

**SENATE BILL REPORT**

**SB 5451**

**AS OF FEBRUARY 11, 1991**

**Brief Description:** Making various changes in sewer and water district law.

**SPONSORS:** Senators Roach and Sutherland.

**SENATE COMMITTEE ON ENERGY & UTILITIES**

**Staff:** Dave Monthie (786-7198)

**Hearing Dates:** February 12, 1991; February 14, 1991

**BACKGROUND:**

Special districts, such as water and sewer, are only able to do what is specifically authorized in their enabling statutes, yet are also governed in some activities by statutory provisions applicable to all types of local governments that may not be suited to water or sewer districts. RCW 43.09.240 requires every public officer and employee that may receive or collect money to pay that money to the taxing district's treasurer within 24 hours of receipt, which causes problems for small water and sewer districts that may not receive large amounts of money daily. Water districts and sewer districts are authorized to enter into contracts to provide health care and insurance coverage for their employees, but are not authorized to do so for district commissioners. Water and sewer districts may lease land that is not necessary for their immediate use; such leases must be secured by a performance bond, which may not always be readily available. Water districts are authorized to adopt water conservation plans, but they are not expressly authorized to impose monetary penalties on persons violating such plans or water use restrictions. Existing law does not provide protection for unpaid water and sewer district service charges that are a lien against property that is foreclosed upon for unpaid taxes.

**SUMMARY:**

Moneys collected by water and sewer districts may be deposited within three days after receipt. Sewer districts and water districts with more than 5000 customers that provide health, group, or life insurance to employees may provide their commissioners with the same coverage. Water districts and sewer districts may require a reasonable security deposit in lieu of a bond on leased real property that they own. In actions to foreclose on property because of general tax delinquencies, the person foreclosing must either pay off water or sewer service charges that are a lien against the property, or may elect to proceed with foreclosure and take

title subject to the lien. Whenever property struck off to or bid in by a county at a sale for general taxes is subsequently sold by the county, the proceeds of sale must be applied to sewer or water district liens after the liens for general taxes are satisfied. Minor technical changes are made to the general enabling statute setting forth the powers of water districts.

**Appropriation:** none

**Revenue:** none

**Fiscal Note:** requested February 7, 1991