

The department of labor and industries shall conduct a study of the program established by section 1 of this act. The study shall be funded by a special assessment on all self-insured employers. The study and the special assessment shall be conducted under department rules adopted pursuant to chapter 34.04 RCW. The department shall make periodic reports on the study to the joint select committee on industrial insurance, or to the commerce and labor committees of the senate and house of representatives, or the appropriate successor committees, and to the workers' compensation advisory committee. The initial report shall be made by January 1, 1987, with quarterly reports made thereafter. A final report shall be made to the legislature at the commencement of the 1988 regular legislative session.

This section shall expire on July 1, (~~(+1988)~~) 1990.

**NEW SECTION.** Sec. 15. A new section is added to chapter 51.32 RCW to read as follows:

The increases in benefits in RCW 51.32.050, 51.32.060, 51.32.090, and 51.32.180, contained in chapter . . . (EHB 1396), Laws of 1988 do not affect a retrospective rating agreement entered into by any employer with the department before July 1, 1988.

**NEW SECTION.** Sec. 16. The department shall adopt a rule pursuant to chapter 34.04 RCW that claims based on mental conditions or mental disabilities caused by stress do not fall within the definition of occupational disease in RCW 51.08.140.

**NEW SECTION.** Sec. 17. Section 4 of this act shall take effect on June 30, 1989. Sections 1, 2, 3, and 6 of this act shall take effect on July 1, 1988.

Passed the House March 7, 1988.

Passed the Senate March 6, 1988.

Approved by the Governor March 21, 1988.

Filed in Office of Secretary of State March 21, 1988.

## CHAPTER 162

[Engrossed Substitute House Bill No. 1511]

### WATER DISTRICTS AND SEWER DISTRICTS—POWERS AND DUTIES REVISED

AN ACT Relating to water districts and sewer districts; amending RCW 56.08.090, 57.08.016, 56.16.135, 57.20.135, 56.02.060, 56.02.070, 57.02.040, 56.24.070, and 57.24.010; adding a new section to chapter 56.02 RCW; adding a new section to chapter 57.06 RCW; adding a new section to chapter 56.36 RCW; adding a new section to chapter 57.40 RCW; creating a new section; and declaring an emergency.

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

Sec. 1. Section 2, chapter 51, Laws of 1953 as amended by section 2, chapter 103, Laws of 1984 and RCW 56.08.090 are each amended to read as follows:

(1) Subject to the provisions of subsection (2) of this section, no real property of the district shall be sold for less than ninety percent of the value thereof as established by a written appraisal made not more than six months prior to the date of sale by three disinterested real estate brokers licensed under the laws of the state or professionally designated real estate appraisers as defined in RCW 74.46.020. The appraisal shall be signed by the appraisers and filed with the secretary of the board of commissioners of the district, who shall keep it at the office of the district open to public inspection. Any notice of intention to sell real property of the district shall recite the appraised value thereof: PROVIDED, That there shall be no private sale of real property where the appraised value exceeds the sum of five hundred dollars.

(2) If no purchasers can be obtained for the property at ninety percent or more of its appraised value after one hundred eighty days of offering the property for sale, the board of commissioners of the sewer district may adopt a resolution stating that the district has been unable to sell the property at the ninety percent amount. The sewer district then may sell the property at the highest price it can obtain at public auction. A notice of intention to sell at public auction shall be published once a week for three consecutive weeks in a newspaper of general circulation in the sewer district. The last publication shall be at least twenty days but not more than thirty days before the date of sale. The notice shall describe the property, state the time and place at which it will be offered for sale and the terms of sale, and shall call for bids, fix the conditions thereof, and reserve the right to reject any and all bids.

Sec. 2. Section 2, chapter 50, Laws of 1953 as amended by section 3, chapter 103, Laws of 1984 and RCW 57.08.016 are each amended to read as follows:

(1) Subject to the provisions of subsection (2) of this section, no real property of the district shall be sold for less than ninety percent of the value thereof as established by a written appraisal made not more than six months prior to the date of sale by three disinterested real estate brokers licensed under the laws of the state or professionally designated real estate appraisers as defined in RCW 74.46.020. The appraisal shall be signed by the appraisers and filed with the secretary of the board of commissioners of the district, who shall keep it at the office of the district open to public inspection. Any notice of intention to sell real property of the district shall recite the appraised value thereof: PROVIDED, That there shall be no private sale of real property where the appraised value exceeds the sum of five hundred dollars.

(2) If no purchasers can be obtained for the property at ninety percent or more of its appraised value after one hundred eighty days of offering the property for sale, the board of commissioners of the water district may

adopt a resolution stating that the district has been unable to sell the property at the ninety percent amount. The water district then may sell the property at the highest price it can obtain at public auction. A notice of intention to sell at public auction shall be published once a week for three consecutive weeks in a newspaper of general circulation in the water district. The last publication shall be at least twenty days but not more than thirty days before the date of sale. The notice shall describe the property, state the time and place at which it will be offered for sale and the terms of sale, and shall call for bids, fix the conditions thereof, and reserve the right to reject any and all bids.

NEW SECTION. Sec. 3. A new section is added to chapter 56.36 RCW to read as follows:

A person who serves on the board of commissioners of a water district that merges under this chapter into a sewer district, for which the person also serves on the board of commissioners, shall only hold one position on the board of commissioners of the district that results from the merger and shall only receive compensation, expenses, and benefits that are available to a single commissioner.

NEW SECTION. Sec. 4. A new section is added to chapter 57.40 RCW to read as follows:

A person who serves on the board of commissioners of a sewer district that merges under this chapter into a water district, for which the person also serves on the board of commissioners, shall only hold one position on the board of commissioners of the district that results from the merger and shall only receive compensation, expenses, and benefits that are available to a single commissioner.

Sec. 5. Section 1, chapter 139, Laws of 1971 ex. sess. and RCW 56.02.060 are each amended to read as follows:

Notwithstanding any provision of law to the contrary, no sewer district shall be formed or reorganized under chapter 56.04 RCW, nor shall any sewer district annex territory under chapter 56.24 RCW, nor shall any sewer district withdraw territory under chapter 56.28 RCW, nor shall any sewer district consolidate or be merged under chapter 56.32 RCW, nor shall any water district be merged into a sewer district under chapter 56.36 RCW, unless such proposed action shall be approved as provided for in RCW 56.02.070.

The county legislative authority shall within thirty days after receiving notice of the proposed action, approve such action or hold a hearing on such action. In addition, a copy of such proposed action shall be mailed to the state department of ecology and to the state department of social and health services.

The county legislative authority shall decide within sixty days of a hearing whether to approve or not approve such proposed action. In approving or not approving the proposed action, the county legislative authority shall consider the following criteria:

(1) Whether the proposed action in the area under consideration is in compliance with the development program which is outlined in the county comprehensive plan and its supporting documents; and/or

(2) Whether the proposed action in the area under consideration is in compliance with the basinwide water and/or sewage plan as approved by the state department of ecology and the state department of social and health services; and/or

(3) Whether the proposed action is in compliance with the policies expressed in the county plan for water and/or sewage facilities.

If the proposed action is inconsistent with subsections (1), (2), or (3) of this section, the county legislative authority shall not approve it. If such action is consistent with all such subsections, the county legislative authority shall approve it unless it finds that utility service in the area under consideration will be most appropriately served by the county itself under the provisions of chapter 36.94 RCW, by a city, town, or municipality, or by another existing special purpose district rather than by the proposed action under consideration. If there has not been adopted for the area under consideration a plan under any one of subsections (1), (2) or (3) of this section, the proposed action shall not be found inconsistent with such subsection.

Where a sewer district is proposed to be formed, and where no boundary review board has been established, the petition described in RCW 56-.04.030 shall serve as the notice of proposed action under this section, and the hearing provided for in RCW 56.04.040 shall serve as the hearing provided for in this section and in RCW 56.02.070.

Sec. 6. Section 3, chapter 139, Laws of 1971 ex. sess. and RCW 56-.02.070 are each amended to read as follows:

In any county where a boundary review board, as provided in chapter 36.93 RCW, has not been established, the approval of the proposed action shall be by the county legislative authority pursuant to RCW 56.02.060 and 57.02.040, and shall be final and the procedures required to adopt such proposed action shall be followed as provided by law.

In any county where a boundary review board, as provided in chapter 36.93 RCW, has been established, notice of intention of the proposed action shall be filed with the board as required by RCW 36.93.090 and a copy thereof with the legislative authority. The latter shall transmit to the board a report of its approval or disapproval of the proposed action together with its findings and recommendations thereon under the provisions of RCW 56-.02.060 and 57.02.040. If the county legislative authority has approved of the proposed action, such approval shall be final and the procedures required to adopt such proposal shall be followed as provided by law, unless

the board reviews the action under the provisions of RCW 36.93.100 through 36.93.180. If the county legislative authority has not approved the proposed action, the board shall review the action under the provisions of RCW 36.93.150 through 36.93.180. Action of the board after review of the proposed action shall supersede approval or disapproval by the county legislative authority.

Where a water or sewer district is proposed to be formed, and where no boundary review board has been established, the hearings provided for in RCW 56.04.040 and 57.04.030 shall serve as the hearing provided for in this section, in RCW 56.02.060, and in RCW 57.02.040.

Sec. 7. Section 2, chapter 139, Laws of 1971 ex. sess. and RCW 57-.02.040 are each amended to read as follows:

Notwithstanding any provision of law to the contrary, no water district shall be formed or reorganized under chapter 57.04 RCW, nor shall any water district annex territory under chapter 57.24 RCW, nor shall any water district withdraw territory under chapter 57.28 RCW, nor shall any water district consolidate under chapter 57.32 RCW, nor shall any water district be merged under chapter 57.36 RCW, nor shall any sewer district be merged into a water district under chapter 57.40 RCW, unless such proposed action shall be approved as provided for in RCW 56.02.070.

The county legislative authority shall within thirty days of the date after receiving notice of the proposed action, approve such action or hold a hearing on such action. In addition, a copy of such proposed action shall be mailed to the state department of ecology and to the state department of social and health services.

The county legislative authority shall decide within sixty days of a hearing whether to approve or not approve such proposed action. In approving or not approving the proposed action, the county legislative authority shall consider the following criteria:

(1) Whether the proposed action in the area under consideration is in compliance with the development program which is outlined in the county comprehensive plan and its supporting documents; and/or

(2) Whether the proposed action in the area under consideration is in compliance with the basinwide water and/or sewage plan as approved by the state department of ecology and the state department of social and health services; and/or

(3) Whether the proposed action is in compliance with the policies expressed in the county plan for water and/or sewage facilities.

If the proposed action is inconsistent with subsections (1), (2), or (3) of this section, the county legislative authority shall not approve it. If such action is consistent with all such subsections, the county legislative authority shall approve it unless it finds that utility service in the area under consideration will be most appropriately served by the county itself under the provisions of chapter 36.94 RCW, by a city, town, or municipality, or by

another existing special purpose district rather than by the proposed action under consideration. If there has not been adopted for the area under consideration a plan under any one of subsections (1), (2) or (3) of this section, the proposed action shall not be found inconsistent with such subsection.

Where a water district is proposed to be formed, and where no boundary review board has been established, the petition described in RCW 57.04.030 shall serve as the notice of proposed action under this section, and the hearing provided for in RCW 57.04.030 shall serve as the hearing provided for in this section and in RCW 56.02.070.

**NEW SECTION.** Sec. 8. A new section is added to chapter 56.02 RCW to read as follows:

The existence of all sewer districts formed in counties without a boundary review board in compliance with the requirements of chapter 56.04 RCW, whether or not the requirements of RCW 56.02.060 and 56.02.070 were satisfied, is validated and such districts shall be deemed to be legally formed.

**NEW SECTION.** Sec. 9. A new section is added to chapter 57.06 RCW to read as follows:

The existence of all water districts formed in counties without a boundary review board in compliance with the requirements of chapter 57.04 RCW, whether or not the requirements of RCW 57.02.040 and 56.02.070 were satisfied, is validated and such districts shall be deemed to be legally formed.

Sec. 10. Section 2, chapter 57, Laws of 1983 and RCW 56.16.135 are each amended to read as follows:

Upon obtaining the approval of the county treasurer, the board of commissioners of a sewer district with more than twenty-five hundred customers may designate by resolution some other person having experience in financial or fiscal matters as the treasurer of the district. Such a treasurer shall possess all of the powers, responsibilities, and duties ~~((that))~~ of, and shall be subject to the same restrictions as provided by law for, the county treasurer ((and auditor possess for a sewer district related to creating and maintaining funds, issuing warrants, and investing surplus district funds)) with regard to a sewer district, and the county auditor with regard to sewer district financial matters. Such treasurer shall be bonded for not less than twenty-five thousand dollars. Approval by the county treasurer authorizing such a sewer district to designate its treasurer shall not be arbitrarily or capriciously withheld.

Sec. 11. Section 4, chapter 57, Laws of 1983 and RCW 57.20.135 are each amended to read as follows:

Upon obtaining the approval of the county treasurer, the board of commissioners of a water district with more than twenty-five hundred customers may designate by resolution some other person having experience in

financial or fiscal matters as the treasurer of the district. Such a treasurer shall possess all of the powers, responsibilities, and duties ~~((that))~~ of, and shall be subject to the same restrictions as provided by law for, the county treasurer ((and auditor possess for a water district related to creating and maintaining funds, issuing warrants, and investing surplus district funds)) with regard to a water district, and the county auditor with regard to water district financial matters. Such treasurer shall be bonded for not less than twenty-five thousand dollars. Approval by the county treasurer authorizing such a water district to designate its treasurer shall not be arbitrarily or capriciously withheld.

NEW SECTION. Sec. 12. Any action taken by a sewer district treasurer or water district treasurer prior to the effective date of this section and consistent with sections 10 and 11 of this act is ratified and confirmed.

Sec. 13. Section 1, chapter 11, Laws of 1967 ex. sess. as last amended by section 56, chapter 469, Laws of 1985 and RCW 56.24.070 are each amended to read as follows:

~~((The))~~ Territory adjoining or in close proximity to a district may be annexed to and become a part of the district. In addition, any nonadjoining territory in a county of the fifth class or smaller composed entirely of islands may be annexed to and become part of a district operating within the county. All annexations shall be accomplished in the following manner: Twenty percent of the number of registered voters residing in the territory proposed to be annexed who voted at the last election may file a petition with the district commissioners and cause the question to be submitted to the electors of the territory whether the territory will be annexed and become a part of the district. If the commissioners concur in the petition, they shall file it with the county election officer, who shall, within ten days, examine the signatures thereon and certify to the sufficiency or insufficiency thereof; and for such purpose the county election officer shall have access to all registration books in the possession of the officers of any city or town in the proposed district. If the petition contains a sufficient number of signatures, the election officer shall transmit it, together with a certificate of sufficiency attached thereto to the sewer commissioners of the district. If there are no electors residing in the territory to be annexed, the petition may be signed by such a number as appear of record to own at least a majority of the acreage in the territory, and the petition shall disclose the total number of acres of land in the territory and the names of all record owners of land therein. If the commissioners are satisfied as to the sufficiency of the petition and concur therein, they shall send it, together with their certificate of concurrence attached thereto to the county legislative authority.

The county legislative authority, upon receipt of a petition certified to contain a sufficient number of signatures of electors, or upon receipt of a petition signed by such a number as own at least a majority of the acreage,

together with a certificate of concurrence signed by the sewer commissioners, at a regular or special meeting shall cause to be published once a week for at least two weeks in a newspaper in general circulation throughout the territory proposed to be annexed a notice that the petition has been filed, stating the time of the meeting at which it shall be presented, and setting forth the boundaries of the territory proposed to be annexed.

Sec. 14. Section 15, chapter 18, Laws of 1959 as amended by section 21, chapter 17, Laws of 1982 1st ex. sess. and RCW 57.24.010 are each amended to read as follows:

~~((The))~~ Territory adjoining or in close proximity to a district may be annexed to and become a part of the district. In addition, any nonadjoining territory in a county of the fifth class or smaller composed entirely of islands may be annexed to and become part of a district operating within the county. All annexations shall be accomplished in the following manner: Twenty percent of the number of registered voters residing in the territory proposed to be annexed who voted at the last election may file a petition with the district commissioners and cause the question to be submitted to the electors of the territory whether such territory will be annexed and become a part of the district. If the commissioners concur in the petition, they shall file it with the county election officer of each county in which the real property proposed to be annexed is located, who shall, within ten days, examine and validate the signatures thereon and certify to the sufficiency or insufficiency thereof; and for such purpose the county election officer shall have access to all registration books in the possession of the officers of any city or town in the proposed district. If the petition contains a sufficient number of signatures, the county election officer of the county in which the real property proposed to be annexed is located shall transmit it, together with a certificate of sufficiency attached thereto to the water commissioners of the district. If there are no electors residing in the territory to be annexed, the petition may be signed by such a number as appear of record to own at least a majority of the acreage in the territory, and the petition shall disclose the total number of acres of land in the territory and the names of all record owners of land therein. If the commissioners are satisfied as to the sufficiency of the petition and concur therein, they shall send it, together with their certificate of concurrence attached thereto to the county legislative authority of each county in which the territory proposed to be annexed is located.

The county legislative authority, upon receipt of a petition certified to contain a sufficient number of signatures of electors, or upon receipt of a petition signed by such a number as own at least a majority of the acreage, together with a certificate of concurrence signed by the water commissioners, at a regular or special meeting shall cause to be published once a week for at least two weeks in a newspaper in general circulation throughout the territory proposed to be annexed a notice that the petition has been filed,



stating the time of the meeting at which it shall be presented, and setting forth the boundaries of the territory proposed to be annexed.

**NEW SECTION.** Sec. 15. This act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state government and its existing public institutions, and shall take effect immediately.

Passed the House March 5, 1988.

Passed the Senate March 2, 1988.

Approved by the Governor March 21, 1988.

Filed in Office of Secretary of State March 21, 1988.

## CHAPTER 163

[Second Substitute House Bill No. 1565]

### SHELTER SERVICES FOR ALCOHOL AND DRUG ABUSERS MAY BE USED BY HOMELESS—TREATMENT PROGRAM REVISIONS

AN ACT Relating to alcoholism and drug addiction treatment; amending RCW 74.50.010, 74.50.030, 74.50.050, and 74.50.060; creating new sections; and declaring an emergency.

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

Sec. 1. Section 2, chapter 406, Laws of 1987 and RCW 74.50.010 are each amended to read as follows:

The legislature finds:

(1) There is a need for reevaluation of state policies and programs regarding indigent alcoholics and drug addicts;

(2) The practice of providing a cash grant may be causing rapid case-load growth and attracting transients to the state;

(3) Many chronic public inebriates have been recycled through county detoxification centers repeatedly without apparent improvement;

(4) The assumption that all individuals will recover through treatment has not been substantiated;

(5) The state must modify its policies and programs for alcoholics and drug addicts and redirect its resources in the interests of these individuals, the community, and the taxpayers; and

(6) Treatment resources should be focused on persons willing to commit to rehabilitation; and

(7) ~~((Shelter assistance is an essential service necessary to prevent homelessness and meet the basic needs of indigent alcoholics and drug addicts))~~ It is the intent of the legislature that, to the extent possible, shelter services be developed under this chapter that do not result in the displacement of existing emergency shelter beds. To the extent that shelter operators do not object, it is the intent of the legislature that any vacant shelter beds contracted for under this chapter be made available to provide emergency temporary shelter to homeless individuals.