincorporated island of territory.

Sponsors: Representatives Doglio, Macri, Dolan, Barkis and Appleton.

Brief History:

Committee Activity:

Local Government: 1/29/19, 2/6/19 [DPS].

Brief Summary of Substitute Bill

• Increases the number of voters that must sign a petition to initiate a referendum on an annexation to no less than 15 percent (instead of 10 percent) of voters.

HOUSE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 4 members: Representatives Pollet, Chair; Peterson, Vice Chair; Appleton and Senn.

Minority Report: Do not pass. Signed by 3 members: Representatives Kraft, Ranking Minority Member; Griffey, Assistant Ranking Minority Member; Goehner.

Staff: Yvonne Walker (786-7841).

Background:

A code city may annex unincorporated "islands" of territory within the city using certain procedures. The city council may initiate annexation proceedings by resolution if the area of the proposed annexation:

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- contains less than 175 acres and all of its boundaries are contiguous to the city; or
- is of any size, contains residential property owners, and at least 80 percent of its boundaries are contiguous to the city. Annexations conducted under this provision must be within the same county and urban growth area as the city, and the city must be planning under the Growth Management Act.

The resolution must describe the boundaries of the area to be annexed, state the number of voters within the subject area, and set a date for a public hearing on the annexation resolution. Notice of the hearing must be given by publication at least once a week for two weeks prior to the date of the hearing in one or more newspapers of general circulation within the code city and within the area to be annexed. At the hearing, residents or property owners of the area to be annexed must be afforded an opportunity to be heard. The city legislative body may then adopt an ordinance annexing the territory; the effective date of this ordinance may not be less than 45 days after its passage.

During the 45 days after passage of the ordinance, it is subject to a referendum. To initiate a referendum on the annexation, a referendum petition must be signed by qualified electors of no less than 10 percent of the votes cast in the last general state election in the area to be annexed. If a timely and sufficient petition is filed with the city legislative authority, the question of annexation is submitted to the voters. The annexation is approved if a majority of those voting on the proposition vote in favor of it. If no referendum petition is filed within 45 days after passage of the ordinance, the area annexed becomes part of the city.

Such annexations must also be approved by a boundary review board (board), if one has been established in the county. Boards are authorized to guide and control the creation and growth of municipalities. Upon receiving a 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.

Summary of Substitute Bill:

At the public hearing on a proposal to annex an island of unincorporated territory, any member of the public must be afforded an opportunity to be heard, including but not limited to, residents or property owners of the annexation area.

In addition, the number of qualified electors required to sign a petition in order to initiate a referendum on an annexation is increased to no less than 15 percent (instead of 10 percent) of the votes cast in the last general state election in the area to be annexed.

Annexations of unincorporated islands of territory are no longer required to be approved by a boundary review board.

Substitute Bill Compared to Original Bill:

The substitute bill restores the referendum process. It also increases the number of voters that must sign a petition to initiate a referendum on an annexation to no less than 15 percent (instead of 10 percent) of qualified voters that cast votes in the last general state election in the area to be annexed.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute 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) Annexation is a complex issue. This bill pertains to islands that are surrounded on three sides by 80 percent or more of a city. This bill tries to provide equity.

Islands create a unique set of problems for cities when they are located in urban growth areas. They cause confusion for residents in these areas and increase costs for cities surrounding the islands. People located in these islands use the services but do not pay for the services. Some of the services that are provided include such items as parks, roads, water and sewer, and police services.

This bill (the original bill as introduced) removes the referendum as currently there is a small population that gets to vote on these issues while the rest of the residents get to use the services for free. Public hearings will remain in effect under this bill and also cities will still retain their tax revenue.

Eliminating unincorporated islands will provide more cost efficient services.

(Opposed) None.

Persons Testifying: Representative Doglio, prime sponsor; Brian Enslow and Rick Walk, City of Lacey; and Paul Jewell, Washington State Association of Counties.

Persons Signed In To Testify But Not Testifying: None.