

SENATE BILL REPORT

SHB 2044

As Passed Senate, April 12, 2019

Title: An act relating to the deannexation of a portion of land from a park and recreation district or metropolitan park district.

Brief Description: Concerning the deannexation of a portion of land from a park and recreation district or metropolitan park district.

Sponsors: House Committee on Local Government (originally sponsored by Representatives Senn, Peterson, Pollet, Callan and Thai).

Brief History: Passed House: 3/04/19, 96-0.

Committee Activity: Local Government: 3/14/19, 3/14/19 [DP, DNP].

Floor Activity:

Passed Senate: 4/12/19, 39-2.

Brief Summary of Bill

- Authorizes a city, town, or county to withdraw land from a park and recreation district or metropolitan park district.

SENATE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: Do pass.

Signed by Senators Takko, Chair; Short, Ranking Member; Lovelett.

Minority Report: Do not pass.

Signed by Senator Honeyford.

Staff: Greg Vogel (786-7413)

Background: Park and Recreation Districts. A park and recreation district (district) is a type of special purpose district (SPD) created to provide leisure time activities, facilities, and recreational facilities as a public service to the residents of the area within its boundaries. Its area may include incorporated and unincorporated property. The term "recreational facilities" means parks, playgrounds, gymnasiums, swimming pools, field houses, bathing beaches, stadiums, golf courses, automobile racetracks and drag strips, coliseums for the

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display of spectator sports, public campgrounds, boat ramps and launching sites, public hunting and fishing areas, arboretums, bicycle and bridle paths, senior citizen centers, community centers, and other recreational facilities.

The process of creating a district requires submitting a petition to the county signed by 15 percent of the registered voters within the area proposed to encompass the district. The board of county commissioners specifies the boundaries of the proposed district and, together with any funding obligations, presents the matter to the voters in the form of a ballot proposition for approval.

A district is governed by a board of five elected commissioners with four-year staggered terms. The district may fund its operations by means of excess levies and regular property tax levies. Disposal of property must be by unanimous vote of the district commissioners.

Dissolution of Park and Recreation Districts. A dissolution of a district is conducted in the same manner as required of port districts. To dissolve a district, a petition must be signed either by a majority of commissioners or other governing authority of the district and submitted to the superior court. Upon filing the petition, a hearing date must be set along with public notice of the hearing. After the hearing, the court must enter an order dissolving or refusing to dissolve the district. If the court finds that dissolution of the district is to take place then the court must order the sale of the district's assets. A second hearing date and public notice must take place prior to the court ordering the sale of any district property.

Metropolitan Park Districts. A metropolitan park district (MPD) is a type of SPD created for the control, management, improvement, maintenance, or acquisition of parks, parkways, boulevards, and recreational facilities. An MPD may include territory located in portions or in all of one or more cities or counties.

The process of creating an MPD requires either: (1) the submission of a petition to the county signed by 15 percent of the registered voters within the area proposed to encompass the MPD; or (2) the adoption of a resolution by the body of local governments in which all or a portion of the proposed district is located. The ballot proposition authorizing creation of an MPD is then submitted to the voters in the form of a ballot proposition for approval.

An MPD is governed by a board of five elected commissioners with six-year terms. The MPD may fund its operations by means of excess levies and regular property tax levies. Property disposal must be by unanimous vote of the commissioners.

Dissolution of Metropolitan Park Districts. A board of commissioners of an MPD may, upon a majority vote of all its members, dissolve any MPD. An MPD may be dissolved when: (1) the city or county, or both, through its governing officials, agrees to, and petitions for, a dissolution and the assumption of such assets and liabilities; or (2) 10 percent of the voters of the city or county, or both, who voted at the last general election petition the governing officials for such a vote.

Summary of Bill: The term "deannex" is defined as the withdrawal of a specified portion of land from a district or MPD.

A city, town, or county is authorized to deannex a portion of the city, town, or county from a district or MPD.

A city, town, or county may withdraw that portion of the local jurisdiction from the district or MPD when:

- both the governing body of a district or MPD and the governing body of the local jurisdiction, which are part of the district, adopt a resolution and findings of fact supporting deannexation of that portion of the local jurisdiction that is part of the district or MPD;
- 10 percent of the voters, from the last general election, of the city or county petition the governing officials for such a vote; or
- a district or MPD located in a county with a population of 210,000 or more has not actively carried out any of the purposes or functions of the district or MPD in the preceding five years for which the district or MPD was formed.

After adoption of the resolution, receipt of the petition with the requisite number of voters, or a determination that the district or MPD has been inactive, the governing body of the city, town, or county must: (1) draft a ballot; (2) give appropriate notice to the public regarding the ballot measure; and (3) submit the ballot to the voters of the city, town, or county, which are part of the district or MPD at the next general election.

If a majority of the total persons voting on the ballot measure approve the deannexation, the ballot measure is approved and the deannexation becomes effective at the end of the day on December 31st in the year in which the ballot measure was approved. Property withdrawn from a district or MPD is not exempt from taxation for the purpose of paying the costs of redeeming any indebtedness of the district or MPD existing at the time of the withdrawal.

An area withdrawn from a district or MPD may also be reannexed into the district or MPD upon adoption of a resolution by: (1) the governing body proposing the reannexation; and (2) the district or MPD approving the reannexation.

The reannexation becomes effective at the end of the day on December 31st in the year in which the adoption of the second resolution occurs. However, for purposes of establishing boundaries for property tax purposes, the boundaries must be established immediately upon the adoption of the second resolution.

Referendum action on the proposed reannexation may be taken by the voters of the area proposed to be reannexed if a petition calling for a referendum is filed with the district or MPD within a 30-day period after the adoption of the second resolution. The petition must be signed by registered voters of the area proposed to be reannexed equal in number to 10 percent of the total number of the registered voters residing in that area. If a valid petition is filed, a ballot proposition authorizing the reannexation must be submitted to the voters of the area at the next special election date. The ballot is approved by a simple majority vote.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: The issue relates to property annexed by a city that is also part of a park and recreation district. As a result of the annexation, the property is now subject to double taxation by the park and recreation district and the city. Current law does not include any mechanism to allow for deannexation of a portion of land from a park and recreation district. The bill provides an option by a vote of the people to relieve these properties from the double taxation.

Persons Testifying: PRO: Representative Tana Senn, Prime Sponsor; Deborah Knight, City Administrator, City of Monroe; Nick Federici, City of Sammamish.

Persons Signed In To Testify But Not Testifying: No one.