invited members of the bar, for the consideration of matters relating to judicial business, the improvement of the judicial system and the administration of justice. Each judge attending such annual judicial conference shall be entitled to be reimbursed for ((transportation)) travel expenses in accordance with RCW 43.03.050 and 43.03.060 as now existing or hereafter amended ((and shall receive forty dollars per day for subsistence and lodging)), to be paid from state appropriations made for the purposes of this chapter.

NEW SECTION. Sec. 16. 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.

Passed the House April 25, 1981. Passed the Senate April 25, 1981. Approved by the Governor May 19, 1981. Filed in Office of Secretary of State May 19, 1981.

CHAPTER 332

[Substitute House Bill No. 374] CITIES AND TOWNS——ANNEXATION

AN ACT Relating to annexation; amending section 35.13.020, chapter 7, Laws of 1965 as last amended by section 3, chapter 164, Laws of 1973 1st ex. sess. and RCW 35.13.020; amending section 35.13.180, chapter 7, Laws of 1965 and RCW 35.13.180; amending section 35.13.247, chapter 7, Laws of 1965 and RCW 35.13.247; amending section 35A.14.020, chapter 119, Laws of 1967 ex. sess. as amended by section 2, chapter 124, Laws of 1979 ex. sess. and RCW 35A.14.020; amending section 35A.14.300, chapter 119, Laws of 1967 ex. sess. and RCW 35A.14.300; amending section 35A.14.380, chapter 119, Laws of 1967 ex. sess. and RCW 35A.14.380; amending section 9, chapter 189, Laws of 1967 as last amended by section 12, chapter 5, Laws of 1979 ex. sess. and RCW 36.93.090; amending section 18, chapter 189, Laws of 1967 as amended by section 2, chapter 142, Laws of 1979 ex. sess. and RCW 36.93.180; and adding new sections to chapter 35.13 RCW.

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

<u>NEW SECTION.</u> Section 1. There is added to chapter 35.13 RCW a new section to read as follows:

After submission of a petition for annexation to the prosecuting attorney as required by RCW 35.13.020, the prosecuting attorney shall review the petition and determine whether in the prosecuting attorney's opinion the city or town is legally authorized to take the actions specifically requested in the petition, in the comprehensive plan, or in the provisions for creation of a community municipal corporation. If, in the opinion of the prosecuting attorney, the city or town is legally authorized to carry out all actions requested in the petition, in the comprehensive plan, or in the provisions for creation of a community municipal corporation, the prosecuting attorney

shall so certify to the county clerk. If, however, in the opinion of the prosecuting attorney, any of the actions requested in the petition, the comprehensive plan, or the provisions for creation of a community municipal corporation could not be accomplished legally by the city or town, the prosecuting attorney shall state the reasons therefore in writing and return the petition to the petitioners. No further action may be taken by any governmental body on the petition after it has been returned to the petitioners.

NEW SECTION. Sec. 2. There is added to chapter 35.13 RCW a new section to read as follows:

At any time before the date is set for an annexation election under RCW 35.13.060 or 35.13.174, all further proceedings to annex shall be terminated upon the filing of verified declarations of termination signed by:

- (1) Owners of real property consisting of at least seventy-five percent of the assessed valuation in the area proposed to be annexed; or
- (2) Seventy-five percent of the owners of real property in the area proposed to be annexed.

As used in this subsection, the term "owner" shall include individuals and corporate owners. In determining who is a real property owner for purposes of this section, all owners of a single parcel shall be considered as one owner. No owner may be entitled to sign more than one declaration of termination.

Following the termination of such proceedings, no other petition for annexation affecting any portion of the same property may be considered by any government body for a period of five years from the date of filing.

The provisions of this section shall apply only to cities with a population greater than four hundred thousand.

Sec. 3. Section 35.13.020, chapter 7, Laws of 1965 as last amended by section 3, chapter 164, Laws of 1973 1st ex. sess. and RCW 35.13.020 are each amended to read as follows:

A petition for an election to vote upon the annexation of a portion of a county to a contiguous city or town signed by qualified voters resident in the area equal in number to twenty percent of the votes cast at the last election may be filed in the office of the board of county commissioners: PROVID-ED, That any such petition shall first be submitted to the prosecuting attorney who shall, within twenty—one days after submission, certify or refuse to certify the petition as set forth in section 1 of this 1981 act. If the prosecuting attorney certifies the petition, it shall be filed with the legislative body of the city or town to which the annexation is proposed, and such legislative body shall, by resolution entered within sixty days from the date of presentation, notify the petitioners, either by mail or by publication in the same manner notice of hearing is required by RCW 35.13.040 to be published, of its approval or rejection of the proposed action. The petition may also provide for the simultaneous creation of a community municipal corporation and election of community council members as provided for in RCW

35.14.010 through 35.14.060. In approving the proposed action, the legislative body may require that there also be submitted to the electorate of the territory to be annexed, a proposition that all property within the area to be annexed shall, upon annexation be assessed and taxed at the same rate and on the same basis as the property of such annexing city or town is assessed and taxed to pay for all or any portion of the then outstanding indebtedness of the city or town to which said area is annexed, approved by the voters, contracted, or incurred prior to, or existing at, the date of annexation. ((Whenever)) Only after the legislative body has ((prepared and filed)) completed preparation and filing of a comprehensive plan for the area to be annexed as provided for in RCW 35.13.177 and 35.13.178, the legislative body in approving the proposed action, may require that the comprehensive plan be simultaneously adopted upon approval of annexation by the electorate of the area to be annexed. The approval of the legislative body shall be a condition precedent to the filing of such petition with the board of county commissioners as hereinafter provided. The costs of conducting such election shall be a charge against the city or town concerned. The proposition or questions provided for in this section may be submitted to the voters either separately or as a single proposition.

Sec. 4. Section 35.13.180, chapter 7, Laws of 1965 and RCW 35.13.180 are each amended to read as follows:

City and town councils of second and third class cities and towns may by a majority vote annex new territory outside the city or town limits, whether contiguous or noncontiguous for park, cemetery, or other municipal purposes when such territory is owned by the city or town.

Sec. 5. Section 35.13.247, chapter 7, Laws of 1965 and RCW 35.13.247 are each amended to read as follows:

If a portion of a fire protection district including at least sixty percent of the assessed valuation of the real property of the district is annexed to or incorporated into a city or town, ownership of all of the assets of the district shall be vested in the city or town, upon payment in cash, properties or contracts for fire protection services to the district within one year, of a percentage of the value of said assets equal to the percentage of the value of the real property in entire district remaining outside the incorporated or annexed area. The fire protection district may elect, by a vote of a majority of the persons residing outside the annexed area who vote on the proposition, to require the annexing city or town to assume responsibility for the provision of fire protection, and for the operation and maintenance of the district's property, facilities, and equipment throughout the district and to pay the city or town a reasonable fee for such fire protection, operation, and maintenance.

Sec. 6. Section 35A.14.020, chapter 119, Laws of 1967 ex. sess. as amended by section 2, chapter 124, Laws of 1979 ex. sess. and RCW 35A.14.020 are each amended to read as follows:

When a petition which is sufficient under the rules set forth in RCW 35A.01.040 is filed with the ((legislative body of a code city)) prosecuting attorney, calling for an election to vote upon the annexation of unincorporated territory contiguous to ((such)) a code city, describing the boundaries of the area proposed to be annexed, stating the number of voters therein as nearly as may be, and signed by qualified electors resident in such territory equal in number to ten percent of the votes cast at the last state general election therein, the prosecuting attorney shall, within twenty-one days after submission, certify or refuse to certify the petition as set forth in section 1 of this 1981 act. If the prosecuting attorney certifies the petition, it shall be transmitted to the legislative body of the code city. If the signatures on the petition are determined by the city clerk to be sufficient, the city clerk shall file with the legislative body thereof a certificate of sufficiency of the petition. Within sixty days thereafter, the legislative body shall, by resolution, notify the petitioners, either by mail or by publication in the same manner notice of hearing is required by RCW 35A.14.040 to be published, of its approval or rejection of the proposed action. In approving the proposed action, the legislative body may require that there also be submitted to the electorate of the territory to be annexed, a proposition that all property within the area to be annexed shall, upon annexation, be assessed and taxed at the same rate and on the same basis as the property of such annexing city is assessed and taxed to pay for all or any portion of the thenoutstanding indebtedness of the city to which said area is annexed, which indebtedness has been approved by the voters, contracted for, or incurred prior to, or existing at, the date of annexation. ((Whenever)) Only after the legislative body has ((prepared and filed)) completed preparation and filing of a proposed zoning regulation for the area to be annexed as provided for in RCW 35A.14.330 and 35A.14.340, the legislative body in approving the proposed action, may require that the proposed zoning regulation be simultaneously adopted upon the approval of annexation by the electorate of the area to be annexed. The approval of the legislative body shall be a condition precedent to further proceedings upon the petition. The costs of conducting the election called for in the petition shall be a charge against the city concerned.

Sec. 7. Section 35A.14.300, chapter 119, Laws of 1967 ex. sess. and RCW 35A.14.300 are each amended to read as follows:

Legislative bodies of code cities may by a majority vote annex territory outside the limits of such city whether contiguous or noncontiguous for any municipal purpose when such territory is owned by the city.

Sec. 8. Section 35A.14.380, chapter 119, Laws of 1967 ex. sess. and RCW 35A.14.380 are each amended to read as follows:

If a portion of a fire protection district including at least sixty percent of the assessed valuation of the real property of the district is annexed to or incorporated into a code city, ownership of all of the assets of the district shall be vested in the code city, upon payment in cash, properties or contracts for fire protection services to the district within one year, of a percentage of the value of said assets equal to the percentage of the value of the real property in the entire district remaining outside the incorporated or annexed area.

The fire protection district may elect, by a vote of a majority of the persons residing outside the annexed area who vote on the proposition, to require the annexing code city to assume responsibility for the provision of fire protection, and for the operation and maintenance of the district's property, facilities, and equipment throughout the district and to pay the code city a reasonable fee for such fire protection, operation, and maintenance.

Sec. 9. Section 9, chapter 189, Laws of 1967 as last amended by section 12, chapter 5, Laws of 1979 ex. sess. and RCW 36.93.090 are each amended to read as follows:

Whenever any of the following described actions are proposed in a county in which a board has been established, the initiators of the action shall file within one hundred eighty days a notice of intention with the board, which may review any such proposed actions pertaining to:

- (1) The creation, dissolution, incorporation, disincorporation, consolidation, or change in the boundary of any city, town, or special purpose district, except that a board may not review the dissolution or disincorporation of a special purpose district which was dissolved or disincorporated pursuant to the provisions of chapter 36.96 RCW; or
- (2) The assumption by any city or town of all or part of the assets, facilities, or indebtedness of a special purpose district which lies partially within such city or town; or
- (3) The establishment of or change in the boundaries of a mutual water and sewer system or separate sewer system by a water district pursuant to RCW 57.08.065; or
- (4) The extension of permanent water or sewer service outside of its existing corporate boundaries by a city, town, or special purpose district.
- Sec. 10. Section 18, chapter 189, Laws of 1967 as amended by section 2, chapter 142, Laws of 1979 ex. sess. and RCW 36.93.180 are each amended to read as follows:

The decisions of the boundary review board shall attempt to achieve the following objectives:

- (1) Preservation of natural neighborhoods and communities;
- (2) Use of physical boundaries, including but not limited to bodies of water, highways, and land contours;
 - (3) Creation and preservation of logical service areas;

- (4) Prevention of abnormally irregular boundaries;
- (5) Discouragement of multiple incorporations of small cities and encouragement of incorporation of cities in excess of ten thousand population in heavily populated urban areas;
 - (6) Dissolution of inactive special purpose districts;
 - (7) Adjustment of impractical boundaries;
- (8) Incorporation as cities or towns or annexation to cities or towns of unincorporated areas which are urban in character; and
 - (9) Protection of agricultural lands.
- (10) Provide reasonable assurance that the extension of municipal services and the additional payments to be made by the property owners of the area to be annexed in the form of taxes ((bear a reasonable relation)) will remain reasonably equal to the value of the additional municipal services to be received during a period of ten years following the effective date of the proposed annexation. This objective shall apply only to cities with a population of 400,000 or more which initiates a resolution for annexation proceedings.

<u>NEW SECTION.</u> Sec. 11. 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.

Passed the House April 20, 1981.
Passed the Senate April 15, 1981.
Approved by the Governor May 19, 1981.
Filed in Office of Secretary of State May 19, 1981.

CHAPTER 333

[House Bill No. 530]
DEATH BENEFITS—INSURANCE—SALARIES, WAGES

AN ACT Relating to death benefits; amending section .24.16, chapter 79, Laws of 1947 as last amended by section 9, chapter 199, Laws of 1979 ex. sess. and RCW 48.24.160; and amending section 2, chapter 139, Laws of 1939 as last amended by section 42, chapter 117, Laws of 1974 ex. sess. and RCW 49.48.120.

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

Section 1. Section .24.16, chapter 79, Laws of 1947 as last amended by section 9, chapter 199, Laws of 1979 ex. sess. and RCW 48.24.160 are each amended to read as follows:

There shall be a provision that any sum becoming due by reason of the death of the individual insured shall be payable to the beneficiary designated by such individual, subject to the provisions of the policy in the event there is no designated beneficiary, as to all or any part of such sum, living at the death of the individual insured and subject to any right reserved by the insurer in the policy and set forth in the certificate to pay at its option a