# CERTIFICATION OF ENROLLMENT

### ENGROSSED SECOND SUBSTITUTE HOUSE BILL 3186

Chapter 301, Laws of 2008

(partial veto)

60th Legislature 2008 Regular Session

BEACH MANAGEMENT DISTRICTS

EFFECTIVE DATE: 06/12/08

Passed by the House March 8, 2008 Yeas 64 Nays 29

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate March 4, 2008 Yeas 34 Nays 13

#### BRAD OWEN

#### President of the Senate

Approved April 1, 2008, 3:19 p.m., with the exception of sections 29 and 30 which are vetoed.

CERTIFICATE

I, Barbara Baker, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is ENGROSSED SECOND SUBSTITUTE HOUSE BILL 3186 as passed by the House of Representatives and the Senate on the dates hereon set forth.

BARBARA BAKER

Chief Clerk

FILED

April 2, 2008

CHRISTINE GREGOIRE

Governor of the State of Washington

Secretary of State State of Washington

### ENGROSSED SECOND SUBSTITUTE HOUSE BILL 3186

AS AMENDED BY THE SENATE

Passed Legislature - 2008 Regular Session

## State of Washington 60th Legislature 2008 Regular Session

**By** House Appropriations Subcommittee on General Government & Audit Review (originally sponsored by Representative Nelson)

READ FIRST TIME 02/07/08.

1 AN ACT Relating to beach management districts; amending RCW 2 36.61.010, 36.61.020, 36.61.025, 36.61.030, 36.61.040, 36.61.050, 3 36.61.060, 36.61.070, 36.61.080, 36.61.090, 36.61.100, 36.61.110, 36.61.115, 36.61.160, 4 36.61.120, 36.61.140, 36.61.170, 36.61.190, 5 36.61.200, 36.61.220, 36.61.230, 36.61.260, 36.61.270, 36.94.020, 39.34.190, 86.09.151, and 35.21.403; adding a new section to chapter 6 7 36.61 RCW; adding a new section to chapter 43.21A RCW; and creating a new section. 8

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

10 **Sec. 1.** RCW 36.61.010 and 1987 c 432 s 1 are each amended to read 11 as follows:

The legislature finds that the environmental, recreational, and aesthetic values of many of the state's lakes are threatened by eutrophication and other deterioration and that existing governmental authorities are unable to adequately improve and maintain the quality of the state's lakes.

17 <u>The legislature intends that an ecosystem-based beach management</u> 18 <u>approach should be used to help promote the health of aquatic</u> 19 <u>ecosystems and that such a management approach be undertaken in a</u>

manner that retains ecosystem values within the state. This management 1 2 approach should use long-term strategies that focus on reducing nutrient inputs from human activities affecting the aquatic ecosystem, 3 such as decreasing nutrients into storm water sewers, decreasing 4 fertilizer application, promoting the proper disposal of pet waste, 5 promoting the use of vegetative borders, promoting the reduction of б 7 nutrients from on-site septic systems where appropriate, and protecting riparian areas. Organic debris, including vegetation, driftwood, 8 seaweed, kelp, and organisms, are extremely important to beach 9 10 ecosystems.

It is the purpose of this chapter to establish a governmental 11 12 mechanism by which property owners can embark on a program of lake or 13 beach improvement and maintenance for their and the general public's 14 benefit, health, and welfare. Public property, including state property, shall be considered the same as private property in this 15 16 chapter, except liens for special assessments and liens for rates and 17 charges shall not extend to public property. Lake bottom property and marine property below the line of the ordinary high water mark shall 18 not be considered to be benefited, shall not be subject to special 19 assessments or rates and charges, and shall not receive voting rights 20 21 under this chapter.

22 <u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 36.61 RCW 23 to read as follows:

24 (1) Beach management districts may be created for the purpose of controlling and removing aquatic plants or vegetation. These districts 25 26 must develop a plan for these activities, in consultation with 27 appropriate federal, state, and local agencies. The plan must include an element addressing nutrient loading from land use activities in a 28 subbasin that is a tributary to the area targeted for management. 29 The 30 plan must be consistent with the action agenda approved by the Puget 31 Sound partnership, where applicable.

32 (2) Plans for the control and removal of aquatic plants or 33 vegetation must, to the greatest extent possible, meet the following 34 requirements:

35 (a) Avoid or minimize the excess removal of living and nonliving36 nontarget native vegetation and organisms;

(b) Avoid or minimize management activities that will result in
 compacting beach sand, gravel, and substrate;

3 (c) Minimize adverse impacts to: (i) The project site when 4 disposing of excessive accumulations of vegetation; and (ii) other 5 areas of the beach or deep water environment; and

6 (d) Retain all natural habitat features on the beach, including 7 retaining trees, stumps, logs, and large rocks in their natural 8 location.

9 (3) Seaweed removal under this section may only occur on the shore 10 of a saltwater body that lies between the extreme low tide and the 11 ordinary high water mark, as those terms are defined in RCW 90.58.030.

12 (4) The control or removal of native aquatic plants or vegetation13 shall be authorized in the following areas:

(a) Beaches or near shore areas located within at least one mile of
a ferry terminal that are in a county with a population of one million
or more residents; and

(b) Beaches or near shore areas in a city that meets the following:

### 17

18 (i) Is adjacent to Puget Sound;

19 (ii) Has at least eighty-five thousand residents;

20 (iii) Shares a common boundary with a neighboring county; and

21 (iv) Is in a county with a population of one million or more 22 residents.

23 **Sec. 3.** RCW 36.61.020 and 2000 c 184 s 5 are each amended to read 24 as follows:

Any county may create lake <u>or beach</u> management districts to finance the improvement and maintenance of lakes <u>or beaches</u> located within or partially within the boundaries of the county. All or a portion of a lake <u>or beach</u> and the adjacent land areas may be included within one or more lake <u>or beach</u> management districts. More than one lake <u>or beach</u>, or portions of lakes <u>or beaches</u>, and the adjacent land areas may be included in a single lake <u>or beach</u> management district.

32 Special assessments or rates and charges may be imposed on the 33 property included within a lake <u>or beach</u> management district to finance 34 lake <u>or beach</u> improvement and maintenance activities, including: (1) 35 ((The control or removal of)) <u>Controlling or removing</u> aquatic plants 36 and vegetation; (2) <u>improving</u> water quality; (3) ((the control of)) 37 <u>controlling</u> water levels; (4) <u>treating and diverting</u> storm water

1 ((diversion and treatment)); (5) controlling agricultural waste 2 ((control)); (6) studying lake or marine water quality problems and 3 solutions; (7) cleaning and maintaining ditches and streams entering 4 the lake or marine waters or leaving the lake; ((and)) (8) monitoring 5 air quality; and (9) the related administrative, engineering, legal, 6 and operational costs, including the costs of creating the lake or 7 beach management district.

Special assessments or rates and charges may be imposed annually on 8 9 all the land in a lake or beach management district for the duration of the lake or beach management district without a related issuance of 10 lake <u>or beach</u> management district bonds or revenue bonds. Special 11 12 assessments also may be imposed in the manner of special assessments in 13 a local improvement district with each landowner being given the choice 14 of paying the entire special assessment in one payment, or to paying installments, with lake or beach management district bonds being issued 15 16 to obtain moneys not derived by the initial full payment of the special 17 assessments, and the installments covering all of the costs related to issuing, selling, and redeeming the lake or beach management district 18 bonds. 19

20 Sec. 4. RCW 36.61.025 and 2000 c 184 s 4 are each amended to read 21 as follows:

To improve the ability of counties to finance long-term lake <u>or</u> <u>beach</u> management objectives, lake <u>or beach</u> management districts may be created for any needed period of time.

25 **Sec. 5.** RCW 36.61.030 and 1987 c 432 s 3 are each amended to read 26 as follows:

A lake or beach management district may be initiated upon either 27 the adoption of a resolution of intention by a county legislative 28 29 authority or the filing of a petition signed by ten landowners or the 30 owners of at least fifteen percent of the acreage contained within the proposed lake or beach management district, whichever is greater. 31 Α petition or resolution of intention shall set forth: (1) The nature of 32 the lake or beach improvement or maintenance activities proposed to be 33 34 financed; (2) the amount of money proposed to be raised by special 35 assessments or rates and charges; (3) if special assessments are to be 36 imposed, whether the special assessments will be imposed annually for

the duration of the lake or beach management district, or the full 1 2 special assessments will be imposed at one time, with the possibility of installments being made to finance the issuance of lake or beach 3 management district bonds, or both methods; (4) if rates and charges 4 5 are to be imposed, the annual amount of revenue proposed to be collected and whether revenue bonds payable from the rates and charges б 7 are proposed to be issued; (5) the number of years proposed for the duration of the lake or beach management district; and (6) the proposed 8 9 boundaries of the lake or beach management district.

10 The county legislative authority may require the posting of a bond of up to five thousand dollars before the county considers the proposed 11 12 creation of a lake or beach management district initiated by petition. The bond may only be used by the county to finance its costs in 13 14 studying, holding hearings, making notices, preparing special assessment rolls or rolls showing the rates and charges on each parcel, 15 16 and conducting elections related to the lake or beach management 17 district if the proposed lake or beach management district is not created. 18

A resolution of intention shall also designate the number of the proposed lake <u>or beach</u> management district, and fix a date, time, and place for a public hearing on the formation of the proposed lake <u>or</u> <u>beach</u> management district. The date for the public hearing shall be at least thirty days and no more than ninety days after the adoption of the resolution of intention unless an emergency exists.

25 Petitions shall be filed with the county legislative authority. The county legislative authority shall determine the sufficiency of the 26 27 signatures, which shall be conclusive upon all persons. No person may withdraw his or her name from a petition after it is filed. 28 If the county legislative authority determines a petition to be sufficient and 29 the proposed lake or beach management district appears to be in the 30 31 public interest and the financing of the lake or beach improvement or 32 maintenance activities is feasible, it shall adopt a resolution of intention, setting forth all of the details required to be included 33 when a resolution of intention is initiated by the county legislative 34 35 authority.

36 **Sec. 6.** RCW 36.61.040 and 1994 c 264 s 9 are each amended to read 37 as follows:

Notice of the public hearing shall be published in at least two 1 consecutive issues of a newspaper of general circulation in the 2 proposed lake or beach management district, the date of the first 3 publication to be at least fifteen days prior to the date fixed for the 4 public hearing by the resolution of intention. Notice of the public 5 hearing shall also be given to the owner or reputed owner of any lot, 6 7 tract, parcel of land, or other property within the proposed lake or beach management district by mailing the notice at least fifteen days 8 before the date fixed for the public hearing to the owner or reputed 9 10 owner of the property as shown on the tax rolls of the county assessor at the address shown thereon. Notice of the public hearing shall also 11 12 be mailed to the departments of fish and wildlife, natural resources, 13 and ecology at least fifteen days before the date fixed for the public 14 hearing.

Notices of the public hearing shall: (1) Refer to the resolution 15 of intention; (2) designate the proposed lake or beach management 16 17 district by number; (3) set forth a proposed plan describing: (a) The nature of the proposed lake or beach improvement or maintenance 18 activities; (b) the amount of special assessments or rates and charges 19 proposed to be raised by the lake or beach management district; (c) if 20 21 special assessments are proposed to be imposed, whether the special 22 assessments will be imposed annually for the duration of the lake or beach management district, or the full special assessments will be 23 24 payable at one time, with the possibility of periodic installments 25 being paid and lake or beach management bonds being issued, or both; (d) if rates and charges are proposed to be imposed, the annual amount 26 27 of revenue proposed to be collected and whether revenue bonds payable from the rates and charges are proposed to be issued; and (e) the 28 proposed duration of the lake or beach management district; and (4) 29 indicate the date, time, and place of the public hearing designated in 30 the resolution of intention. 31

In the case of the notice sent to each owner or reputed owner by mail, the notice shall set forth the estimated amount of the cost of the lake <u>or beach</u> improvement or maintenance activities to be borne by special assessment, or annual special assessments, or rates and charges on the lot, tract, parcel of land, or other property owned by the owner or reputed owner.

If the county legislative authority has designated a committee of itself or an officer to hear complaints and make recommendations to the full county legislative authority, as provided in RCW 36.61.060, the notice shall also describe this additional step before the full county legislative authority may adopt a resolution creating the lake <u>or beach</u> management district.

7 **Sec. 7.** RCW 36.61.050 and 1994 c 264 s 10 are each amended to read 8 as follows:

9 The county legislative authority shall hold a public hearing on the 10 proposed lake <u>or beach</u> management district at the date, time, and place 11 designated in the resolution of intention.

12 At this hearing the county legislative authority shall hear objections from any person affected by the formation of the lake or 13 beach management district. Representatives of the departments of fish 14 15 and wildlife, natural resources, and ecology shall be afforded 16 opportunities to make presentations on and comment on the proposal. 17 Members of the public shall be afforded an opportunity to comment on The county legislative authority must consider 18 the proposal. recommendations provided to it by the departments of fish and wildlife, 19 20 <u>natural resources</u>, and ecology. The public hearing may be extended to 21 other times and dates declared at the public hearing. The county legislative authority may make such changes in the boundaries of the 22 23 lake or beach management district or such modification in plans for the 24 proposed lake or beach improvement or maintenance activities as it deems necessary. The county legislative authority may not change 25 boundaries of the lake or beach management district to include property 26 that was not included previously without first passing an amended 27 resolution of intention and giving new notice to the owners or reputed 28 owners of property newly included in the proposed lake or beach 29 30 management district in the manner and form and within the time provided 31 for the original notice. The county legislative authority shall not alter the plans for the proposed lake or beach improvement or 32 maintenance activities to result in an increase in the amount of money 33 proposed to be raised, and shall not increase the amount of money 34 proposed to be raised, without first passing an amended resolution of 35 36 intention and giving new notice to property owners in the manner and 37 form and within the time provided for the original notice.

1 Sec. 8. RCW 36.61.060 and 1985 c 398 s 10 are each amended to read
2 as follows:

A county legislative authority may adopt an ordinance providing for 3 a committee of itself, or an officer, to hold public hearings on the 4 5 proposed formation of a lake or beach management district and hear objections to the proposed formation as provided in RCW 36.61.050. 6 The 7 committee or officer shall make a recommendation to the full legislative authority, which need not hold a public hearing on the 8 9 proposed creation of the lake or beach management district. The full county legislative authority by resolution may approve or disapprove 10 the recommendation and submit the question of creating the lake or 11 beach management district to the property owners as provided in RCW 12 13 36.61.070 through 36.61.100.

14 **Sec. 9.** RCW 36.61.070 and 1987 c 432 s 5 are each amended to read 15 as follows:

16 After the public hearing, the county legislative authority may 17 adopt a resolution submitting the question of creating the lake or beach management district to the owners of land within the proposed 18 lake or beach management district, including publicly owned land, if 19 20 the county legislative authority finds that it is in the public interest to create the lake or beach management district and the 21 financing of the lake or beach improvement and maintenance activities 22 23 is feasible. The resolution shall also include: (1) A plan describing 24 the proposed lake or beach improvement and maintenance activities which avoid adverse impacts on fish and wildlife and provide for appropriate 25 26 measures to protect and enhance fish and wildlife; (2) the number of years the lake or beach management district will exist; (3) the amount 27 to be raised by special assessments or rates and charges; (4) if 28 special assessments are to be imposed, whether the special assessments 29 30 shall be imposed annually for the duration of the lake or beach 31 management district or only once with the possibility of installments being imposed and lake or beach management bonds being issued, or both, 32 and, if both types of special assessments are proposed to be imposed, 33 the lake or beach improvement or maintenance activities proposed to be 34 financed by each type of special assessment; (5) if rates and charges 35 36 are to be imposed, a description of the rates and charges and the 37 possibility of revenue bonds being issued that are payable from the

1 rates and charges; and (6) the estimated special assessment or rate and 2 charge proposed to be imposed on each parcel included in the proposed 3 lake <u>or beach</u> management district.

No lake <u>or beach</u> management district may be created by a county
that includes territory located in another county without the approval
of the legislative authority of the other county.

7 **Sec. 10.** RCW 36.61.080 and 1987 c 432 s 6 are each amended to read 8 as follows:

9 (1) A ballot shall be mailed to each owner or reputed owner of any 10 lot, tract, parcel of land, or other property within the proposed lake 11 management district, including publicly owned land, which ballot shall 12 contain the following proposition:

16 (2) A ballot shall be mailed to each owner or reputed owner of any 17 lot, tract, parcel of land, or other property within the proposed beach 18 management district, including publicly owned land, which ballot shall 19 contain the following proposition:

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25 (3) In addition, the ballot shall contain appropriate spaces for 26 the signatures of the landowner or landowners, or officer authorized to 27 cast such a ballot. Each ballot shall include a description of the 28 property owner's property and the estimated special assessment, or rate 29 and charge, proposed to be imposed upon the property. A copy of the 30 instructions and the resolution submitting the question to the 31 landowners shall also be included.

32 **Sec. 11.** RCW 36.61.090 and 1987 c 432 s 7 are each amended to read 33 as follows:

The balloting shall be subject to the following conditions, which shall be included in the instructions mailed with each ballot, as provided in RCW 36.61.080: (1) All ballots must be signed by the owner or reputed owner of property according to the assessor's tax rolls; (2)

each ballot must be returned to the county legislative authority not 1 2 later than ((five o'clock)) 5:00 p.m. of a specified day, which shall be at least twenty but not more than thirty days after the ballots are 3 4 mailed; (3) each property owner shall mark his or her ballot for or 5 against the creation of the proposed lake or beach management district, with the ballot weighted so that the property owner has one vote for 6 7 each dollar of estimated special assessment or rate and charge proposed 8 to be imposed on his or her property; and (4) the valid ballots shall be tabulated and a simple majority of the votes cast shall determine 9 whether the proposed lake or beach management district shall be 10 approved or rejected. 11

12 **Sec. 12.** RCW 36.61.100 and 1987 c 432 s 8 are each amended to read 13 as follows:

If the proposal receives a simple majority vote in favor of 14 15 creating the lake or beach management district, the county legislative 16 authority shall adopt an ordinance creating the lake or beach 17 management district and may proceed with establishing the special 18 assessments or rates and charges, collecting the special assessments or 19 rates and charges, and performing the lake or beach improvement or 20 maintenance activities. If a proposed lake management district 21 includes more than one lake and its adjacent areas, the lake management 22 district may only be established if the proposal receives a simple majority vote in favor of creating it by the voters on each lake and 23 24 its adjacent areas. The county legislative authority shall publish a notice in a newspaper of general circulation in a lake or beach 25 26 management district indicating that such an ordinance has been adopted within ten days of the adoption of the ordinance. 27

The ballots shall be available for public inspection after they are counted.

30 **Sec. 13.** RCW 36.61.110 and 1985 c 398 s 11 are each amended to 31 read as follows:

No lawsuit may be maintained challenging the jurisdiction or authority of the county legislative authority to proceed with the lake <u>or beach</u> improvement and maintenance activities and creating the lake <u>or beach</u> management district or in any way challenging the validity of the actions or decisions or any proceedings relating to the actions or decisions unless the lawsuit is served and filed no later than forty days after publication of a notice that the ordinance has been adopted ordering the lake <u>or beach</u> improvement and maintenance activities and creating the lake <u>or beach</u> management district. Written notice of the appeal shall be filed with the county legislative authority and clerk of the superior court in the county in which the property is situated.

7 **Sec. 14.** RCW 36.61.115 and 1987 c 432 s 9 are each amended to read 8 as follows:

9 A special assessment, or rate and charge, on any lot, tract, parcel 10 of land, or other property shall not be increased beyond one hundred 11 ten percent of the estimated special assessment, or rate and charge, 12 proposed to be imposed as provided in the resolution adopted in RCW 13 36.61.070, unless the creation of a lake <u>or beach</u> management district 14 is approved under another mailed ballot election that reflects the 15 weighted voting arising from such increases.

16 **Sec. 15.** RCW 36.61.120 and 1985 c 398 s 12 are each amended to 17 read as follows:

18 After a lake or beach management district is created, the county shall prepare a proposed special assessment roll. A separate special 19 20 assessment roll shall be prepared for annual special assessments if 21 both annual special assessments and special assessments paid at one 22 time are imposed. The proposed special assessment roll shall list: (1) Each separate lot, tract, parcel of land, or other property in the 23 lake or beach management district; (2) the acreage of such property, 24 25 and the number of feet of lake or beach frontage, if any; (3) the name and address of the owner or reputed owner of each lot, tract, parcel of 26 27 land, or other property as shown on the tax rolls of the county 28 assessor; and (4) the special assessment proposed to be imposed on each 29 lot, tract, parcel of land, or other property, or the annual special 30 assessments proposed to be imposed on each lot, tract, parcel of land, 31 or other property.

At the time, date, and place fixed for a public hearing, the county legislative authority shall act as a board of equalization and hear objections to the special assessment roll, and at the times to which the public hearing may be adjourned, the county legislative authority may correct, revise, raise, lower, change, or modify the special

1 assessment roll or any part thereof, or set the proposed special 2 assessment roll aside and order a new proposed special assessment roll 3 to be prepared. The county legislative authority shall confirm and 4 approve a special assessment roll by adoption of a resolution.

5 If a proposed special assessment roll is amended to raise any 6 special assessment appearing thereon or to include omitted property, a 7 new public hearing shall be held. The new public hearing shall be 8 limited to considering the increased special assessments or omitted 9 property. Notices shall be sent to the owners or reputed owners of the 10 affected property in the same manner and form and within the time 11 provided for the original notice.

12 Objections to a proposed special assessment roll must be made in 13 writing, shall clearly state the grounds for objections, and shall be 14 filed with the governing body prior to the public hearing. Objections 15 to a special assessment or annual special assessments that are not made 16 as provided in this section shall be deemed waived and shall not be 17 considered by the governing body or a court on appeal.

18 Sec. 16. RCW 36.61.140 and 1985 c 398 s 14 are each amended to 19 read as follows:

20 Notice of the original public hearing on the proposed special 21 assessment roll, and any public hearing held as a result of raising 22 special assessments or including omitted property, shall be published 23 and mailed to the owner or reputed owner of the property as provided in 24 RCW 36.61.040 for the public hearing on the formation of the lake or beach management district. However, the notice need only provide the 25 26 total amount to be collected by the special assessment roll and shall state that: (1) A public hearing on the proposed special assessment 27 roll will be held, giving the time, date, and place of the public 28 hearing; (2) the proposed special assessment roll is available for 29 30 public perusal, giving the times and location where the proposed 31 special assessment roll is available for public perusal; (3) objections to the proposed special assessment must be in writing, include clear 32 33 grounds for objections, and must be filed prior to the public hearing; 34 and (4) failure to so object shall be deemed to waive an objection.

35 Notices mailed to the owners or reputed owners shall additionally 36 indicate the amount of special assessment ascribed to the particular

1 lot, tract, parcel of land, or other property owned by the person so 2 notified.

3 **Sec. 17.** RCW 36.61.160 and 1987 c 432 s 10 are each amended to 4 read as follows:

Whenever special assessments are imposed, all property included 5 within a lake or beach management district shall be considered to be 6 7 the property specially benefited by the lake or beach improvement or 8 maintenance activities and shall be the property upon which special assessments are imposed to pay the costs and expenses of the lake or 9 10 beach improvement or maintenance activities, or such part of the costs and expenses as may be chargeable against the property specially 11 benefited. The special assessments shall be imposed on property in 12 accordance with the special benefits conferred on the property up to 13 but not in excess of the total costs and expenses of the lake or beach 14 15 improvement or maintenance activities as provided in the special 16 assessment roll.

17 Special assessments may be measured by front footage, acreage, the extent of improvements on the property, or any other factors that are 18 19 deemed to fairly reflect special benefits, including those authorized under RCW 35.51.030. Special assessments may be calculated by using 20 21 more than one factor. Zones around the public improvement may be used 22 that reflect different levels of benefit in each zone that are measured by a front footage, acreage, the extent of improvements, or other 23 24 factors.

Public property, including property owned by the state of Washington, shall be subject to special assessments to the same extent that private property is subject to the special assessments, except no lien shall extend to public property.

29 Sec. 18. RCW 36.61.170 and 1985 c 398 s 17 are each amended to 30 read as follows:

The total annual special assessments may not exceed the estimated cost of the lake <u>or beach</u> improvement or maintenance activities proposed to be financed by such special assessments, as specified in the resolution of intention. The total of special assessments imposed in a lake <u>or beach</u> management district that are of the nature of special assessments imposed in a local improvement district shall not

exceed one hundred fifty percent of the estimated total cost of the 1 2 lake or beach improvement or maintenance activities that are proposed to be financed by the lake or beach management district as specified in 3 the resolution of intention. After a lake or beach management district 4 5 has been created, the resolution of intention may be amended to increase the amount to be financed by the lake or beach management 6 7 district by using the same procedure in which a lake or beach management district is created. 8

9 **Sec. 19.** RCW 36.61.190 and 1985 c 398 s 19 are each amended to 10 read as follows:

11 Special assessments and installments on any special assessment 12 shall be collected by the county treasurer.

The county treasurer shall publish a notice indicating that the 13 special assessment roll has been confirmed and that the special 14 assessments are to be collected. The notice shall indicate the 15 16 duration of the lake or beach management district and shall describe 17 whether the special assessments will be paid in annual payments for the duration of the lake or beach management district, or whether the full 18 19 special assessments will be payable at one time, with the possibility 20 of periodic installments being paid and lake or beach management bonds 21 being issued, or both.

If the special assessments are to be payable at one time, the notice additionally shall indicate that all or any portion of the special assessments may be paid within thirty days from the date of publication of the first notice without penalty or interest. This notice shall be published in a newspaper of general circulation in the lake <u>or beach</u> management district.

Within ten days of the first newspaper publication, the county 28 29 treasurer shall notify each owner or reputed owner of property whose 30 name appears on the special assessment roll, at the address shown on 31 the special assessment roll, for each item of property described on the 32 list: (1) Whether one special assessment payable at one time or special assessments payable annually have been imposed; (2) the amount 33 34 of the property subject to the special assessment or annual special 35 assessments; and (3) the total amount of the special assessment due at 36 one time, or annual amount of special assessments due. If the special

1 assessment is due at one time, the notice shall also describe the 2 thirty-day period during which the special assessment may be paid 3 without penalty, interest, or cost.

4 **Sec. 20.** RCW 36.61.200 and 1985 c 398 s 20 are each amended to 5 read as follows:

6 If the special assessments are to be payable at one time, all or 7 any portion of any special assessment may be paid without interest, 8 penalty, or costs during this thirty-day period and placed into a special fund to defray the costs of the lake or beach improvement or 9 maintenance activities. The remainder shall be paid in installments as 10 11 provided in a resolution adopted by the county legislative authority, 12 but the last installment shall be due at least two years before the maximum term of the bonds issued to pay for the improvements or 13 maintenance. The installments shall include amounts sufficient to 14 redeem the bonds issued to pay for the lake or beach improvement and 15 16 maintenance activities. A twenty-day period shall be allowed after the 17 due date of any installment within which no interest, penalty, or costs 18 on the installment may be imposed.

The county shall establish by ordinance an amount of interest that will be imposed on late special assessments imposed annually or at once, and on installments of a special assessment. The ordinance shall also specify the penalty, in addition to the interest, that will be imposed on a late annual special assessment, special assessment, or installment which shall not be less than five percent of the delinquent special assessment or installment.

The owner of any lot, tract, parcel of land, or other property charged with a special assessment may redeem it from all liability for the unpaid amount of the installments by paying, to the county treasurer, the remaining portion of the installments that is attributable to principal on the lake <u>or beach</u> management district bonds.

32 **Sec. 21.** RCW 36.61.220 and 1985 c 398 s 22 are each amended to 33 read as follows:

Within fifteen days after a county creates a lake <u>or beach</u> management district, the county shall cause to be filed with the county treasurer, a description of the lake <u>or beach</u> improvement and

maintenance activities proposed that the lake or beach management 1 2 district finances, the lake or beach management district number, and a copy of the diagram or print showing the boundaries of the lake or 3 beach management district and preliminary special assessment roll or 4 abstract of same showing thereon the lots, tracts, parcels of land, and 5 other property that will be specially benefited thereby and the 6 7 estimated cost and expense of such lake or beach improvement and maintenance activities to be borne by each lot, tract, parcel of land, 8 9 or other property. The treasurer shall immediately post the proposed 10 special assessment roll upon his or her index of special assessments against the properties affected by the lake or beach improvement or 11 12 maintenance activities.

13 **Sec. 22.** RCW 36.61.230 and 1985 c 398 s 23 are each amended to 14 read as follows:

15 The special assessment or annual special assessments imposed upon 16 the respective lots, tracts, parcels of land, and other property in the 17 special assessment roll or annual special assessment roll confirmed by resolution of the county legislative authority for the purpose of 18 paying the cost and expense in whole or in part of any lake or beach 19 20 improvement or maintenance activities shall be a lien upon the property 21 assessed from the time the special assessment roll is placed in the hands of the county treasurer for collection, but as between the 22 23 grantor and grantee, or vendor and vendee of any real property, when 24 there is no express agreement as to payment of the special assessments against the real property, the lien of such special assessments shall 25 26 attach thirty days after the filing of the diagram or print and the 27 estimated cost and expense of such lake or beach improvement or maintenance activities to be borne by each lot, tract, parcel of land, 28 or other property, as provided in RCW 36.61.220. Interest and penalty 29 30 shall be included in and shall be a part of the special assessment 31 lien. No lien shall extend to public property subjected to special 32 assessments.

33 The special assessment lien shall be paramount and superior to any 34 other lien or encumbrance theretofore or thereafter created except a 35 lien for general taxes. 1 Sec. 23. RCW 36.61.260 and 2000 c 184 s 6 are each amended to read
2 as follows:

3 (1) Counties may issue lake <u>or beach</u> management district bonds in 4 accordance with this section. Lake <u>or beach</u> management district bonds 5 may be issued to obtain money sufficient to cover that portion of the 6 special assessments that are not paid within the thirty-day period 7 provided in RCW 36.61.190.

Whenever lake or beach management district bonds are proposed to be 8 issued, the county legislative authority shall create a special fund or 9 funds for the lake or beach management district from which all or a 10 portion of the costs of the lake or beach improvement and maintenance 11 12 activities shall be paid. Lake or beach management district bonds 13 shall not be issued in excess of the costs and expenses of the lake or beach improvement and maintenance activities and shall not be issued 14 prior to twenty days after the thirty days allowed for the payment of 15 special assessments without interest or penalties. 16

17 Lake <u>or beach</u> management district bonds shall be exclusively 18 payable from the special fund or funds and from a guaranty fund that 19 the county may have created out of a portion of proceeds from the sale 20 of the lake <u>or beach</u> management district bonds.

21 (2) Lake or beach management district bonds shall not constitute a 22 general indebtedness of the county issuing the bond nor an obligation, general or special, of the state. The owner of any lake or beach 23 24 management district bond shall not have any claim for the payment 25 thereof against the county that issues the bonds except for payment from the special assessments made for the lake or beach improvement or 26 27 maintenance activities for which the lake or beach management district bond was issued and from a lake or beach management district guaranty 28 fund that may have been created. The county shall not be liable to the 29 owner of any lake or beach management district bond for any loss to the 30 lake or beach management district guaranty fund occurring in the lawful 31 32 operation of the fund. The owner of a lake or beach management district bond shall not have any claim against the state arising from 33 the lake or beach management district bond, special assessments, or 34 guaranty fund. Tax revenues shall not be used to secure or guarantee 35 36 the payment of the principal of or interest on lake or beach management 37 district bonds.

The substance of the limitations included in this subsection shall be plainly printed, written, engraved, or reproduced on: (a) Each lake <u>or beach</u> management district bond that is a physical instrument; (b) the official notice of sale; and (c) each official statement associated with the lake <u>or beach</u> management district bonds.

(3) If the county fails to make any principal or interest payments 6 7 on any lake or beach management district bond or to promptly collect 8 any special assessment securing the bonds when due, the owner of the 9 lake or beach management district bond may obtain a writ of mandamus from any court of competent jurisdiction requiring the county to 10 collect the special assessments, foreclose on the related lien, and 11 make payments out of the special fund or guaranty fund if one exists. 12 Any number of owners of lake or beach management districts may join as 13 14 plaintiffs.

(4) A county may create a lake or beach management district bond 15 guaranty fund for each issue of lake or beach management district 16 17 bonds. The guaranty fund shall only exist for the life of the lake or beach management district bonds with which it is associated. A portion 18 19 of the bond proceeds may be placed into a guaranty fund. Unused moneys 20 remaining in the guaranty fund during the last two years of the installments shall be used to proportionally reduce the required level 21 of installments and shall be transferred into the special fund into 22 23 which installment payments are placed.

(5) Lake <u>or beach</u> management district bonds shall be issued and sold in accordance with chapter 39.46 RCW. The authority to create a special fund or funds shall include the authority to create accounts within a fund.

28 **Sec. 24.** RCW 36.61.270 and 1987 c 432 s 11 are each amended to 29 read as follows:

30 Whenever rates and charges are to be imposed in a lake or beach 31 management district, the county legislative authority shall prepare a roll of rates and charges that includes those matters required to be 32 included in a special assessment roll and shall hold a public hearing 33 on the proposed roll of rates and charges as provided under RCW 34 36.61.120 through 36.61.150 for a special assessment roll. 35 The county 36 legislative authority shall have full jurisdiction and authority to 37 fix, alter, regulate, and control the rates and charges imposed by a

1 lake <u>or beach</u> management district and may classify the rates or charges 2 by any reasonable factor or factors, including benefit, use, front 3 footage, acreage, the extent of improvements on the property, the type 4 of improvements on the property, uses to which the property is put, 5 service to be provided, and any other reasonable factor or factors. 6 The flexibility to establish rates and charges includes the authority 7 to reduce rates and charges on property owned by low-income persons.

Except as provided in this section, the collection of rates and 8 charges, lien status of unpaid rates and charges, and method of 9 foreclosing on such liens shall be subject to the provisions of chapter 10 36.94 RCW. Public property, including state property, shall be subject 11 to the rates and charges to the same extent that private property is 12 13 subject to them, except that liens may not be foreclosed on the public 14 property, and the procedure for imposing such rates and charges on state property shall conform with the procedure provided for in chapter 15 16 79.44 RCW concerning the imposition of special assessments upon state 17 property. The total amount of rates and charges cannot exceed the cost of lake or beach improvement or maintenance activities proposed to be 18 financed by such rates and charges, as specified in the resolution of 19 20 intention. Revenue bonds exclusively payable from the rates and 21 charges may be issued by the county under chapter 39.46 RCW.

22 **Sec. 25.** RCW 36.94.020 and 1997 c 447 s 11 are each amended to 23 read as follows:

24 The construction, operation, and maintenance of a system of sewerage and/or water is a county purpose. Subject to the provisions 25 26 of this chapter, every county has the power, individually or in 27 conjunction with another county or counties to adopt, provide for, accept, establish, condemn, purchase, construct, add to, operate, and 28 maintain a system or systems of sanitary and storm sewers, including 29 30 outfalls, interceptors, plans, and facilities and services necessary 31 for sewerage treatment and disposal, and/or system or systems of water supply within all or a portion of the county. However, counties shall 32 33 not have power to condemn sewerage and/or water systems of any municipal corporation or private utility. 34

35 Such county or counties shall have the authority to control, 36 regulate, operate, and manage such system or systems and to provide 37 funds therefor by general obligation bonds, revenue bonds, local

improvement district bonds, utility local improvement district or local improvement district assessments, and in any other lawful fiscal manner. Rates or charges for on-site inspection and maintenance services may not be imposed under this chapter on the development, construction, or reconstruction of property.

6 Under this chapter, after July 1, 1998, any requirements for 7 pumping the septic tank of an on-site sewage system should be based, 8 among other things, on actual measurement of accumulation of sludge and 9 scum by a trained inspector, trained owner's agent, or trained owner. 10 Training must occur in a program approved by the state board of health 11 or by a local health officer.

Before adopting on-site inspection and maintenance utility 12 13 services, or incorporating residences into an on-site inspection and 14 maintenance or sewer utility under this chapter, notification must be provided, prior to the applicable public hearing, to all residences 15 16 within the proposed service area that have on-site systems permitted by 17 the local health officer. The notice must clearly state that the residence is within the proposed service area and must provide 18 19 information on estimated rates or charges that may be imposed for the 20 service.

21 A county shall not provide on-site sewage system inspection, 22 pumping services, or other maintenance or repair services under this section using county employees unless the on-site system is connected 23 24 by a publicly owned collection system to the county's sewerage system, 25 and the on-site system represents the first step in the sewage disposal process. Nothing in this section shall affect the authority of a state 26 27 or local health officer to carry out their responsibilities under any 28 other applicable law.

A county may, as part of a system of sewerage established under 29 this chapter, provide for, finance, and operate any of the facilities 30 31 and services and may exercise the powers expressly authorized for 32 county storm water, flood control, pollution prevention, and drainage services and activities under chapters 36.89, 86.12, 86.13, and 86.15 33 A county also may provide for, finance, and operate the RCW. 34 facilities and services and may exercise any of the powers authorized 35 for aquifer protection areas under chapter 36.36 RCW; for lake or beach 36 37 management districts under chapter 36.61 RCW; for diking districts, and 38 diking, drainage, and sewerage improvement districts under chapters

85.05, 85.08, 85.15, 85.16, and 85.18 RCW; and for shellfish protection 1 2 districts under chapter 90.72 RCW. However, if a county by reference to any of those statutes assumes as part of its system of sewerage any 3 powers granted to such areas or districts and not otherwise available 4 5 to a county under this chapter, then (1) the procedures and restrictions applicable to those areas or districts apply to the 6 7 county's exercise of those powers, and (2) the county may not simultaneously impose rates and charges under this chapter and under 8 the statutes authorizing such areas or districts for substantially the 9 10 same facilities and services, but must instead impose uniform rates and charges consistent with RCW 36.94.140. By agreement with such an area 11 12 or district that is not part of a county's system of sewerage, a county 13 may operate that area's or district's services or facilities, but a 14 county may not dissolve any existing area or district except in 15 accordance with any applicable provisions of the statute under which that area or district was created. 16

17 **Sec. 26.** RCW 39.34.190 and 2003 c 327 s 2 are each amended to read 18 as follows:

(1) The legislative authority of a city or county and the governing 19 20 body of any special purpose district enumerated in subsection (2) of this section may authorize up to ten percent of its water-related 21 revenues to be expended in the implementation of watershed management 22 23 plan projects or activities that are in addition to the county's, 24 city's, or district's existing water-related services or activities. Such limitation on expenditures shall not apply ((to additional 25 revenues for watershed plan implementation that are authorized by voter 26 27 approval under section 5 of this act or)) to water-related revenues of a public utility district organized according to Title 54 RCW. Water-28 related revenues include rates, charges, and fees for the provision of 29 30 services relating to water supply, treatment, distribution, and 31 management generally, and those general revenues of the local government that are expended for water management purposes. 32 A local 33 government may not expend for this purpose any revenues that were 34 authorized by voter approval for other specified purposes or that are 35 specifically dedicated to the repayment of municipal bonds or other 36 debt instruments.

1 (2) The following special purpose districts may exercise the 2 authority provided by this section:

3 (a) Water districts, sewer districts, and water-sewer districts
4 organized under Title 57 RCW;

5 (b) Public utility districts organized under Title 54 RCW;

6 (c) Irrigation, reclamation, conservation, and similar districts 7 organized under Titles 87 and 89 RCW;

8

(d) Port districts organized under Title 53 RCW;

9 (e) Diking, drainage, and similar districts organized under Title 10 85 RCW;

11 (f) Flood control and similar districts organized under Title 86
12 RCW;

13 (g) Lake <u>or beach</u> management districts organized under chapter 14 36.61 RCW;

15 (h) Aquifer protection areas organized under chapter 36.36 RCW; and

16 (i) Shellfish protection districts organized under chapter 90.72 17 RCW.

18 (3) The authority for expenditure of local government revenues 19 provided by this section shall be applicable broadly to the 20 implementation of watershed management plans addressing water supply, 21 water transmission, water quality treatment or protection, or any other 22 water-related purposes. Such plans include but are not limited to 23 plans developed under the following authorities:

24 (a) Watershed plans developed under chapter 90.82 RCW;

25

(b) Salmon recovery plans developed under chapter 77.85 RCW;

(c) Watershed management elements of comprehensive land use plans
 developed under the growth management act, chapter 36.70A RCW;

(d) Watershed management elements of shoreline master programs
 developed under the shoreline management act, chapter 90.58 RCW;

30 (e) Nonpoint pollution action plans developed under the Puget Sound 31 water quality management planning authorities of chapter 90.71 RCW and 32 chapter 400-12 WAC;

(f) Other comprehensive management plans addressing watershedhealth at a WRIA level or sub-WRIA basin drainage level;

35 (g) Coordinated water system plans under chapter 70.116 RCW and 36 similar regional plans for water supply; and

37 (h) Any combination of the foregoing plans in an integrated38 watershed management plan.

(4) The authority provided by this section to expend revenues for
 watershed management plan implementation shall be construed broadly to
 include, but not be limited to:

4 (a) The coordination and oversight of plan implementation,
5 including funding a watershed management partnership for this purpose;
6 (b) Technical support, monitoring, and data collection and

7 analysis;

8 (c) The design, development, construction, and operation of 9 projects included in the plan; and

10 (d) Conducting activities and programs included as elements in the 11 plan.

12 **Sec. 27.** RCW 86.09.151 and 1986 c 278 s 52 are each amended to 13 read as follows:

(1) Said flood control districts shall have full authority to carry 14 out the objects of their creation and to that end are authorized to 15 16 acquire, purchase, hold, lease, manage, improve, repair, occupy, and 17 sell real and personal property or any interest therein, either inside or outside the boundaries of the district, to enter into and perform 18 any and all necessary contracts, to appoint and employ the necessary 19 20 officers, agents and employees, to sue and be sued, to exercise the 21 right of eminent domain, to levy and enforce the collection of special 22 assessments and in the manner herein provided against the lands within 23 the district, for district revenues, and to do any and all lawful acts 24 required and expedient to carry out the purpose of this chapter.

(2) In addition to the powers conferred in this chapter and those
in chapter 85.38 RCW, flood control districts may engage in activities
authorized under RCW 36.61.020 for lake <u>or beach</u> management districts
using procedures granted in this chapter and in chapter 85.38 RCW.

29 Sec. 28. RCW 35.21.403 and 1985 c 398 s 27 are each amended to 30 read as follows:

Any city or town may establish lake <u>and beach</u> management districts within its boundaries as provided in chapter 36.61 RCW. When a city or town establishes a lake <u>or beach</u> management district pursuant to chapter 36.61 RCW, the term "county legislative authority" shall be deemed to mean the city or town governing body, the term "county" shall

be deemed to mean the city or town, and the term "county treasurer" shall be deemed to mean the city or town treasurer or other fiscal officer.

4 \*<u>NEW SECTION.</u> Sec. 29. A new section is added to chapter 43.21A 5 RCW to read as follows:

6 (1) The department shall, within available funds, provide technical 7 assistance to community groups and county and city legislative 8 authorities requesting assistance with the development of beach 9 management programs. The department shall work with the departments of 10 fish and wildlife, natural resources, and the Puget Sound partnership 11 in coordinating agency assistance to community groups and county and 12 city legislative authorities.

13 (2) The department shall coordinate with relevant state agencies 14 and marine resources committees established in the area of beach 15 management districts to provide technical assistance to beach 16 management districts.

17 (3) The department shall, within available funds, coordinate with relevant state agencies to provide technical assistance to beach 18 19 management districts so that beach management districts are able to ensure that proposed beach improvement and maintenance plans and 20 21 activities of these districts are consistent with applicable federal, and local laws, and federal, state, 22 state, and local resource management plans including, but not limited to: 23

24

(a) Shoreline master programs;

25

(b) Development regulations adopted to protect critical areas;

(c) State and federally identified habitat conservation plans and
 species recovery plans;

28 29

(e) Shoreline and nearshore protection and restoration plans.

(d) State marine species management plans; and

30 (4) The department, in consultation with the Puget Sound 31 partnership, shall monitor and assess the results of the removal of 32 native aquatic plants and vegetation in areas designated in section 33 2(4) of this act, and provide recommendations regarding areas for 34 future designations.

\*Sec. 29 was vetoed. See message at end of chapter.

35 \*<u>NEW SECTION.</u> Sec. 30. If specific funding for the purposes of

- 1 this act, referencing this act by bill or chapter number, is not
- 2 provided by June 30, 2008, in the omnibus appropriations act, this act
- 3 is null and void.

\*Sec. 30 was vetoed. See message at end of chapter.

Note: Governor's explanation of partial veto is as follows:

"I am returning, without my approval as to Sections 29 and 30, Engrossed Second Substitute House Bill 3186 entitled:

"AN ACT Relating to beach management districts."

This bill allows cities and counties to create Beach Management Districts, in order to raise funds for the improvement and maintenance of beaches with their boundaries.

Notwithstanding the existing authority provided to Lake Management Districts, Section 29 directs the Department of Ecology to provide technical assistance to Beach Management Districts in consultation with the Puget Sound Partnership. Since the Puget Sound Partnership is developing its first action agenda, the activities contemplated in Section 29 should be considered in relation to all other priorities for the clean up of Puget Sound.

Section 30 is a null and void clause and is unneeded.

For these reasons, I have vetoed Sections 29 and 30 of Engrossed Second Substitute House Bill 3186.

With the exception of Sections 29 and 30, Engrossed Second Substitute House Bill 3186 is approved."