H-1613.1		

## SUBSTITUTE HOUSE BILL 1061

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State of Washington 53rd Legislature 1993 Regular Session

By House Committee on Agriculture & Rural Development (originally sponsored by Representatives Rayburn, Chandler, Schoesler, Lisk, Grant, Hansen and Morton)

Read first time 02/17/93.

- AN ACT Relating to irrigation districts; amending RCW 87.03.530;
- 2 adding new sections to chapter 87.03 RCW; adding a new section to
- 3 chapter 87.04 RCW; and adding a new section to chapter 36.93 RCW.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 87.03.530 and 1919 c 180 s 18 are each amended to read 6 as follows:
- 7 (1) Two or more irrigation districts may be consolidated into one
- 8 district as provided in RCW 87.03.535 through 87.03.551 and may include
- 9 in such district other lands susceptible of irrigation in the manner
- 10 provided in this act, and upon the organization of such consolidated
- 11 district it shall be an organized irrigation district subject to
- 12 ((all)) the provisions of this chapter.
- 13 (2) A smaller irrigation district may be merged into a larger
- 14 <u>irrigation district as provided in sections 2 through 7 of this act if</u>
- 15 the assessed acreage in the smaller district constitutes not more than
- 16 twenty-five percent of the combined assessed acreage of the two
- 17 <u>districts</u>. In such a proceeding, the smaller district is referred to
- 18 as the "minor" irrigation district and the larger district is referred
- 19 to as the "major" irrigation district. The district resulting from

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- 1 such a merger shall be an organized district subject to the provisions
- 2 of this chapter.
- NEW SECTION. **Sec. 2.** This section and sections 3 through 7 of this act provide the procedures by which a minor irrigation district may be merged into a major irrigation district as authorized by RCW 87.03.530(2).
- To institute proceedings for such a merger, the board of directors of the minor district shall adopt a resolution requesting the board of directors of the major district to consider the merger.
- The board of directors of the major irrigation district shall consider the request at the next regularly scheduled meeting of the board of directors of the major district following its receipt of the minor district's request or at a special meeting called for the purpose of considering the request. If the board of the major district denies the request of the minor district, no further action on the request shall be taken.
- If the board of the major district does not deny the request, it 17 18 shall conduct a public hearing on the request and shall give notice 19 regarding the hearing. The notice shall describe the proposed merger and shall be published once a week for two consecutive weeks preceding 20 the date of the hearing and the last publication shall be not more than 21 22 seven days before the date of the hearing. The notice shall contain a 23 statement that unless the holders of title or evidence of title to at 24 least twenty percent of the assessed lands within the major district 25 file a protest opposing the merger with the board of the major district at or before the hearing, the board is free to approve the request for 26 the merger without an election being conducted in the major district on 27 the request. If the board of the major district is considering 28 29 requests from more than one minor district, the hearing shall be conducted on all such requests. 30
- 31 NEW SECTION. Sec. 3. (1) If, following the public hearing 32 conducted under section 2 of this act, the board of directors of the 33 major irrigation district denies the request for a merger, no further action shall be taken on the request. If, following the public 34 35 hearing, the board adopts a resolution approving the merger, the merger is approved by the major irrigation district and no election shall be 36 37 held in the major district to approve the merger. However, if the

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holders of title or evidence of title to at least twenty percent of the 1 assessed lands within the major district file a protest opposing the 2 merger with the board of the major district at or before the public 3 4 hearing, the board shall call a special election and submit to the 5 voters of the major district the question of whether the merger should or should not be approved. Votes shall be cast as "Merger - Yes" or 6 7 "Merger - No." If such a special election must be conducted and a 8 majority of all votes cast in the district approve the merger, the 9 merger is approved by the major district. Such an approval is 10 effective on the date the returns of the election are canvassed under RCW 87.03.105. 11

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- (2) The board of directors of the minor irrigation district shall, within thirty days of the date the merger is approved by the major district or of the date the board of the major district issues its call for a special election on the merger, call a special election within the minor district and submit to the voters of the minor district the question of whether the merger should or should not be approved. special elections must be conducted in both districts, both elections shall be conducted on the date set by the board of the major district. If only the minor district must conduct such a special election, the election shall be held not later than sixty days after the date the merger has been approved by the board of the major district. Votes on the question shall be cast as "Merger - Yes" or "Merger - No." If a majority of all votes cast in the district are cast for "Merger - Yes," the merger is approved by the minor irrigation district. approval is effective on the date the returns of the election are canvassed under RCW 87.03.105.
- (3) Notice of election in each district on the merger question shall conform to the requirements of notices for elections in the major district. Elections and voting in each district shall be consistent with RCW 87.03.045, 87.03.051, and 87.03.071. If the majority of all votes cast in a special election in either the major or a minor district are cast for "Merger No," the merger is not approved.
- (4) If the merger is approved by the major irrigation district and by the minor irrigation district as provided by this section, the minor irrigation district is merged into the major irrigation district. If two or more minor districts are merging with a major district in one process as authorized by section 7 of this act and if the merger is approved by the major irrigation district and by at least one of the

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minor irrigation districts as provided by this section, each minor irrigation district so approving is merged into the major irrigation district. The effective date of the merger is the date by which approval of the merger has been secured in both districts or, under section 7 of this act, in the major and minor district or districts. The board or boards of county commissioners of the county or counties containing territory of the merged districts and the director of the department of ecology shall be notified that the districts have merged.

9 NEW SECTION. Sec. 4. The members of the board of directors of the major irrigation district shall hold office as directors of the 10 district formed by the merger until the end of their terms of office. 11 If the major district is divided into director divisions, the board of 12 the major district shall propose a plan for redividing the district 13 14 into divisions that reflect the boundaries of the district created by 15 the merger and this requirement regarding the directors of the major 16 district. If the major district is considering a merger with more than one minor district, the board shall submit plans for the various 17 18 possible mergers. The proposal or proposals shall be filed with the 19 county legislative authority before the merger is approved in the major district or the minor district or districts. Following the merger, the 20 county legislative authority shall approve the plan submitted for the 21 22 districts that actually merged.

On the effective date of the merger, the directors of the minor district shall transfer the property and other assets of the district as required in section 6 of this act. Following the transfer of the property and other assets, the minor irrigation district and the office of director of the minor district shall cease to exist.

The board of directors of the district formed by the merger shall have all the powers and obligations of the boards of the major and minor districts that were merged to form the district including, but not limited to, such boards' powers and obligations for any local improvement districts created in the minor or major district under this chapter.

NEW SECTION. **Sec. 5.** (1) The merger of irrigation districts shall not affect or impair any bonds or obligations of the merged districts and the holders of the bonds of any merged district shall be entitled to all remedies for their enforcement as if the district had not been

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merged. All obligations incurred by the district prior to its merger shall be a prior lien to any obligation that may be incurred against the district created by the merger. However, the board of directors of the merged district may, when authorized under RCW 87.03.200 and with the consent of the bondholders, exchange the bonds of the district created by the merger for the bonds of the districts that merged. If the major or minor district entered, prior to the merger, into a contract with the United States under this chapter and the board of directors of the district created by the merger proposes that the merged district enter into a contract with the United States, the board may do so when authorized under RCW 87.03.200 and may, with the consent of the United States, cancel any contract previously entered into between the major or minor district and the United States. 

(2) The district created by the merger shall be entitled to all remedies for the enforcement of the irrigation district assessments and other obligations of lands to the districts that merged as if the districts had not merged. All obligations incurred for irrigation district or local improvement district purposes by the lands within the major or minor district prior to its merger shall be a prior lien to any obligation that may be incurred against those lands after the merger.

- (3) Until premerger assessments have been collected and all of the premerger indebtedness of the major and minor districts that merged have been paid, separate funds shall be maintained for each district as were maintained in each prior to the merger. The board of directors of the irrigation district created by the merger may establish a local improvement district for each district included in the merger to carry out the obligations of each such district. This board shall have all the powers possessed by the boards of directors of the districts included in the merger to carry out all contracts of the included districts and to levy, assess, and cause to be collected any and all assessments or charges against the lands of each of the included districts. A petition shall not be required for the formation of a local improvement district created for this purpose.
- NEW SECTION. Sec. 6. Prior to or on the effective date of a merger of a minor irrigation district and a major irrigation district, the board of directors of the minor district shall cause to be prepared a statement of all property and other assets of the minor district.

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- 1 The statement shall be filed with the board of directors of the
- 2 district created by the merger and on the effective date of the merger.
- 3 The statement shall also be filed with the county auditor of the county
- 4 containing the majority of the territory of the district after the
- 5 merger. Upon the filing with the board, the property and other assets
- 6 of the minor district shall, subject to the rights of the holders of
- 7 bonds or other obligations of the minor district, become the property
- 8 and other assets of the district created by the merger.
- 9 <u>NEW SECTION.</u> **Sec. 7.** More than two irrigation districts may merge
- 10 under RCW 87.03.530(2) and sections 2 through 6 of this act in one
- 11 merger process. However, only one of the districts may be a "major"
- 12 irrigation district and the assessed acreage in all of the other
- 13 districts merging in the process, when taken collectively, shall not
- 14 constitute more than twenty-five percent of the combined assessed
- 15 acreage of all of the merging districts. In such a case, each of these
- 16 other, nonmajor districts is considered to be a "minor" irrigation
- 17 district under RCW 87.03.530(2) and sections 2 through 6 of this act.
- 18 <u>NEW SECTION.</u> **Sec. 8.** A new section is added to chapter 87.04 RCW
- 19 to read as follows:
- 20 RCW 87.04.030 through 87.04.055 do not apply to redividing a
- 21 district immediately following a merger as provided in section 4 of
- 22 this act.
- NEW SECTION. Sec. 9. A new section is added to chapter 36.93 RCW
- 24 to read as follows:
- 25 This chapter does not apply to the merger of irrigation districts
- 26 authorized under RCW 87.03.530(2) and sections 2 through 7 of this act.
- 27 <u>NEW SECTION.</u> **Sec. 10.** Sections 2 through 7 of this act are each
- 28 added to chapter 87.03 RCW.

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