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HOUSE BILL 2433

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State of Washington

63rd Legislature

2014 Regular Session

By Representatives Habib and Ryu

Read first time 01/17/14. Referred to Committee on Local Government.

1 AN ACT Relating to notification by a city or town to light and  
2 power businesses and gas distribution businesses of annexed areas and  
3 affected properties; and amending RCW 35.13.270 and 35A.14.801.

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

5 **Sec. 1.** RCW 35.13.270 and 2007 c 285 s 1 are each amended to read  
6 as follows:

7 (1) Whenever any territory is annexed to a city or town which is  
8 part of a road district of the county and road district taxes have been  
9 levied but not collected on any property within the annexed territory,  
10 the same shall when collected by the county treasurer be paid to the  
11 city or town and by the city or town placed in the city or town street  
12 fund; except that road district taxes that are delinquent before the  
13 date of annexation shall be paid to the county and placed in the county  
14 road fund.

15 (2) When territory that is part of a fire district is annexed to a  
16 city or town, the following apply:

17 (a) Fire district taxes on annexed property that were levied, but  
18 not collected, and were not delinquent at the time of the annexation  
19 shall, when collected, be paid to the annexing city or town at times

1 required by the county, but no less frequently than by July 10th for  
2 collections through June 30th and January 10th for collections through  
3 December 31st following the annexation; and

4 (b) Fire district taxes on annexed property that were levied, but  
5 not collected, and were delinquent at the time of the annexation and  
6 the pro rata share of the current year levy budgeted for general  
7 obligation debt, when collected, shall be paid to the fire district.

8 (3) When territory that is part of a library district is annexed to  
9 a city or town, the following apply:

10 (a) Library district taxes on annexed property that were levied,  
11 but not collected, and were not delinquent at the time of the  
12 annexation shall, when collected, be paid to the annexing city or town  
13 at times required by the county, but no less frequently than by July  
14 10th for collections through June 30th and January 10th for collections  
15 through December 31st following the annexation; and

16 (b) Library district taxes on annexed property that were levied,  
17 but not collected, and were delinquent at the time of the annexation  
18 and the pro rata share of the current year levy budgeted for general  
19 obligation debt, when collected, shall be paid to the library district.

20 (4) Subsections (1) through (3) of this section do not apply to any  
21 special assessments due in behalf of such property.

22 (5) If a city or town annexes property within a fire district or  
23 library district while any general obligation bond secured by the  
24 taxing authority of the district is outstanding, the bonded  
25 indebtedness of the fire district or library district remains an  
26 obligation of the taxable property annexed as if the annexation had not  
27 occurred.

28 (6) The city or town is required to provide notification, by  
29 certified mail, that includes a list of annexed parcel numbers, the  
30 street address, and the current taxpayers of record for each parcel, to  
31 the county treasurer and assessor, to the light and power businesses  
32 and gas distribution businesses, and to the fire district and library  
33 district, as appropriate, at least (~~thirty~~) sixty days before the  
34 effective date of the annexation. The county treasurer is only  
35 required to remit to the city or town those road taxes, fire district  
36 taxes, and library district taxes collected (~~thirty~~) sixty days or  
37 more after receipt of the notification. The light and power businesses

1 and gas distribution businesses are only required to remit to the city  
2 or town those utility taxes collected sixty days or more after receipt  
3 of the notification.

4 (7)(a) In counties that do not have a boundary review board, the  
5 city or town shall provide notification to the fire district or library  
6 district of the jurisdiction's resolution approving the annexation.  
7 The notification required under this subsection must:

8 (i) Be made by certified mail within seven days of the resolution  
9 approving the annexation; and

10 (ii) Include a description of the annexed area.

11 (b) In counties that have a boundary review board, the city or town  
12 shall provide notification of the proposed annexation to the fire  
13 district or library district simultaneously when notice of the proposed  
14 annexation is provided by the jurisdiction to the boundary review board  
15 under RCW 36.93.090.

16 (8) The provisions of this section regarding (a) the transfer of  
17 fire and library district property taxes and (b) city and town  
18 notifications to fire and library districts do not apply if the city or  
19 town has been annexed to and is within the fire or library district  
20 when the city or town approves a resolution to annex unincorporated  
21 county territory.

22 **Sec. 2.** RCW 35A.14.801 and 2007 c 285 s 2 are each amended to read  
23 as follows:

24 (1) Whenever any territory is annexed to a code city which is part  
25 of a road district of the county and road district taxes have been  
26 levied but not collected on any property within the annexed territory,  
27 the same shall when collected by the county treasurer be paid to the  
28 code city and by the city placed in the city street fund; except that  
29 road district taxes that are delinquent before the date of annexation  
30 shall be paid to the county and placed in the county road fund.

31 (2) When territory that is part of a fire district is annexed to a  
32 code city, the following apply:

33 (a) Fire district taxes on annexed property that were levied, but  
34 not collected, and were not delinquent at the time of the annexation  
35 shall, when collected, be paid to the annexing code city at times  
36 required by the county, but no less frequently than by July 10th for

1 collections through June 30th and January 10th for collections through  
2 December 31st following the annexation; and

3 (b) Fire district taxes on annexed property that were levied, but  
4 not collected, and were delinquent at the time of the annexation and  
5 the pro rata share of the current year levy budgeted for general  
6 obligation debt, when collected, shall be paid to the fire district.

7 (3) When territory that is part of a library district is annexed to  
8 a code city, the following apply:

9 (a) Library district taxes on annexed property that were levied,  
10 but not collected, and were not delinquent at the time of the  
11 annexation shall, when collected, be paid to the annexing code city at  
12 times required by the county, but no less frequently than by July 10th  
13 for collections through June 30th and January 10th for collections  
14 through December 31st following the annexation; and

15 (b) Library district taxes on annexed property that were levied,  
16 but not collected, and were delinquent at the time of the annexation  
17 and the pro rata share of the current year levy budgeted for general  
18 obligation debt, when collected, shall be paid to the library district.

19 (4) Subsections (1) through (3) of this section do not apply to any  
20 special assessments due in behalf of such property.

21 (5) If a code city annexes property within a fire district or  
22 library district while any general obligation bond secured by the  
23 taxing authority of the district is outstanding, the bonded  
24 indebtedness of the fire district or library district remains an  
25 obligation of the taxable property annexed as if the annexation had not  
26 occurred.

27 (6) The code city is required to provide notification, by certified  
28 mail, that includes a list of annexed parcel numbers, the street  
29 address, and the current taxpayers of record for each parcel, to the  
30 county treasurer and assessor, to the light and power businesses and  
31 gas distribution businesses, and to the fire district and library  
32 district, as appropriate, at least ((~~thirty~~)) sixty days before the  
33 effective date of the annexation. The county treasurer is only  
34 required to remit to the code city those road taxes, fire district  
35 taxes, and library district taxes collected ((~~thirty~~)) sixty or more  
36 days after receipt of the notification. The light and power businesses  
37 and gas distribution businesses are only required to remit to the city

1 or town those utility taxes collected sixty days or more after receipt  
2 of the notification.

3 (7)(a) In counties that do not have a boundary review board, the  
4 code city shall provide notification to the fire district or library  
5 district of the jurisdiction's resolution approving the annexation.  
6 The notification required under this subsection must:

7 (i) Be made by certified mail within seven days of the resolution  
8 approving the annexation; and

9 (ii) Include a description of the annexed area.

10 (b) In counties that have a boundary review board, the code city  
11 shall provide notification of the proposed annexation to the fire  
12 district or library district simultaneously when notice of the proposed  
13 annexation is provided by the jurisdiction to the boundary review board  
14 under RCW 36.93.090.

15 (8) The provisions of this section regarding (a) the transfer of  
16 fire and library district property taxes and (b) code city  
17 notifications to fire and library districts do not apply if the code  
18 city has been annexed to and is within the fire or library district  
19 when the code city approves a resolution to annex unincorporated county  
20 territory.

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