

## CHAPTER 332

[Substitute House Bill No. 956]

## LOCAL GOVERNMENT—PUBLIC CORPORATIONS—ESTABLISH TO CARRY OUT PUBLIC PURPOSES AND TO PERFORM PUBLIC FUNCTIONS

AN ACT Relating to local government; amending RCW 35.21.730, 35.21.745, 35.21.735, 35.21.740, 35.21.755, 39.50.010, and 39.50.040; adding new sections to chapter 35.21 RCW; and repealing RCW 35.21.725.

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

Sec. 1. Section 2, chapter 37, Laws of 1974 ex. sess. and RCW 35.21-.730 are each amended to read as follows:

In order to improve the administration of authorized federal grants or programs, ~~((including revenue sharing,))~~ to improve governmental efficiency(;) and services, ((and)) or to improve the general living conditions in the urban areas of the state, any city, town, or county ~~((utilizing federal or private funds))~~ may by lawfully adopted ordinance or resolution:

(1) Transfer to any public corporation, commission, or authority created hereunder, with or without consideration, any funds, real or personal property, property interests, or services ~~((, all of which are received from the federal government or from private sources))~~;

(2) Organize and participate in joint operations or cooperative organizations funded by the federal government when acting solely as coordinators or agents of the federal government;

(3) Continue federally-assisted programs, projects, and activities after expiration of contractual term or after expending allocated federal funds as deemed appropriate to fulfill contracts made in connection with such agreements or as may be proper to permit an orderly readjustment by participating corporations, associations, or individuals ~~((, PROVIDED, HOWEVER, That nothing herein shall be construed in a manner contrary to the provisions of Article VIII, section 7, of the Washington state Constitution))~~;

(4) Create public corporations, commissions, and authorities to: Administer and execute federal grants or programs; ((to)) receive and administer private funds, goods, or services for any lawful public purpose; ((and to)) and perform any lawful public purpose or public function. The ordinance or resolution shall limit the liability of such public corporations, commissions, and authorities to the assets and properties of such public corporation, commission, or authority in order to prevent recourse to such cities, towns, or counties or their assets or credit.

Sec. 2. Section 5, chapter 37, Laws of 1974 ex. sess. and RCW 35.21-.745 are each amended to read as follows:

Any city, town, or county which shall create a public corporation, commission, or authority pursuant to RCW 35.21.730 or 35.21.660, shall provide for its organization and operations and shall control and oversee its

operation and funds in order to correct any deficiency and to assure that the purposes of each program undertaken are reasonably accomplished.

Any public corporation, commission, or authority created as provided in RCW 35.21.730 may be empowered to own and sell real and personal property; to contract with individuals, associations, and corporations, and the state and the United States; to sue and be sued; to loan and borrow funds and issue bonds and other instruments evidencing indebtedness; transfer(~~(, with or without consideration,)~~) any funds, real or personal property, property interests, or services (~~((received from the federal government, private sources or, if otherwise legal, from a city or county))~~); to do anything a natural person may do; and to perform all manner and type of community services (~~((utilizing federal or private funds))~~): PROVIDED, That such public corporation, commission, or authority shall have no power of eminent domain nor any power to levy taxes or special assessments.

Sec. 3. Section 3, chapter 37, Laws of 1974 ex. sess. and RCW 35.21-.735 are each amended to read as follows:

The legislature hereby declares that carrying out the purposes of federal grants or programs is both a public purpose and an appropriate function for such a public corporation. The provisions of RCW (~~(35.21.725)~~) 35.21.730 through 35.21.755 and RCW 35.21.660 and 35.21.670 and the enabling authority herein conferred to implement these provisions shall be construed to accomplish the purposes of RCW (~~(35.21.725)~~) 35.21.730 through 35.21.755.

All cities, towns and counties shall have the power and authority to enter into agreements with the United States or any agency or department thereof, or any agency of the state government or its political subdivisions, and pursuant to such agreements may receive and expend federal or private funds for any lawful public purpose.

Sec. 4. Section 4, chapter 37, Laws of 1974 ex. sess and RCW 35.21-.740 are each amended to read as follows:

Powers, authorities, or rights expressly or impliedly granted to any city, town, or county or their agents under any provision of RCW (~~(35.21.725)~~) 35.21.730 through 35.21.755 shall not be operable or applicable, or have any effect beyond the limits of the incorporated area of any city or town implementing RCW (~~(35.21.725)~~) 35.21.730 through 35.21.755, unless so provided by contract between the city and another city or county.

Sec. 5. Section 7, chapter 37, Laws of 1974 ex. sess. as last amended by section 1, chapter 116, Laws of 1984 and RCW 35.21.755 are each amended to read as follows:

A public corporation, commission, or authority created pursuant to RCW 35.21.730 or 35.21.660 shall receive the same immunity or exemption

from taxation as that of the city, town, or county creating the same: PROVIDED, That, except for any property within a special review district established by ordinance prior to January 1, 1976, or listed on or which is within a district listed on any federal or state register of historical sites, any such public corporation, commission, or authority shall pay to the county treasurer an annual excise tax equal to the amounts which would be paid upon real property and personal property devoted to the purposes of such public corporation, commission, or authority were it in private ownership, and such real property and personal property is acquired and/or operated under RCW ((35.21.725)) 35.21.730 through 35.21.755, and the proceeds of such excise tax shall be allocated by the county treasurer to the various taxing authorities in which such property is situated, in the same manner as though the property were in private ownership: PROVIDED FURTHER, That the provisions of chapter 82.29A RCW shall not apply to property within a special review district established by ordinance prior to January 1, 1976, or listed on or which is within a district listed on any federal or state register of historical sites and which is controlled by a public corporation, commission, or authority created pursuant to RCW 35.21.730 or 35.21.660, which was in existence prior to January 1, 1976: AND PROVIDED FURTHER, That property within a special review district established by ordinance prior to January 1, 1976, or property which is listed on any federal or state register of historical sites and controlled by a public corporation, commission, or authority created pursuant to RCW 35.21.730 or 35.21.660, which was in existence prior to January 1, 1976, shall receive the same immunity or exemption from taxation as if such property had been within a district listed on any such federal or state register of historical sites as of January 1, 1976, and controlled by a public corporation, commission, or authority created pursuant to RCW 35.21.730 or 35.21.660 which was in existence prior to January 1, 1976.

NEW SECTION. Sec. 6. A new section is added to chapter 35.21 RCW to read as follows:

Nothing in RCW 35.21.730 through 35.21.755 shall be construed in any manner contrary to the provisions of Article VIII, section 7, of the Washington state Constitution.

NEW SECTION. Sec. 7. A new section is added to chapter 35.21 RCW to read as follows:

It is the desire of the legislature that the citizens of newly incorporated cities or towns receive uninterrupted and adequate services in the period prior to the city or town government attaining the ability to provide such service levels. In addition to the services provided under RCW \_\_\_ (section 1, chapter 143, Laws of 1985), it is the purpose of this section to permit the county or counties in which a newly incorporated city or town is located to contract with the newly incorporated city or town for the continuation of essential services until the newly incorporated city or town has attained the

ability to provide such services at least at the levels provided by the county before the incorporation. These essential services may include but are not limited to, law enforcement, road and street maintenance, drainage, and other utility services previously provided by the county before incorporation. The contract should be negotiated on the basis of the county's cost to provide services without consideration of capital assets which do not continue to be amortized for principal and interest or depreciated by the county. The exception for not considering capital assets which are no longer amortized for principal and interest or depreciated is recognition of the preexisting financial investment of citizens of the newly incorporated city or town have made in county capital assets.

Nothing in this section limits the ability of the county and the newly incorporated city or town to contract for higher service levels or for other time periods than those imposed by this section.

Sec. 8. Section 2, chapter 216, Laws of 1982 and RCW 39.50.010 are each amended to read as follows:

As used in this chapter, the following terms have the meanings indicated unless the context clearly requires otherwise.

(1) "Governing body" means the legislative authority of a municipal corporation by whatever name designated;

(2) "Local improvement district" includes local improvement districts, utility local improvement districts, road improvement districts, and other improvement districts that a municipal corporation is authorized by law to establish;

(3) "Municipal corporation" means any city, town, county, water district, sewer district, school district, port district, public utility district, metropolitan municipal corporation, public transportation benefit area, park and recreation district, irrigation district, or fire protection district or any other municipal or quasi municipal corporation described as such by statute, except joint operating agencies under chapter 43.52 RCW;

(4) "Ordinance" means an ordinance of a city or town or resolution or other instrument by which the governing body of the municipal corporation exercising any power under this chapter takes formal action and adopts legislative provisions and matters of some permanency; and

(5) "Short-term obligations" are warrants, notes, or other evidences of indebtedness, except bonds(~~(- which mature in not to exceed three years after the date thereof)).~~).

Sec. 9. Section 5, chapter 216, Laws of 1982 as amended by section 2, chapter 71, Laws of 1985 and RCW 39.50.040 are each amended to read as follows:

Short-term obligations may, from time to time, be renewed or refunded by the issuance of short-term obligations and may be funded by the issuance of revenue, local improvement district, special assessment, or general obligation bonds. Short-term obligations payable from taxes shall not be

renewed or refunded to a date later than six months from the end of the fiscal year in which the original short-term obligation was issued. For the purpose of this section, short-term obligations issued in anticipation of the sale of general obligation bonds shall not be considered to be short-term obligations payable from taxes.

NEW SECTION. Sec. 10. Section 1, chapter 37, Laws of 1974 ex. sess. and RCW 35.21.725 are each repealed.

Passed the House April 28, 1985.

Passed the Senate April 28, 1985.

Approved by the Governor May 16, 1985.

Filed in Office of Secretary of State May 16, 1985.

## CHAPTER 333

[Substitute House Bill No. 660]

### PRIVATE CARRIERS—DRIVER QUALIFICATIONS AND HOURS OF SERVICE STANDARDS

AN ACT Relating to private carriers; adding a new chapter to Title 46 RCW; and prescribing penalties.

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

NEW SECTION. Sec. 1. The Washington state patrol may adopt rules establishing standards for qualifications and hours of service of drivers for private carriers as defined by RCW 81.80.010(6). Such standards shall correlate with and, as far as reasonable, conform to the regulations contained in Title 49 C.F.R., Chapter 3, Subchapter B, Parts 391 and 395, on the effective date of this act. At least thirty days before filing notice of the proposed rules with the code reviser, the state patrol shall submit them to the legislative transportation committee for review.

NEW SECTION. Sec. 2. The delegation of rule-making authority contained in section 1 of this act is conditioned upon the continued receipt of federal funds or grants for the support of state enforcement of such rules. Within ninety days of finding that federal funds or grants are withdrawn or not renewed, the Washington state patrol and the Washington utilities and transportation commission shall repeal any and all rules adopted under section 1 of this act.

NEW SECTION. Sec. 3. A violation of any rule adopted by the Washington state patrol under section 1 of this act is a traffic infraction.

NEW SECTION. Sec. 4. Sections 1 through 3 of this act shall constitute a new chapter in Title 46 RCW.

Passed the House April 28, 1985.

Passed the Senate April 27, 1985.

Approved by the Governor May 16, 1985.

Filed in Office of Secretary of State May 16, 1985.