

the lien of any portion of the security property, the principal amount of any such loan shall be reduced in an amount at least equal to that portion of the total loan secured by the property sold or released. No disbursement of any of the proceeds of any loan made under this section shall be made at any time if such disbursement, together with the aggregate amount of such proceeds previously disbursed by the bank and not repaid to it, would exceed an amount equal to the sum of (1) seventy percent of the value at such time of that portion of the security property which is building lots or sites the development of which is in progress or completed and, (2) seventy percent of the value at such time of the remaining security property.

Passed the Senate February 17, 1967.

Passed the House March 6, 1967.

Approved by the Governor March 21, 1967.

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CHAPTER 146.

[Senate Bill No. 215.]

ANNEXATION OF FIRE PROTECTION DISTRICT  
TERRITORY BY CITY OR TOWN.

AN ACT relating to annexation of fire protection district territory by cities and towns; and amending section 35.13.248, chapter 7, Laws of 1965 and RCW 35.13.248.

*Be it enacted by the Legislature of the State of Washington:*

RCW 35.13.248  
amended.

Section 1. Section 35.13.248, chapter 7, Laws of 1965 and RCW 35.13.248 are each amended to read as follows:

Cities and  
towns. Annex-  
ation of fire  
protection  
district.

If a portion of a fire protection district including less than sixty percent of the assessed value of the real property of the district is annexed to or incorporated into a city or town, the ownership of all

assets of the district shall remain in the district and the district shall pay to the city or town within one year or within such period of time as the district continues to collect taxes in such incorporated or annexed areas, in cash, properties or contracts for fire protection services, a percentage of the value of said assets equal to the percentage of the value of the real property in the entire district lying within the area so incorporated or annexed: *Provided*, That if less than five percent of the area of the district is affected, no payment shall be made to the city or town. The fire protection district shall provide fire protection to the incorporated or annexed area for such period as the district continues to collect taxes levied in such annexed or incorporated area.

For the purposes of this section, the word "assets" shall mean the total assets of the fire district, reduced by its liabilities, including bonded indebtedness, the same to be determined by usual and accepted accounting methods. The amount of said liability shall be determined by reference to the fire district's balance sheet, produced in the regular course of business, which is nearest in time to the certification of the annexation of fire district territory by the city or town.

Passed the Senate February 22, 1967.

Passed the House March 4, 1967.

Approved by the Governor March 21, 1967.