H-0081.2	

HOUSE BILL 1324

State of Washington 63rd Legislature 2013 Regular Session

By Representatives Fitzgibbon, Springer, Upthegrove, Ryu, Dahlquist, Maxwell, Kochmar, and Hargrove

Read first time 01/23/13. Referred to Committee on Local Government.

AN ACT Relating to transferring ferry and flood control zone district functions and taxing authorities to county legislative authorities in counties with a population of one million five hundred

4 thousand or more; and adding new chapters to Title 36 RCW.

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

6 PART I

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chapter.

COUNTY FERRY DISTRICT FUNCTIONS AND TAXING AUTHORITY

NEW SECTION. Sec. 101. Any county with a population of one million five hundred thousand or more in which a county ferry district has been established pursuant to RCW 36.54.110 through 36.54.190 with boundaries coterminous with the boundaries of the county may by ordinance or resolution, as the case may be, of the county legislative authority assume the rights, powers, functions, and obligations of such county ferry district in accordance with the provisions of this

16 <u>NEW SECTION.</u> **Sec. 102.** The assumption of the rights, powers,

17 functions, and obligations of a county ferry district may be initiated

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by the adoption of an ordinance or a resolution, as the case may be, by the county legislative authority indicating its intention to conduct a hearing concerning assumption of such rights, powers, functions, and obligations. In the event the county legislative authority adopts such an ordinance or a resolution of intention, such ordinance or resolution must set a time and place at which it will consider the proposed assumption of the rights, powers, functions, and obligations of the county ferry district, and must state that all persons interested may appear and be heard. Such ordinance or resolution of intention must be published for at least two times during the two weeks next preceding the scheduled hearing in newspapers of daily general circulation printed or published in the county in which the county ferry district is to be located.

NEW SECTION. Sec. 103. At the time scheduled for the hearing in the ordinance or resolution of intention, the county legislative authority must consider the assumption of the rights, powers, functions, and obligations of the county ferry district, and hear those appearing and all protests and objections to it. The county legislative authority may continue the hearing from time to time, not exceeding sixty days in all.

NEW SECTION. Sec. 104. (1) If, after receiving testimony, the county legislative authority determines that the public interest or welfare would be satisfied by the county assuming the rights, powers, immunities, functions, and obligations of the county ferry district, the county legislative authority may declare that to be its intent and assume such rights, powers, immunities, functions, and obligations by ordinance or resolution, as the case may be, providing thereby that the county is vested with every right, power, immunity, function, and obligation currently granted to or possessed by the county ferry district pursuant to RCW 36.54.110 through 36.54.190 (including RCW 36.54.130 relating to county ferry district authority to levy and use an annual ad valorem property tax) and other provisions of state law applicable to county ferry districts established under RCW 36.54.110 through 36.54.190. However, in exercising such rights, powers, immunities, functions, and obligations, all actions must be taken in

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the name of the county and title to all property or property rights vest in the county.

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(2) Upon assumption of the rights, powers, immunities, functions, and obligations of the county ferry district by the county, the governing body established pursuant to the provisions of RCW 36.54.110(5) must be abolished; such provision must be inapplicable to the county; and the county legislative authority is thereafter vested with all rights, powers, immunities, functions, and obligations otherwise vested by law in the governing board of the county ferry district. However, in any county with a home rule charter such rights, powers, functions, and obligations vest in accordance with the executive and legislative responsibilities defined in such charter.

NEW SECTION. Sec. 105. Employees and personnel of the county ferry district do not automatically become employees of the county.

NEW SECTION. Sec. 106. No transfer of any function made pursuant to this chapter may be construed to impair or alter any existing rights acquired under the provisions of RCW 36.54.110 through 36.54.190 or any other provision of law relating to county ferry districts, nor as impairing or altering any actions, activities, or proceedings validated thereunder, nor as impairing or altering any civil or criminal proceedings instituted thereunder, nor any rule, regulation, or order promulgated thereunder, nor any administrative action taken thereunder; and neither the assumption of control of any county ferry district function by a county, nor any transfer of rights, powers, functions, and obligations as provided in this chapter, may impair or alter the validity of any act performed by such county ferry district or division thereof or any officer thereof prior to the assumption of such rights, powers, functions, and obligations by any county as authorized by this chapter. Furthermore, an ad valorem property tax levy upon real and personal property authorized by RCW 36.54.130 and levied by a county as authorized by this chapter must be treated as a levy by a county ferry district for all purposes including, but not limited to, limitations on levies contained in RCW 84.52.043.

34 <u>NEW SECTION.</u> **Sec. 107.** (1) All rules and regulations, and all

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pending business before the board of any county ferry district transferred pursuant to the provisions of this chapter must be continued and acted upon by the county.

- (2) All existing contracts and obligations of the transferred county ferry district remain in full force and effect, and must be performed by the county. No transfer authorized in this chapter affects the validity of any official act performed by any official or employee prior to the transfer authorized pursuant to this chapter.
- 9 <u>NEW SECTION.</u> **Sec. 108.** (1) When the rights, powers, functions, and obligations of a county ferry district are transferred pursuant to this chapter, all real and personal property owned by the county ferry district becomes that of the county.
 - (2) All reports, documents, surveys, books, records, files, papers, or other writings relating to the administration of the powers, duties, and functions transferred pursuant to this chapter and available to the county ferry district must be made available to the county.
 - (3) All cabinets, furniture, office equipment, motor vehicles, and other tangible property employed in carrying out the rights, powers, functions, and obligations transferred by this chapter and available to the county ferry district must be made available to the county.
 - (4) All funds, credits, or other assets held in connection with powers, duties, and functions transferred under this section must be assigned to the county.
 - (5) Any appropriations or federal grant made to the county ferry district for the purpose of carrying out the rights, powers, functions, and obligations authorized to be assumed by a county pursuant to this chapter, on the effective date of such transfer, must be credited to the county for the purpose of carrying out such transferred rights, powers, functions, and obligations.
- NEW SECTION. Sec. 109. (1) The county must assume and agree to provide for the payment of all of the indebtedness of the county ferry district including the payment and retirement of outstanding general obligation and revenue bonds issued by the county ferry district. Until the indebtedness of a county ferry district assumed by a county under this chapter has been discharged, all property within the boundaries of the county ferry district and the owners and occupants of

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that property continue to be liable for taxes, special assessments, and 1 2 other charges legally pledged to pay the indebtedness of the county 3 ferry district. The county must assume the obligation of causing the 4 payment of such indebtedness, collecting such taxes, assessments, and charges, and observing and performing the other contractual obligations 5 of the county ferry district. The legislative authority of the county 6 7 must act in the same manner as the governing body of the county ferry 8 district for the purpose of certifying the amount of any property tax to be levied and collected therein, and may cause service and other 9 10 charges and assessments to be collected from such property or owners or 11 occupants thereof, enforce such collection, and perform all acts 12 necessary to ensure performance of the contractual obligations of the 13 county ferry district in the same manner and by the same means as if the property of the county ferry district had not been acquired by the 14 15 county.

(2) When a county assumes the obligation of paying indebtedness of a county ferry district and if property taxes or assessments have been levied and service and other charges have accrued for such purpose but have not been collected by the county ferry district prior to such assumption, the same when collected must belong and be paid to the county and be used by such county so far as necessary for payment of the indebtedness of the county ferry district existing and unpaid on the date such county assumed that indebtedness. Any funds received by the county which have been collected for the purpose of paying any bonded or other indebtedness of the county ferry district must be used for the purpose for which they were collected and for no other purpose until such indebtedness has been paid and retired or adequate provision has been made for such payment and retirement. Any funds remaining after the payment and retirement of such indebtedness must be used solely for carrying out the rights, powers, functions, and obligations of the county ferry district assumed by the county. No transfer of property as provided in this chapter derogates from the claims or rights of the creditors of the county ferry district or impair the ability of the county ferry district to respond to its debts and obligations.

36 PART II

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FLOOD CONTROL ZONE DISTRICT FUNCTIONS AND TAXING AUTHORITY

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NEW SECTION. Sec. 201. (1) Any county with a population of over one million five hundred thousand persons in which a flood control zone district has been established under chapter 86.15 RCW with boundaries coterminous with the boundaries of the county may by ordinance or by resolution, as the case may be, of the county legislative authority assume the rights, powers, immunities, functions, and obligations of such flood control zone district in accordance with the provisions of this chapter.

(2) The definitions in RCW 86.15.010 apply to this chapter.

NEW SECTION. Sec. 202. The assumption of the rights, powers, immunities, functions, and obligations of a flood control zone district may be initiated by the adoption of an ordinance or a resolution, as the case may be, by the county legislative authority indicating its intention to conduct a hearing concerning assumption of such rights, powers, immunities, functions, and obligations. In the event the county legislative authority adopts such an ordinance or a resolution of intention, such ordinance or resolution must set a time and place at which it will consider the proposed assumption of the rights, powers, immunities, functions, and obligations of the flood control zone district, and must state that all persons interested may appear and be Such ordinance or resolution of intention must be published at least two times during the two weeks next preceding the scheduled hearing in newspapers of daily general circulation printed or published in the county in which the flood control zone district is located.

NEW SECTION. Sec. 203. At the time scheduled for the hearing in the ordinance or resolution of intention, the county legislative authority must consider the assumption of the rights, powers, immunities, functions, and obligations of the flood control zone district, and hear those appearing and all protests and objections to it. The county legislative authority may continue the hearing from time to time, not exceeding sixty days in all.

NEW SECTION. Sec. 204. (1) If, after receiving testimony, the county legislative authority determines that the public interest or welfare would be satisfied by the county assuming the rights, powers,

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immunities, functions, and obligations of the flood control zone district, the county legislative authority may declare that to be its intent and assume such rights, powers, immunities, functions, and obligations by ordinance or resolution, as the case may be, providing thereby that the county is vested with every right, power, immunity, function, and obligation currently granted to or possessed by the flood control zone district pursuant to chapter 86.15 RCW (including RCW 86.15.160(3) relating to flood control zone district authority to levy and use an annual ad valorem property tax and other provisions of state law applicable to flood control zone districts established under chapter 86.15 RCW. However, in exercising such rights, powers, immunities, functions, and obligations, all actions must be taken in the name of the county and title to all property or property rights vests in the county, and the proviso contained in RCW 86.15.080(1) does not apply to such county.

(2) Upon assumption of the rights, powers, immunities, functions, and obligations of the flood control zone district by the county, the board of supervisors established under RCW 86.15.050 must be abolished, and the provisions of RCW 86.15.050 through 86.15.060 and 86.15.120 are inapplicable to the county, and the county legislative authority is thereafter vested with all rights, powers, immunities, functions, and obligations otherwise vested by law in the flood control zone district. However, in any county with a home rule charter such rights, powers, functions, and obligations vest in accordance with the executive and legislative responsibilities defined in such charter.

NEW SECTION. Sec. 205. No transfer of any function made pursuant to this chapter may be construed to impair or alter any existing rights acquired under the provisions of chapter 86.15 RCW or any other provision of law relating to flood control zone districts, nor as impairing or altering any actions, activities, or proceedings validated thereunder, nor as impairing or altering any civil or criminal proceedings instituted thereunder, nor any rule, regulation, or order promulgated thereunder, nor any administrative action taken thereunder; and neither the assumption of control of any flood control zone district function by a county, nor any transfer of rights, powers, immunities, functions, and obligations as provided in this chapter, may impair or alter the validity of any act performed by such flood control

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zone district or any officer thereof prior to the assumption of such rights, powers, immunities, functions, and obligations by any county as authorized by this chapter. Furthermore, an ad valorem property tax levy authorized by RCW 86.15.160 and levied by a county as authorized by this chapter must be treated as a levy by a county flood control zone district for all purposes, including, but not limited to, provisions related to levies contained in RCW 84.52.010, 84.52.043, and 84.52.815.

- <u>NEW SECTION.</u> **Sec. 206.** (1) All rules and regulations, and all pending business before the board of any flood control zone district transferred pursuant to the provisions of this chapter must be continued and acted upon by the county.
 - (2) All existing contracts and obligations of the transferred flood control zone district must remain in full force and effect, and must be performed by the county. No transfer authorized in this chapter affects the validity of any official act performed by any official or employee prior to the transfer authorized pursuant to this chapter.
 - NEW SECTION. Sec. 207. (1) When the rights, powers, immunities, functions, and obligations of a flood control zone district are transferred pursuant to this chapter, all real and personal property owned by the flood control zone district becomes that of the county, and the provisions of RCW 86.15.210 do not apply to such county, except that a diking, drainage, or sewerage improvement district, flood control district, diking district, drainage district, intercounty diking and drainage district, or zone may convey title to any property improvements or assets of the districts to the county or a zone for flood control purposes.
 - (2) All reports, documents, surveys, books, records, files, papers, or other writings relating to the administration of the powers, duties, and functions transferred pursuant to this chapter and available to the flood control zone district must be made available to the county.
- (3) All cabinets, furniture, office equipment, motor vehicles, and other tangible property employed in carrying out the rights, powers, functions, and obligations transferred by this chapter and available to the flood control zone district must be made available to the county.

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(4) All funds, credits, or other assets held in connection with powers, duties, and functions transferred under this section must be assigned to the county.

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(5) Any appropriations or federal grant made to the flood control zone district for the purpose of carrying out the rights, powers, immunities, functions, and obligations authorized to be assumed by a county pursuant to this chapter, on the effective date of such transfer, must be credited to the county for the purpose of carrying out such transferred rights, powers, immunities, functions, and obligations.

NEW SECTION. Sec. 208. (1) The county must assume and agree to provide for the payment of all of the indebtedness of the flood control zone district, including the payment and retirement of outstanding general obligation and revenue bonds issued by the flood control zone Until the indebtedness of a flood control zone district assumed by a county under this chapter has been discharged, all property within the boundaries of the flood control zone district and the owners and occupants of that property, continue to be liable for taxes, special assessments, and other charges legally pledged to pay the indebtedness of the flood control zone district. The county must assume the obligation of causing the payment of such indebtedness, collecting such taxes, assessments, and charges, and observing and performing the other contractual obligations of the flood control zone district. The legislative authority of the county must act in the same manner as the governing body of the flood control zone district for the purpose of certifying the amount of any property tax to be levied and collected therein, and may cause service and other charges and assessments to be collected from such property or owners or occupants thereof, enforce such collection, and perform all acts necessary to ensure performance of the contractual obligations of the flood control zone district in the same manner and by the same means as if the property of the flood control zone district had not been acquired by the county.

(2) When a county assumes the obligation of paying indebtedness of a flood control zone district and if property taxes or assessments have been levied and service and other charges have accrued for such purpose but have not been collected by the flood control zone district prior to

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such assumption, the same when collected must belong and be paid to the 1 2 county and be used by such county so far as necessary for payment of the indebtedness of the flood control zone district existing and unpaid 3 on the date such county assumed that indebtedness. Any funds received 4 by the county which have been collected for the purpose of paying any 5 6 bonded or other indebtedness of the flood control zone district must be used for the purpose for which they were collected and for no other 7 8 purpose until such indebtedness has been paid and retired or adequate provision has been made for such payment and retirement. Any funds 9 10 remaining after the payment and retirement of such indebtedness must be 11 used solely for carrying out the rights, powers, functions, and 12 obligations of the flood control zone district assumed by the county. 13 No transfer of property as provided in this chapter derogates from the claims or rights of the creditors of the flood control zone district or 14 15 impairs the ability of the flood control zone district to respond to its debts and obligations. 16

17 PART III

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MISCELLANEOUS PROVISIONS

- 19 <u>NEW SECTION.</u> **Sec. 301.** Sections 101 through 109 of this act 20 constitute a new chapter in Title 36 RCW.
- NEW SECTION. Sec. 302. Sections 201 through 208 of this act constitute a new chapter in Title 36 RCW.
- NEW SECTION. Sec. 303. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

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