

SUBSTITUTE SENATE BILL 5138

State of Washington

64th Legislature

2015 Regular Session

By Senate Government Operations & Security (originally sponsored by Senators Roach, Llias, and Keiser; by request of Office of Financial Management)

READ FIRST TIME 02/11/15.

1 AN ACT Relating to notice and review processes for annexations,
2 deannexations, incorporations, disincorporations, consolidations, and
3 boundary line adjustments under Titles 35 and 35A RCW; amending RCW
4 35.02.030, 35.02.037, 35.02.070, 35.02.100, 35.02.130, 35.07.020,
5 35.07.040, 35.07.230, 35A.15.010, 35A.15.040, 35.10.265, 35.10.400,
6 35.10.410, 35.10.420, 35.13.010, 35.13.020, 35.13.100, 35.13.130,
7 35.13.150, 35.13.180, 35.13.182, 35.13.1822, 35.13.185, 35.13.190,
8 35.13.238, 35.13.260, 35.13.300, 35.13.420, 35.13.440, 35.13.480,
9 35.13.490, 35.16.010, 35.16.040, 35A.14.010, 35A.14.020, 35A.14.090,
10 35A.14.130, 35A.14.140, 35A.14.295, 35A.14.297, 35A.14.300,
11 35A.14.310, 35A.14.430, 35A.14.440, 35A.14.460, 35A.14.470,
12 35A.14.480, 35A.14.490, 35A.14.700, 35A.16.010, and 35A.16.040; and
13 adding a new section to chapter 43.41 RCW.

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

15 **OFM REVIEW AND APPROVAL**

16 NEW SECTION. **Sec. 1.** A new section is added to chapter 43.41
17 RCW to read as follows:

18 (1) The initiator of a proposed action regarding (a) annexation,
19 (b) deannexation, (c) incorporation, (d) disincorporation, (e)
20 consolidation of cities, or (f) boundary line adjustment under Titles

1 35 and 35A RCW must file notice of intention with the office of
2 financial management for its review within three days of initial
3 acceptance or approval of the proposed action by the appropriate
4 entity, except if the initiator is the legislative body of a
5 government unit, the notice of intention must be filed immediately
6 following the legislative body's initial acceptance or approval of
7 the action.

8 (2) The notice of intention must be submitted with the following:

9 (a) A legal description of the proposed annexation, deannexation,
10 incorporation, disincorporation, consolidation, or boundary line
11 adjustment, which must be approved by the office of financial
12 management before subsequent notices regarding the proposed action
13 are filed;

14 (b) A map showing the specific territory boundaries of the
15 proposed annexation, deannexation, incorporation, disincorporation,
16 consolidation, or boundary line adjustment;

17 (c) The proposed action or resolution, if applicable;

18 (d) Parcel numbers of affected properties, if applicable; and

19 (e) Street addresses of affected properties, if applicable, but
20 excluding the names of owners and residents.

21 (3) Within thirty days of receipt of notice of intention, the
22 office of financial management must review and approve the documents
23 submitted under the notice, but may only deny approval of the
24 proposed action if any of the following occur:

25 (a) Except for city consolidations and boundary line adjustments,
26 the ordinance or resolution includes any territory that is part of
27 another city or that is already part of the city boundaries;

28 (b) The territory to be annexed, deannexed, or incorporated, or
29 subject to consolidation is not contiguous to existing city
30 boundaries;

31 (c) The proposed action or resolution does not include or
32 excludes the full right-of-way when roads are being used as part of
33 the city boundary;

34 (d) Except for municipal purpose annexations, the proposed action
35 or resolution includes any territory that is outside of an urban
36 growth area in counties that are required or choose to plan under RCW
37 36.70A.040; or

38 (e) The map of the territory to be annexed, deannexed,
39 incorporated, disincorporated, consolidated, or subject to boundary

1 line adjustment is not an accurate representation of the legal
2 description.

3 (4) If the office of financial management denies approval of a
4 proposed action under subsection (3) of this section, it must, within
5 three days of the denial, provide written notice of the reason or
6 reasons for denial to the affected government unit or units or, in
7 the case of a city incorporation, the incorporation initiators.

8 (5) The office of financial management must post required
9 documents as described in subsection (2) of this section on its web
10 site and notify the department of transportation. The office of
11 financial management must produce an annexation, deannexation,
12 incorporation, disincorporation, city consolidation, and boundary
13 line adjustment report thirty days prior to the commencement of each
14 quarterly period, post the report on its web site, and notify state
15 entities pursuant to RCW 35.13.260 and 35A.14.700.

16 (6) The requirements for the office of financial management to
17 approve of initiated actions under this section does not affect the
18 authority of boundary review boards to review and approve,
19 disapprove, or modify actions subject to their review under chapter
20 36.93 RCW.

21 (7) For purposes of this section, "contiguous" means that
22 territory proposed to be annexed, deannexed, incorporated, or
23 consolidated touches or is in physical contact with a city boundary,
24 though the contact must be more than a single point. Territory
25 connected to a city only by a public right-of-way, where the edge of
26 the right-of-way does not constitute part of the city boundary, is
27 not considered contiguous for purposes of this section.

28 **PART I - INCORPORATION**

29 **Sec. 101.** RCW 35.02.030 and 1994 c 216 s 3 are each amended to
30 read as follows:

31 The petition for incorporation shall: (1) Indicate whether the
32 proposed city or town shall be a noncharter code city operating under
33 Title 35A RCW, or a city or town operating under Title 35 RCW; (2)
34 indicate the form or plan of government the city or town is to have;
35 (3) set forth and particularly describe the proposed boundaries of
36 the proposed city or town; (4) state the name of the proposed city or
37 town; (5) state the number of inhabitants therein, as (~~nearly as may~~
38 ~~be~~) determined by the office of financial management through use of

1 its small area estimate program; and (6) pray that the city or town
2 be incorporated. The petition shall conform to the requirements for
3 form prescribed in RCW 35A.01.040. The petition shall include the
4 identification number provided under RCW 35.02.017 and state the last
5 date by which the petition may be filed, as determined under RCW
6 35.02.020.

7 If the proposed city or town is located in more than one county,
8 the petition shall be prepared in such a manner as to indicate the
9 different counties within which the signators reside.

10 A city or town operating under Title 35 RCW may have a mayor/
11 council, council/manager, or commission form of government. A city
12 operating under Title 35A RCW may have a mayor/council or council/
13 manager plan of government.

14 If the petition fails to specify the matters described in
15 subsection (1) of this section, the proposal shall be to incorporate
16 as a noncharter code city. If the petition fails to specify the
17 matter described in subsection (2) of this section, the proposal
18 shall be to incorporate with a mayor/council form or plan of
19 government.

20 **Sec. 102.** RCW 35.02.037 and 1986 c 234 s 6 are each amended to
21 read as follows:

22 The county auditor who certifies the sufficiency of the petition
23 shall notify the person or persons who submitted the petition of its
24 sufficiency within five days of when the determination of sufficiency
25 is made. Notice shall be by certified mail and may additionally be
26 made by telephone. The petitioners must file notice of the proposed
27 action with the office of financial management for its review and
28 approval pursuant to section 1 of this act. If a boundary review
29 board or boards exists in the county or counties in which the
30 proposed city or town is located, the petitioners (~~shall~~) must also
31 file notice of the proposed incorporation with the boundary review
32 board or boards.

33 **Sec. 103.** RCW 35.02.070 and 1994 c 216 s 17 are each amended to
34 read as follows:

35 (1) If a county legislative authority holds a public hearing on a
36 proposed incorporation, it shall establish and define the boundaries
37 of the proposed city or town, being authorized to decrease or
38 increase the area proposed in the petition under the same

1 restrictions that a boundary review board may modify the proposed
2 boundaries. The ~~((county legislative authority, or the boundary
3 review board if it takes jurisdiction, shall))~~ office of financial
4 management must determine the number of inhabitants within the
5 proposed boundaries ((it has established)) through use of its small
6 area estimate program. If the boundary review board modifies the
7 proposed boundaries, the county legislative authority must notify the
8 office of financial management of the modifications.

9 (2) A county legislative authority shall disapprove the proposed
10 incorporation if, without decreasing the area proposed in the
11 petition, it does not conform with RCW 35.02.010. A county
12 legislative authority may not otherwise disapprove a proposed
13 incorporation.

14 (3) A county legislative authority or boundary review board has
15 jurisdiction only over that portion of a proposed city or town
16 located within the boundaries of the county.

17 **Sec. 104.** RCW 35.02.100 and 1986 c 234 s 13 are each amended to
18 read as follows:

19 The notice of election on the question of the incorporation shall
20 be given as provided by RCW ~~((29.27.080))~~ 29A.52.355 but shall
21 further describe the boundaries of the proposed city or town, its
22 name, and the number of inhabitants ~~((ascertained by the county
23 legislative authority or the boundary review board to reside in it))~~
24 as determined by the office of financial management through use of
25 its small area estimate program.

26 **Sec. 105.** RCW 35.02.130 and 2011 c 60 s 15 are each amended to
27 read as follows:

28 Subject to approval of the proposed action by the office of
29 financial management pursuant to section 1 of this act, the city or
30 town officially shall become incorporated at a date from one hundred
31 eighty days to three hundred sixty days after the date of the
32 election on the question of incorporation. An interim period shall
33 exist between the time the newly elected officials have been elected
34 and qualified and this official date of incorporation. During this
35 interim period, the newly elected officials are authorized to adopt
36 ordinances and resolutions which shall become effective on or after
37 the official date of incorporation, and to enter into contracts and
38 agreements to facilitate the transition to becoming a city or town

1 and to ensure a continuation of governmental services after the
2 official date of incorporation. Periods of time that would be
3 required to elapse between the enactment and effective date of such
4 ordinances, including but not limited to times for publication or for
5 filing referendums, shall commence upon the date of such enactment as
6 though the city or town were officially incorporated.

7 During this interim period, the city or town governing body may
8 adopt rules establishing policies and procedures under the state
9 environmental policy act, chapter 43.21C RCW, and may use these rules
10 and procedures in making determinations under the state environmental
11 policy act, chapter 43.21C RCW.

12 During this interim period, the newly formed city or town and its
13 governing body shall be subject to the following as though the city
14 or town were officially incorporated: RCW 4.24.470 relating to
15 immunity; chapter 42.17A RCW relating to open government; chapter
16 42.56 RCW relating to public records; chapter 40.14 RCW relating to
17 the preservation and disposition of public records; chapters 42.20
18 and 42.23 RCW relating to ethics and conflicts of interest; chapters
19 42.30 and 42.32 RCW relating to open public meetings and minutes; RCW
20 35.22.288, 35.23.221, 35.27.300, 35A.12.160, as appropriate, and
21 chapter 35A.65 RCW relating to the publication of notices and
22 ordinances; RCW 35.21.875 and 35A.21.230 relating to the designation
23 of an official newspaper; RCW 36.16.138 relating to liability
24 insurance; RCW 35.22.620, 35.23.352, and 35A.40.210, as appropriate,
25 and statutes referenced therein relating to public contracts and
26 bidding; and chapter 39.34 RCW relating to interlocal cooperation.
27 Tax anticipation or revenue anticipation notes or warrants and other
28 short-term obligations may be issued and funds may be borrowed on the
29 security of these instruments during this interim period, as provided
30 in chapter 39.50 RCW. Funds also may be borrowed from federal, state,
31 and other governmental agencies in the same manner as if the city or
32 town were officially incorporated.

33 RCW 84.52.020 and 84.52.070 shall apply to the extent that they
34 may be applicable, and the governing body of such city or town may
35 take appropriate action by ordinance during the interim period to
36 adopt the property tax levy for its first full calendar year
37 following the interim period.

38 The governing body of the new city or town may acquire needed
39 facilities, supplies, equipment, insurance, and staff during this
40 interim period as if the city or town were in existence. An interim

1 city manager or administrator, who shall have such administrative
2 powers and duties as are delegated by the governing body, may be
3 appointed to serve only until the official date of incorporation.
4 After the official date of incorporation the governing body of such a
5 new city organized under the council manager form of government may
6 extend the appointment of such an interim manager or administrator
7 with such limited powers as the governing body determines, for up to
8 ninety days. This governing body may submit ballot propositions to
9 the voters of the city or town to authorize taxes to be collected on
10 or after the official date of incorporation, or authorize an
11 annexation of the city or town by a fire protection district or
12 library district to be effective immediately upon the effective date
13 of the incorporation as a city or town.

14 The boundaries of a newly incorporated city or town shall be
15 deemed to be established for purposes of RCW 84.09.030 on the date
16 that the results of the initial election on the question of
17 incorporation are certified or the first day of January following the
18 date of this election if the newly incorporated city or town does not
19 impose property taxes in the same year that the voters approve the
20 incorporation.

21 The newly elected officials shall take office immediately upon
22 their election and qualification with limited powers during this
23 interim period as provided in this section. They shall acquire their
24 full powers as of the official date of incorporation and shall
25 continue in office until their successors are elected and qualified
26 at the next general municipal election after the official date of
27 incorporation: PROVIDED, That if the date of the next general
28 municipal election is less than twelve months after the date of the
29 first election of councilmembers, those initially elected
30 councilmembers shall serve until their successors are elected and
31 qualified at the next following general municipal election as
32 provided in RCW (~~29A.20.040~~) 29A.60.280. For purposes of this
33 section, the general municipal election shall be the date on which
34 city and town general elections are held throughout the state of
35 Washington, pursuant to RCW 29A.04.330.

36 In any newly incorporated city that has adopted the council-
37 manager form of government, the term of office of the mayor, during
38 the interim period only, shall be set by the council, and thereafter
39 shall be as provided by law.

1 The official date of incorporation shall be on a date from one
2 hundred eighty to three hundred sixty days after the date of the
3 election on the question of incorporation, as specified in a
4 resolution adopted by the governing body during this interim period.
5 A copy of the resolution shall be filed with the county legislative
6 authority of the county in which all or the major portion of the
7 newly incorporated city or town is located. If the governing body
8 fails to adopt such a resolution, the official date of incorporation
9 shall be three hundred sixty days after the date of the election on
10 the question of incorporation. The county legislative authority of
11 the county in which all or the major portion of the newly
12 incorporated city or town is located shall file a notice with the
13 county assessor that the city or town has been authorized to be
14 incorporated immediately after the favorable results of the election
15 on the question of incorporation have been certified. The county
16 legislative authority shall file a notice with the secretary of state
17 and the office of financial management that the city or town is
18 incorporated as of the official date of incorporation.

19 **PART II - DISINCORPORATION**

20 **Sec. 201.** RCW 35.07.020 and 1965 c 7 s 35.07.020 are each
21 amended to read as follows:

22 The petition for disincorporation must be signed by a majority of
23 the registered voters thereof and filed with the city or town
24 council. The petitioners must also file notice of the proposed action
25 with the office of financial management for its review and approval
26 pursuant to section 1 of this act.

27 **Sec. 202.** RCW 35.07.040 and 1997 c 361 s 4 are each amended to
28 read as follows:

29 The council shall cause an election to be called upon the
30 proposition of disincorporation. The council must also file notice of
31 the proposed action with the office of financial management for its
32 review and approval pursuant to section 1 of this act. If the city or
33 town has any indebtedness or outstanding liabilities, it shall order
34 the election of a receiver at the same time.

35 **Sec. 203.** RCW 35.07.230 and 1995 c 301 s 34 are each amended to
36 read as follows:

1 Immediately after the filing of the statement of an annexation
2 election and subject to approval of the proposed action by the office
3 of financial management pursuant to section 1 of this act, the
4 legislative body of the annexing city may, if it deems it wise or
5 expedient, adopt an ordinance providing for the annexation. Upon the
6 date fixed in the ordinance of annexation, the area annexed shall
7 become a part of the annexing city. The clerk of the annexing city
8 shall transmit a certified copy of this ordinance to the secretary of
9 state and the office of financial management.

10 **Sec. 302.** RCW 35.10.400 and 1985 c 281 s 3 are each amended to
11 read as follows:

12 Two or more contiguous, as defined in section 1(7) of this act,
13 cities located in the same or different counties may consolidate into
14 one city by proceedings in conformity with the provisions of this
15 chapter. When cities are separated by water and/or tide or shore
16 lands they shall be deemed contiguous, as defined in section 1(7) of
17 this act, for all the purposes of this chapter and, upon a
18 consolidation of such cities under the provisions of this chapter,
19 any such intervening water and/or tide or shore lands shall become a
20 part of the consolidated city. The consolidated city shall become a
21 noncharter code city operating under Title 35A RCW.

22 **Sec. 303.** RCW 35.10.410 and 1985 c 281 s 4 are each amended to
23 read as follows:

24 The submission of a ballot proposal to the voters of two or more
25 contiguous cities for the consolidation of these contiguous, as
26 defined in section 1(7) of this act, cities may be caused by the
27 adoption of a joint resolution, by a majority vote of each city
28 legislative body, seeking consolidation of such contiguous cities.
29 Each city's legislative body must file notice of the proposed action
30 with the office of financial management for its review and approval
31 pursuant to section 1 of this act. The joint resolution shall provide
32 for submission of the question to the voters at the next general
33 municipal election, if one is to be held more than ninety days but
34 not more than one hundred eighty days after the passage of the joint
35 resolution, or shall call for a special election to be held for that
36 purpose at the next special election date, as specified in RCW
37 ((~~29.13.020~~)) 29A.04.330, that occurs ninety or more days after the
38 passage of the joint resolution. The legislative bodies of the cities

1 also shall notify the county legislative authority of each county in
2 which the cities are located of the proposed consolidation.

3 **Sec. 304.** RCW 35.10.420 and 1995 c 196 s 7 are each amended to
4 read as follows:

5 The submission of a ballot proposal to the voters of two or more
6 contiguous cities for the consolidation of these contiguous, as
7 defined in section 1(7) of this act, cities may also be caused by the
8 filing of a petition with the legislative body of each such city,
9 signed by the voters of each city in number equal to not less than
10 ten percent of voters who voted in the city at the last general
11 municipal election therein, seeking consolidation of such contiguous
12 cities. A copy of the petition shall be forwarded immediately by each
13 city to the auditor of the county or counties within which that city
14 is located.

15 The county auditor or auditors shall determine the sufficiency of
16 the signatures in each petition within ten days of receipt of the
17 copies and immediately notify the cities proposed to be consolidated
18 of the sufficiency. Upon receipt of notice from the county auditor or
19 auditors, the cities must file notice of the proposed action with the
20 office of financial management for its review and approval pursuant
21 to section 1 of this act. If each of the petitions is found to have
22 sufficient valid signatures, the auditor or auditors shall call a
23 special election at which the question of whether such cities shall
24 consolidate shall be submitted to the voters of each of such cities.
25 If a general election is to be held more than ninety days but not
26 more than one hundred eighty days after the filing of the last
27 petition, the question shall be submitted at that election. Otherwise
28 the question shall be submitted at a special election to be called
29 for that purpose at the next special election date, as specified in
30 RCW ((~~29.13.020~~)) 29A.04.330, that occurs ninety or more days after
31 the date when the last petition was filed.

32 If each of the petitions is found to have sufficient valid
33 signatures, the auditor or auditors also shall notify the county
34 legislative authority of each county in which the cities are located
35 of the proposed consolidation.

36 Petitions shall conform with the requirements for form prescribed
37 in RCW 35A.01.040, except different colored paper may be used on
38 petitions circulated in the different cities. A legal description of
39 the cities need not be included in the petitions.

1 and on the same basis as the property of such annexing city or town
2 is assessed and taxed to pay for all or any portion of the then
3 outstanding indebtedness of the city or town to which said area is
4 annexed, approved by the voters, contracted, or incurred prior to, or
5 existing at, the date of annexation. Only after the legislative body
6 has completed preparation and filing of a comprehensive plan for the
7 area to be annexed as provided for in RCW 35.13.177 and 35.13.178,
8 the legislative body in approving the proposed action, may require
9 that the comprehensive plan be simultaneously adopted upon approval
10 of annexation by the electorate of the area to be annexed. The
11 approval of the legislative body shall be a condition precedent to
12 the filing of such petition with the board of county commissioners
13 (~~as hereinafter provided~~) pursuant to RCW 35.13.030. The costs of
14 conducting such election shall be a charge against the city or town
15 concerned. The proposition or questions provided for in this section
16 may be submitted to the voters either separately or as a single
17 proposition.

18 **Sec. 403.** RCW 35.13.100 and 1996 c 286 s 2 are each amended to
19 read as follows:

20 If (1) a proposition relating to annexation or annexation and
21 adoption of the comprehensive plan or creation of a community
22 municipal corporation, or both, as the case may be was submitted to
23 the voters and such proposition was approved and (2) the proposed
24 action is approved by the office of financial management pursuant to
25 section 1 of this act, the legislative body shall adopt an ordinance
26 providing for the annexation or adopt ordinances providing for the
27 annexation and adoption of the comprehensive plan, or adopt an
28 ordinance providing for the annexation and creation of a community
29 municipal corporation, as the case may be. If a proposition for
30 annexation or annexation and adoption of the comprehensive plan or
31 creation of a community municipal corporation, as the case may be,
32 and a proposition for assumption of all or of any portion of
33 indebtedness were both submitted(~~(7)~~) and (~~were~~) approved, and the
34 proposed action is approved by the office of financial management
35 pursuant to section 1 of this act, the legislative body shall adopt
36 an ordinance providing for the annexation or annexation and adoption
37 of the comprehensive plan or annexation and creation of a community
38 municipal corporation including the assumption of all or of any
39 portion of indebtedness. If the propositions were submitted and only

1 the annexation or annexation and adoption of the comprehensive plan
2 or annexation and creation of a community municipal corporation
3 proposition was approved, and the proposed action is approved by the
4 office of financial management pursuant to section 1 of this act, the
5 legislative body may, if it deems it wise or expedient, adopt an
6 ordinance providing for the annexation or adopt ordinances providing
7 for the annexation and adoption of the comprehensive plan, or adopt
8 ordinances providing for the annexation and creation of a community
9 municipal corporation, as the case may be.

10 **Sec. 404.** RCW 35.13.130 and 2009 c 60 s 3 are each amended to
11 read as follows:

12 A petition for annexation of an area contiguous, as defined in
13 section 1(7) of this act, to a city or town may be made in writing
14 addressed to and filed with the legislative body of the municipality
15 to which annexation is desired. When the petition for annexation is
16 filed with the legislative body, the legislative body must file
17 notice of the proposed action with the office of financial management
18 for its review pursuant to section 1 of this act. Except where all
19 the property sought to be annexed is property of a school district,
20 and the school directors thereof file the petition for annexation as
21 in RCW 28A.335.110 authorized, the petition must be signed by the
22 owners of not less than sixty percent in value according to the
23 assessed valuation for general taxation of the property for which
24 annexation is petitioned: PROVIDED, That in cities and towns with
25 populations greater than one hundred sixty thousand located east of
26 the Cascade mountains, the owner of tax exempt property may sign an
27 annexation petition and have the tax exempt property annexed into the
28 city or town, but the value of the tax exempt property shall not be
29 used in calculating the sufficiency of the required property owner
30 signatures unless only tax exempt property is proposed to be annexed
31 into the city or town. The petition shall set forth a description of
32 the property according to government legal subdivisions or legal
33 plats which is in compliance with RCW 35.02.170, and shall be
34 accompanied by a plat which outlines the boundaries of the property
35 sought to be annexed. If the legislative body has required the
36 assumption of all or of any portion of city or town indebtedness by
37 the area annexed, and/or the adoption of a comprehensive plan for the
38 area to be annexed, these facts, together with a quotation of the

1 minute entry of such requirement or requirements shall be set forth
2 in the petition.

3 **Sec. 405.** RCW 35.13.150 and 1975 1st ex.s. c 220 s 9 are each
4 amended to read as follows:

5 Following the hearing and approval of the proposed action by the
6 office of financial management pursuant to section 1 of this act, the
7 council or commission shall determine by ordinance whether annexation
8 shall be made. Subject to RCW 35.02.170, they may annex all or any
9 portion of the proposed area but may not include in the annexation
10 any property not described in the petition. Upon passage of the
11 ordinance a certified copy shall be filed with the board of county
12 commissioners of the county in which the annexed property is located.

13 **Sec. 406.** RCW 35.13.180 and 1994 c 81 s 11 are each amended to
14 read as follows:

15 City and town councils of second-class cities and towns may by a
16 majority vote annex new unincorporated territory outside the city or
17 town limits, whether contiguous or noncontiguous for park, cemetery,
18 or other municipal purposes when such territory is owned by the city
19 or town or all of the owners of the real property in the territory
20 give their written consent to the annexation. The city or town
21 council must file notice of the proposed action with the office of
22 financial management for its review and approval pursuant to section
23 1 of this act.

24 **Sec. 407.** RCW 35.13.182 and 1998 c 286 s 1 are each amended to
25 read as follows:

26 (1) The legislative body of a city or town planning under chapter
27 36.70A RCW (~~(as of June 30, 1994,)~~) may resolve to annex territory to
28 the city or town if there is, within the city or town, unincorporated
29 territory containing residential property owners within the same
30 county and within the same urban growth area designated under RCW
31 36.70A.110 as the city or town:

32 (a) Containing less than one hundred acres and having at least
33 eighty percent of the boundaries of such area contiguous to the city
34 or town; or

35 (b) Of any size and having at least eighty percent of the
36 boundaries of the area contiguous to the city (~~(if the area existed~~
37 ~~before June 30, 1994)~~).

1 (2) The resolution shall describe the boundaries of the area to
2 be annexed, state the number of voters residing in the area as nearly
3 as may be, and set a date for a public hearing on the resolution for
4 annexation. The legislative body of the city or town must file notice
5 of the proposed action with the office of financial management for
6 its review pursuant to section 1 of this act. Notice of the hearing
7 shall be given by publication of the resolution at least once a week
8 for two weeks before the date of the hearing in one or more
9 newspapers of general circulation within the city or town and one or
10 more newspapers of general circulation within the area to be annexed.

11 (3) For purposes of subsection (1)(b) of this section, territory
12 bounded by a river, lake, or other body of water is considered
13 contiguous to a city that is also bounded by the same river, lake, or
14 other body of water.

15 **Sec. 408.** RCW 35.13.1822 and 1998 c 286 s 3 are each amended to
16 read as follows:

17 On the date set for hearing as provided in RCW 35.13.182(2),
18 residents or property owners of the area included in the resolution
19 for annexation shall be afforded an opportunity to be heard. Subject
20 to approval of the proposed action by the office of financial
21 management pursuant to section 1 of this act, the legislative body
22 may provide by ordinance for annexation of the territory described in
23 the resolution, but the effective date of the ordinance shall be not
24 less than forty-five days after the passage thereof. The legislative
25 body shall cause notice of the proposed effective date of the
26 annexation, together with a description of the property to be
27 annexed, to be published at least once each week for two weeks
28 subsequent to passage of the ordinance, in one or more newspapers of
29 general circulation within the city and in one or more newspapers of
30 general circulation within the area to be annexed. If the annexation
31 ordinance provides for assumption of indebtedness or adoption of a
32 proposed zoning regulation, the notice shall include a statement of
33 such requirements.

34 **Sec. 409.** RCW 35.13.185 and 1965 c 7 s 35.13.185 are each
35 amended to read as follows:

36 Any unincorporated area contiguous, as defined in section 1(7) of
37 this act, to a first-class city may be annexed thereto by an
38 ordinance accepting a gift, grant, lease, or cession of jurisdiction

1 from the government of the United States of the right to occupy or
2 control it. The first-class city must file notice of the proposed
3 action with the office of financial management for its review and
4 approval pursuant to section 1 of this act.

5 **Sec. 410.** RCW 35.13.190 and 1994 c 81 s 12 are each amended to
6 read as follows:

7 Any unincorporated area contiguous, as defined in section 1(7) of
8 this act, to a second-class city or town may be annexed thereto by an
9 ordinance accepting a gift, grant, or lease from the government of
10 the United States of the right to occupy, control, improve it or
11 sublet it for commercial, manufacturing, or industrial purposes:
12 PROVIDED, That this shall not apply to any territory more than four
13 miles from the corporate limits existing before such annexation. The
14 second-class city or town must file notice of the proposed action
15 with the office of financial management for its review and approval
16 pursuant to section 1 of this act.

17 **Sec. 411.** RCW 35.13.238 and 2013 2nd sp.s. c 27 s 3 are each
18 amended to read as follows:

19 (1)(a) An annexation by a city or town that is proposing to annex
20 territory served by one or more fire protection districts may be
21 accomplished by ordinance after entering into an interlocal agreement
22 as provided in chapter 39.34 RCW with the county and the fire
23 protection district or districts that have jurisdiction over the
24 territory proposed for annexation.

25 (b) A city or town proposing to annex territory shall initiate
26 the interlocal agreement process by sending notice to the fire
27 protection district representative and county representative stating
28 the city's or town's interest to enter into an interlocal agreement
29 negotiation process. The parties have forty-five days to respond in
30 the affirmative or negative. A negative response must state the
31 reasons the parties do not wish to participate in an interlocal
32 agreement negotiation. A failure to respond within the forty-five day
33 period is deemed an affirmative response and the interlocal agreement
34 negotiation process may proceed. The interlocal agreement process may
35 not proceed if any negative responses are received within the forty-
36 five day period.

37 (c) The interlocal agreement must describe the boundaries of the
38 territory proposed for annexation and must be consistent with the

1 boundaries identified in an ordinance describing the boundaries of
2 the territory proposed for annexation and setting a date for a public
3 hearing on the ordinance. If the boundaries of the territory proposed
4 for annexation are agreed to by all parties, a notice of intention
5 must be filed with the boundary review board created under RCW
6 36.93.030 and the office of financial management. However, the
7 jurisdiction of the board may not be invoked as described in RCW
8 36.93.100 for annexations that are the subject of such agreement.

9 (2) An interlocal annexation agreement under this section must
10 include the following:

11 (a) A statement of the goals of the agreement. Goals must
12 include, but are not limited to:

13 (i) The transfer of revenues and assets between the fire
14 protection districts and the city or town;

15 (ii) A consideration and discussion of the impact to the level of
16 service of annexation on the unincorporated area, and an agreement
17 that the impact on the ability of fire protection and emergency
18 medical services within the incorporated area must not be negatively
19 impacted at least through the budget cycle in which the annexation
20 occurs;

21 (iii) A discussion with fire protection districts regarding the
22 division of assets and its impact to citizens inside and outside the
23 newly annexed area;

24 (iv) Community involvement, including an agreed upon schedule of
25 public meetings in the area or areas proposed for annexation;

26 (v) Revenue sharing, if any;

27 (vi) Debt distribution;

28 (vii) Capital facilities obligations of the city, county, and
29 fire protection districts;

30 (viii) An overall schedule or plan on the timing of any
31 annexations covered under this agreement; and

32 (ix) A description of which of the annexing cities' development
33 regulations will apply and be enforced in the area.

34 (b) The subject areas and policies and procedures the parties
35 agree to undertake in annexations. Subject areas may include, but are
36 not limited to:

37 (i) Roads and traffic impact mitigation;

38 (ii) Surface and storm water management;

39 (iii) Coordination and timing of comprehensive plan and
40 development regulation updates;

1 (iv) Outstanding bonds and special or improvement district
2 assessments;

3 (v) Annexation procedures;

4 (vi) Distribution of debt and revenue sharing for annexation
5 proposals, code enforcement, and inspection services;

6 (vii) Financial and administrative services; and

7 (viii) Consultation with other service providers, including
8 water-sewer districts, if applicable.

9 (c) A term of at least five years, which may be extended by
10 mutual agreement of the city or town, the county, and the fire
11 protection district.

12 (3) If the fire protection district, annexing city or town, and
13 county reach an agreement on the enumerated goals, or if only the
14 annexing city or town and county reach an agreement on the enumerated
15 goals, the city or town may adopt an annexation ordinance, but the
16 annexation ordinance provided for in this section is subject to
17 approval by the office of financial management pursuant to section 1
18 of this act and referendum for forty-five days after its passage,
19 provided that no referendum shall be allowed for an annexation under
20 this section if the fire protection district, annexing city or town,
21 and the county reach agreement on an annexation for which a city or
22 town has initiated the interlocal agreement process by sending notice
23 to the fire protection district representative and county
24 representative prior to July 28, 2013. Upon the filing of a timely
25 and sufficient referendum petition with the legislative body of the
26 city or town, signed by qualified electors in a number not less than
27 ten percent of the votes cast in the last general state election in
28 the area to be annexed, the question of annexation must be submitted
29 to the voters of the area in a general election if one is to be held
30 within ninety days or at a special election called for that purpose
31 according to RCW 29A.04.330. Notice of the election must be given as
32 provided in RCW 35.13.080, and the election must be conducted as
33 provided in the general election laws under Title 29A RCW. The
34 annexation must be deemed approved by the voters unless a majority of
35 the votes cast on the proposition are in opposition to the
36 annexation.

37 After the expiration of the forty-fifth day from, but excluding,
38 the date of passage of the annexation ordinance, if a timely and
39 sufficient referendum petition has not been filed, the area annexed

1 becomes a part of the city or town upon the date fixed in the
2 ordinance of annexation.

3 (4) If any portion of a fire protection district is proposed for
4 annexation to or incorporation into a city or town, both the fire
5 protection district and the city or town shall jointly inform the
6 employees of the fire protection district about hires, separations,
7 terminations, and any other changes in employment that are a direct
8 consequence of annexation or incorporation at the earliest reasonable
9 opportunity.

10 (5) The needed employees shall be taken in order of seniority and
11 the remaining employees who transfer as provided in this section and
12 RCW 35.10.360 and 35.10.370 shall head the list for employment in the
13 civil service system in order of their seniority, to the end that
14 they shall be the first to be reemployed in the city or town fire
15 department when appropriate positions become available. Employees who
16 are not immediately hired by the city or town shall be placed on a
17 reemployment list for a period not to exceed thirty-six months unless
18 a longer period is authorized by an agreement reached between the
19 collective bargaining representatives of the employees of the
20 annexing and annexed fire agencies and the annexing and annexed fire
21 agencies.

22 (6)(a) Upon transfer, an employee is entitled to the employee
23 rights, benefits, and privileges to which he or she would have been
24 entitled as an employee of the fire protection district, including
25 rights to:

26 (i) Compensation at least equal to the level of compensation at
27 the time of transfer, unless the employee's rank and duties have been
28 reduced as a result of the transfer. If the transferring employee is
29 placed in a position with reduced rank and duties, the employee's
30 compensation may be adjusted, but the adjustment may not result in a
31 decrease of greater than fifty percent of the difference between the
32 employee's compensation before the transfer and the compensation
33 level for the position that the employee is transferred to;

34 (ii) Retirement, vacation, sick leave, and any other accrued
35 benefit;

36 (iii) Promotion and service time accrual; and

37 (iv) The length or terms of probationary periods, including no
38 requirement for an additional probationary period if one had been
39 completed before the transfer date.

1 (b) (a) of this subsection does not apply if upon transfer an
2 agreement for different terms of transfer is reached between the
3 collective bargaining representatives of the transferring employees
4 and the participating fire protection jurisdictions.

5 (7) If upon transfer, the transferring employee receives the
6 rights, benefits, and privileges established under subsection
7 (6)(a)(i) through (iv) of this section, those rights, benefits, and
8 privileges are subject to collective bargaining at the end of the
9 current bargaining period for the jurisdiction to which the employee
10 has transferred.

11 (8) Such bargaining must take into account the years of service
12 the transferring employee accumulated before the transfer and must be
13 treated as if those years of service occurred in the jurisdiction to
14 which the employee has transferred.

15 **Sec. 412.** RCW 35.13.260 and 2011 c 342 s 1 are each amended to
16 read as follows:

17 (1) Whenever any territory is annexed to or deannexed from a city
18 or town, any territory is subject to boundary line adjustment, or
19 cities are consolidated pursuant to chapter 35.10 RCW:

20 (a) A copy of the complete ordinance containing a legal
21 description and a map showing specifically the boundaries of the
22 territory or consolidated area must be submitted immediately after
23 the city or town's adoption. Within two days of receipt of the
24 ordinance, the office of financial management must post a digital
25 copy on the internet or transmit digital copies via email to the
26 departments of transportation and revenue. The requirement to notify
27 the department of revenue of a tax rate change under RCW 82.14.055(1)
28 is met when the office of financial management receives the documents
29 required under this subsection (1)(a); and

30 (b) A certificate as hereinafter provided (~~shall~~) must be
31 submitted (~~in triplicate~~) to the office of financial management(~~(~~
32 ~~hereinafter in this section referred to as "the office",~~) within
33 thirty days of the effective date of (~~annexation~~) the action
34 specified in the relevant ordinance. After approval of the
35 certificate, the office (~~shall~~) of financial management must retain
36 the original copy in its files(~~)~~ and transmit (~~the second~~) a
37 digital copy to (~~the department of transportation and return the~~
38 ~~third copy to~~) the city or town via email. (~~Such~~) The
39 certificate(~~s shall~~) must be in (~~such~~) a form and contain

1 ((such)) information as ((shall-be)) prescribed by the office of
2 financial management. ((A copy of the complete ordinance containing a
3 legal description and a map showing specifically the boundaries of
4 the annexed territory shall be attached to each of the three copies
5 of the certificate.)) The certificate ((shall)) must be signed by the
6 mayor and attested by the city clerk. Upon request, the office
7 ((shall)) of financial management must furnish certification forms to
8 any city or town.

9 (2)(a) The resident population of the ((annexed)) territory
10 ((shall)) or consolidated area must be determined by, or under the
11 direction of, the mayor of the city or town.

12 (b) If the ((annexing)) city or town has a population of ten
13 thousand or less, the ((annexed)) territory or consolidated area
14 consists entirely of one or more partial federal census blocks, or
15 2010 federal decennial census data has not been released within
16 twelve months immediately prior to the date of ((annexation)) the
17 action, the population determination ((shall)) must consist of an
18 actual enumeration of the population.

19 (c) In any circumstance, the city or town may choose to have the
20 population determination of the entire ((annexed)) territory or
21 consolidated area consist of an actual enumeration. However, if the
22 city or town does not use actual enumeration for determining
23 population, the ((annexed)) territory or consolidated area includes
24 or consists of one or more complete federal census blocks, and 2010
25 federal decennial census data has been released within twelve months
26 immediately prior to the date of ((annexation)) the action, the
27 population determination ((shall)) must consist of:

28 (i) Relevant 2010 federal decennial census data pertaining to the
29 complete block or blocks, as such data has been updated by the most
30 recent official population estimate released by the office of
31 financial management pursuant to RCW 43.62.030;

32 (ii) An actual enumeration of any population located within the
33 ((annexed)) territory or consolidated area but outside the complete
34 federal census block or blocks; and

35 (iii) If the office of financial management, at least two weeks
36 prior to the date of ((annexation)) the action, confirms the
37 existence of a known census error within a complete federal census
38 block and identifies a structure or complex listed in (c)(iii)(A)
39 through (E) of this subsection (2) as a likely source of the error,
40 an actual enumeration of one or more of the block's identified:

- 1 (A) Group quarters;
2 (B) Mobile home parks;
3 (C) Apartment buildings that are composed of at least fifty units
4 and are certified for occupancy between January 1, 2010, and April 1,
5 2011;
6 (D) Missing subdivisions; and
7 (E) Closures of any of the categories in (c)(iii)(A) through (D)
8 of this subsection.

9 (d) Whenever an actual enumeration is used, it shall be made in
10 accordance with the practices and policies of, and subject to the
11 approval of, the office of financial management.

12 (e) The city or town (~~shall be~~) is responsible for the full
13 cost of the population determination.

14 (3) The population (~~shall~~) must be determined as of the
15 effective date of (~~annexation~~) the action as specified in the
16 relevant ordinance.

17 Until (~~an annexation~~) a certificate is filed and approved (~~as~~
18 ~~provided herein, such annexed~~), the territory (~~shall~~) or
19 consolidated area must not be considered by the office of financial
20 management in determining the population of such city or town.

21 Upon approval of the (~~annexation~~) certificate, the office
22 (~~shall~~) of financial management must forward to each state official
23 or department responsible for making allocations or payments to
24 cities or towns, a revised certificate reflecting the increase in
25 population due to (~~such annexation~~) the action. Upon and after the
26 date of the commencement of the next quarterly period, the population
27 determination indicated in (~~such~~) the revised certificate (~~shall~~)
28 must be used as the basis for the allocation and payment of state
29 funds to such city or town.

30 For the purposes of this section, each quarterly period (~~shall~~)
31 commences on the first day of the months of January, April, July, and
32 October. Whenever a revised certificate is forwarded by the office of
33 financial management thirty days or less prior to the commencement of
34 the next quarterly period, the population of the (~~annexed~~)
35 territory (~~shall~~) or consolidated area must not be considered until
36 the commencement of the following quarterly period.

37 **Sec. 413.** RCW 35.13.300 and 1989 c 84 s 12 are each amended to
38 read as follows:

1 The purpose of this section and RCW (~~35.13.300~~) 35.13.310
2 through (~~35.13.330~~) 35.13.340 is to establish a process for the
3 adjustment of existing or proposed city boundary lines to avoid a
4 situation where a common boundary line is or would be located within
5 a right-of-way of a public street, road, or highway, or a situation
6 where two cities are separated or would be separated by only the
7 right-of-way of a public street, road, or highway, other than
8 situations where a boundary line runs from one edge of the
9 right-of-way to the other edge of the right-of-way. Boundary line
10 adjustments under RCW 35.13.310 through 35.13.340 are subject to
11 review and approval by the office of financial management pursuant to
12 section 1 of this act.

13 As used in this section and RCW (~~35.13.300~~) 35.13.310 through
14 35.13.330, "city" includes every city or town in the state, including
15 a code city operating under Title 35A RCW.

16 **Sec. 414.** RCW 35.13.420 and 2003 c 331 s 3 are each amended to
17 read as follows:

18 (1) A petition for annexation of an area contiguous, as defined
19 in section 1(7) of this act, to a city or town may be made in writing
20 addressed to and filed with the legislative body of the municipality
21 to which annexation is desired. Except where all the property sought
22 to be annexed is property of a school district, and the school
23 directors thereof file the petition for annexation as in RCW
24 28A.335.110, the petition must be signed by the owners of a majority
25 of the acreage for which annexation is petitioned and a majority of
26 the registered voters residing in the area for which annexation is
27 petitioned.

28 (2) If no residents exist within the area proposed for
29 annexation, the petition must be signed by the owners of a majority
30 of the acreage for which annexation is petitioned.

31 (3) The petition shall set forth a legal description of the
32 property proposed to be annexed that complies with RCW 35.02.170, and
33 shall be accompanied by a drawing that outlines the boundaries of the
34 property sought to be annexed. If the petition for annexation is
35 approved by the legislative body, the legislative body must file
36 notice of the proposed action with the office of financial management
37 for its review pursuant to section 1 of this act. If the legislative
38 body has required the assumption of all or any portion of city or
39 town indebtedness by the area annexed, and/or the adoption of a

1 comprehensive plan for the area to be annexed, these facts, together
2 with a quotation of the minute entry of such requirement or
3 requirements, shall be set forth in the petition.

4 **Sec. 415.** RCW 35.13.440 and 2003 c 331 s 5 are each amended to
5 read as follows:

6 Following the hearing and approval of the proposed action by the
7 office of financial management pursuant to section 1 of this act, the
8 council or commission shall determine by ordinance whether annexation
9 shall be made. Subject to the provisions of RCW 35.13.410, 35.13.460,
10 and 35.21.005, (~~they~~) the council or commission may annex all or
11 any portion of the proposed area but may not include in the
12 annexation any property not described in the petition. Upon passage
13 of the ordinance, a certified copy (~~shall~~) must be filed with the
14 board of county commissioners of the county in which the annexed
15 property is located and a copy must be filed with the office of
16 financial management.

17 **Sec. 416.** RCW 35.13.480 and 2006 c 344 s 23 are each amended to
18 read as follows:

19 (1) The legislative body of any county planning under chapter
20 36.70A RCW and subject to the requirements of RCW 36.70A.215 may
21 initiate an annexation process with the legislative body of any other
22 cities or towns that are contiguous, as defined in section 1(7) of
23 this act, to the territory proposed for annexation in RCW 35.13.470
24 if:

25 (a) The county legislative body initiated an annexation process
26 as provided in RCW 35.13.470; and

27 (b) The affected city or town legislative body adopted a
28 responsive resolution rejecting the proposed annexation or declined
29 to create the requested interlocal agreement with the county; or

30 (c) More than one hundred eighty days have passed since adoption
31 of a county resolution as provided for in RCW 35.13.470 and the
32 parties have not adopted or executed an interlocal agreement
33 providing for the annexation of unincorporated territory. The
34 legislative body for either the county or an affected city or town
35 may, however, pass a resolution extending the negotiation period for
36 one or more six-month periods if a public hearing is held and
37 findings of fact are made prior to each extension.

1 (2) Any county initiating the process provided for in subsection
2 (1) of this section must do so by adopting a resolution commencing
3 negotiations for an interlocal agreement as provided in chapter 39.34
4 RCW between the county and any city or town within the county. The
5 annexation area must be within an urban growth area designated under
6 RCW 36.70A.110 and at least sixty percent of the boundaries of the
7 territory to be annexed must be contiguous, as defined in section
8 1(7) of this act, to one or more cities or towns.

9 (3) The agreement shall describe the boundaries of the territory
10 to be annexed and be submitted to the office of financial management
11 for its review pursuant to section 1 of this act. A public hearing
12 shall be held by each legislative body, separately or jointly, before
13 the agreement is executed. Each legislative body holding a public
14 hearing shall, separately or jointly, publish the agreement at least
15 once a week for two weeks before the date of the hearing in one or
16 more newspapers of general circulation within the territory proposed
17 for annexation.

18 (4) Following adoption and execution of the agreement by both
19 legislative bodies and its approval by the office of financial
20 management pursuant to section 1 of this act, the city or town
21 legislative body shall adopt an ordinance providing for the
22 annexation. The legislative body shall cause notice of the proposed
23 effective date of the annexation, together with a description of the
24 property to be annexed, to be published at least once each week for
25 two weeks subsequent to passage of the ordinance, in one or more
26 newspapers of general circulation within the city and in one or more
27 newspapers of general circulation within the territory to be annexed.
28 If the annexation ordinance provides for assumption of indebtedness
29 or adoption of a proposed zoning regulation, the notice shall include
30 a statement of the requirements. Any area to be annexed through an
31 ordinance adopted under this section is annexed and becomes a part of
32 the city or town upon the date fixed in the ordinance of annexation,
33 which date may not be less than forty-five days after adoption of the
34 ordinance.

35 (5) The annexation ordinances provided for in RCW 35.13.470(4)
36 and subsection (4) of this section are subject to referendum for
37 forty-five days after passage. Upon the filing of a timely and
38 sufficient referendum petition with the legislative body, signed by
39 registered voters in number equal to not less than fifteen percent of
40 the votes cast in the last general state election in the area to be

1 annexed, the question of annexation shall be submitted to the voters
2 of the area in a general election if one is to be held within ninety
3 days or at a special election called for that purpose according to
4 RCW 29A.04.330. Notice of the election shall be given as provided in
5 RCW 35.13.080 and the election shall be conducted as provided in the
6 general election law. The annexation shall be deemed approved by the
7 voters unless a majority of the votes cast on the proposition are in
8 opposition thereto.

9 After the expiration of the forty-fifth day from but excluding
10 the date of passage of the annexation ordinance, if no timely and
11 sufficient referendum petition has been filed, the area annexed shall
12 become a part of the city or town upon the date fixed in the
13 ordinance of annexation.

14 (6) If more than one city or town adopts interlocal agreements
15 providing for annexation of the same unincorporated territory as
16 provided by this section, an election shall be held in the area to be
17 annexed pursuant to RCW 35.13.070 and 35.13.080. In addition to the
18 provisions of RCW 35.13.070 and 35.13.080, the ballot shall also
19 contain a separate proposition allowing voters to cast votes in favor
20 of annexation to any one city or town participating in an interlocal
21 agreement as provided by this section. If a majority of voters voting
22 on the proposition vote against annexation, the proposition is
23 defeated. If, however, a majority of voters voting in the election
24 approve annexation, the area shall be annexed to the city or town
25 receiving the highest number of votes among those cast in favor of
26 annexation.

27 (7) Costs for an election required under subsection (6) of this
28 section shall be borne by the county.

29 **Sec. 417.** RCW 35.13.490 and 2009 c 402 s 3 are each amended to
30 read as follows:

31 (1) Territory owned by a county and used for an agricultural fair
32 as provided in chapter 15.76 ((RCW)) or ((chapter)) 36.37 RCW may
33 only be annexed to a city or town through the method prescribed in
34 this section.

35 (a) The legislative body of the city or town proposing the
36 annexation must submit a request for annexation and a legal
37 description of the subject territory to the legislative authority of
38 the county within which the territory is located.

1 (b) Upon receipt of the request and description, the county
2 legislative authority has thirty days to review the proposal and
3 determine if the annexation proceedings will continue. As a condition
4 of approval, the county legislative authority may modify the
5 proposal, but it may not add territory that was not included in the
6 request and description. Approval of the county legislative authority
7 is a condition precedent to further proceedings upon the request and
8 there is no appeal of the county legislative authority's decision.

9 (c) If the county legislative authority determines that the
10 proceedings may continue, it must, within thirty days of the
11 determination, fix a date for a public hearing on the proposal, and
12 cause notice of the hearing to be published at least once a week for
13 two weeks prior to the hearing in one or more newspapers of general
14 circulation in the territory proposed for annexation. The notice must
15 also be posted in three public places within the subject territory,
16 specify the time and place of the hearing, and invite interested
17 persons to appear and voice approval or disapproval of the
18 annexation. If the annexation proposal provides for assumption of
19 indebtedness or adoption of a proposed zoning regulation, the notice
20 must include a statement of these requirements.

21 (d) If, following the conclusion of the hearing, a majority of
22 the county legislative authority deems the annexation proposal to be
23 in the best interest of the county, it may adopt a resolution
24 approving of the annexation. The county legislative authority must
25 file notice of the proposed action with the office of financial
26 management for its review pursuant to section 1 of this act.

27 (e) If, following the county legislative authority's adoption of
28 the annexation approval resolution and approval of the proposed
29 action by the office of financial management pursuant to section 1 of
30 this act, the legislative body of the city or town proposing
31 annexation determines to effect the annexation, it must do so by
32 ordinance. The ordinance: (i) May only include territory approved for
33 annexation in the resolution adopted under (d) of this subsection;
34 and (ii) must not exclude territory approved for annexation in the
35 resolution adopted under (d) of this subsection. Upon passage of the
36 annexation ordinance, a certified copy must be filed with the
37 applicable county legislative authority.

38 (2) Any territory annexed through an ordinance adopted under this
39 section is annexed and becomes a part of the city or town upon the
40 date fixed in the ordinance.

1 **Sec. 418.** RCW 35.16.010 and 1994 c 273 s 1 are each amended to
2 read as follows:

3 Upon the filing of a petition which is sufficient as determined
4 by RCW 35A.01.040 requesting the exclusion from the boundaries of a
5 city or town of an area described by metes and bounds or by reference
6 to a recorded plat or government survey, signed by qualified voters
7 of the city or town equal in number to not less than ten percent of
8 the number of voters voting at the last general municipal election,
9 the city or town legislative body shall submit the question to the
10 voters. As an alternate method, the legislative body of the city or
11 town may by resolution submit a proposal to the voters for excluding
12 such a described area from the boundaries of the city or town. The
13 question shall be submitted at the next general municipal election if
14 one is to be held within one hundred eighty days or at a special
15 election called for that purpose not less than ninety days nor more
16 than one hundred eighty days after the certification of sufficiency
17 of the petition or the passage of the resolution. The petition or
18 resolution shall set out and describe the territory to be excluded
19 from the city or town, together with the boundaries of the city or
20 town as it will exist after such change is made. The legislative body
21 of the city or town must file notice of the proposed action with the
22 office of financial management for its review pursuant to section 1
23 of this act.

24 **Sec. 419.** RCW 35.16.040 and 1994 c 273 s 4 are each amended to
25 read as follows:

26 Promptly after the filing of the abstract of votes with the
27 office of the secretary of state and subject to approval of the
28 proposed action by the office of financial management pursuant to
29 section 1 of this act, the legislative body of the city or town shall
30 adopt an ordinance defining and fixing the corporate limits after
31 excluding the area as determined by the election. The ordinance shall
32 also describe the excluded territory by metes and bounds or by
33 reference to a recorded plat or government survey and declare it no
34 longer a part of the city or town.

35 **Sec. 420.** RCW 35A.14.010 and 2009 c 402 s 4 are each amended to
36 read as follows:

37 Any portion of a county not incorporated as part of a city or
38 town but lying contiguous, as defined in section 1(7) of this act, to

1 a code city may become a part of the charter code city or noncharter
2 code city by annexation. An area proposed to be annexed to a charter
3 code city or noncharter code city shall be deemed contiguous, as
4 defined in section 1(7) of this act, thereto even though separated by
5 water or tide or shore lands and, upon annexation of such area, any
6 such intervening water and/or tide or shore lands shall become a part
7 of such annexing city.

8 **Sec. 421.** RCW 35A.14.020 and 1989 c 351 s 4 are each amended to
9 read as follows:

10 (1) When a petition is sufficient under the rules set forth in
11 RCW 35A.01.040, calling for an election to vote upon the annexation
12 of unincorporated territory contiguous, as defined in section 1(7) of
13 this act, to a code city, describing the boundaries of the area
14 proposed to be annexed, stating the number of voters therein as
15 nearly as may be, and signed by qualified electors resident in such
16 territory equal in number to ten percent of the votes cast at the
17 last state general election therein, it shall be filed with the
18 auditor of the county in which all, or the greatest portion, of the
19 territory is located, and a copy of the petition shall be filed with
20 the legislative body of the code city. If the territory is located in
21 more than a single county, the auditor of the county with whom the
22 petition is filed shall act as the lead auditor and transmit a copy
23 of the petition to the auditor of each other county within which a
24 portion of the territory is located. The auditor or auditors shall
25 examine the petition, and the auditor or lead auditor shall certify
26 the sufficiency of the petition to the legislative authority of the
27 code city.

28 (2) If the signatures on the petition are certified as containing
29 sufficient valid signatures, the city legislative authority shall, by
30 resolution entered within sixty days thereafter, notify the
31 petitioners, either by mail or by publication in the same manner
32 notice of hearing is required by RCW 35A.14.040 to be published, of
33 its approval or rejection of the proposed action. If approved, the
34 legislative body must file notice of the proposed action with the
35 office of financial management for its review pursuant to section 1
36 of this act. In approving the proposed action, the legislative body
37 may require that there also be submitted to the electorate of the
38 territory to be annexed, a proposition that all property within the
39 area to be annexed shall, upon annexation, be assessed and taxed at

1 the same rate and on the same basis as the property of such annexing
2 city is assessed and taxed to pay for all or any portion of the then-
3 outstanding indebtedness of the city to which said area is annexed,
4 which indebtedness has been approved by the voters, contracted for,
5 or incurred prior to, or existing at, the date of annexation. Only
6 after the legislative body has completed preparation and filing of a
7 proposed zoning regulation for the area to be annexed as provided for
8 in RCW 35A.14.330 and 35A.14.340, the legislative body in approving
9 the proposed action, may require that the proposed zoning regulation
10 be simultaneously adopted upon the approval of annexation by the
11 electorate of the area to be annexed. The approval of the legislative
12 body shall be a condition precedent to further proceedings upon the
13 petition. The costs of conducting the election called for in the
14 petition shall be a charge against the city concerned. The
15 proposition or questions provided for in this section may be
16 submitted to the voter either separately or as a single proposition.

17 **Sec. 422.** RCW 35A.14.090 and 1979 ex.s. c 124 s 6 are each
18 amended to read as follows:

19 Upon filing of the certified copy of the finding of the county
20 legislative authority, the clerk shall transmit it to the legislative
21 body of the city at the next regular meeting or as soon thereafter as
22 practicable. If only a proposition relating to annexation or to
23 annexation and adoption of a proposed zoning regulation was submitted
24 to the voters and (~~such proposition was~~) approved, and the proposed
25 action was approved by the office of financial management pursuant to
26 section 1 of this act, the legislative body shall adopt an ordinance
27 providing for the annexation or adopt ordinances providing for the
28 annexation and adoption of a proposed zoning regulation, as the case
29 may be. If a proposition for annexation or for annexation and
30 adoption of a proposed zoning regulation(~~(τ)~~) and a proposition for
31 assumption of all or any portion of indebtedness were both
32 submitted(~~(τ)~~) and (~~both were~~) approved, and the proposed action is
33 approved by the office of financial management pursuant to section 1
34 of this act, the legislative body shall adopt an ordinance providing
35 for the annexation or for annexation and adoption of the proposed
36 zoning regulation, including the assumption of the portion of
37 indebtedness that was approved by the voters. If both propositions
38 were submitted and only the annexation or the annexation and adoption
39 of the proposed zoning regulation was approved, and the proposed

1 action is approved by the office of financial management pursuant to
2 section 1 of this act, the legislative body may adopt an ordinance
3 providing for the annexation or adopt ordinances providing for the
4 annexation and adoption of the proposed zoning regulation, as the
5 case may be, or the legislative body may refuse to annex when a
6 proposal for assumption of the portion of indebtedness has been
7 disapproved by the voters.

8 **Sec. 423.** RCW 35A.14.130 and 1967 ex.s. c 119 s 35A.14.130 are
9 each amended to read as follows:

10 Whenever such a petition for annexation is filed with the
11 legislative body of a code city, which petition meets the
12 requirements herein specified and is sufficient according to the
13 rules set forth in RCW 35A.01.040, the legislative body may entertain
14 the same, fix a date for a public hearing thereon, and cause notice
15 of the hearing to be published in one or more issues of a newspaper
16 of general circulation in the city. The legislative body must also
17 file notice of the proposed action with the office of financial
18 management for its review pursuant to section 1 of this act. The
19 notice (~~shall~~) of the hearing must also be posted in three public
20 places within the territory proposed for annexation, (~~and shall~~)
21 specify the time and place of hearing, and invite interested persons
22 to appear and voice approval or disapproval of the annexation.

23 **Sec. 424.** RCW 35A.14.140 and 1986 c 234 s 31 are each amended to
24 read as follows:

25 Following the hearing and approval of the proposed action by the
26 office of financial management pursuant to section 1 of this act, if
27 the legislative body determines to effect the annexation, they shall
28 do so by ordinance. Subject to RCW 35.02.170, the ordinance may annex
29 all or any portion of the proposed area but may not include in the
30 annexation any property not described in the petition. Upon passage
31 of the annexation ordinance a certified copy shall be filed with the
32 board of county commissioners of the county in which the annexed
33 property is located.

34 **Sec. 425.** RCW 35A.14.295 and 2013 2nd sp.s. c 27 s 1 are each
35 amended to read as follows:

1 (1) The legislative body of a code city may resolve to annex
2 territory to the city if there is within the city, unincorporated
3 territory:

4 (a) Containing less than one hundred seventy-five acres and
5 having all of the boundaries of such area contiguous to the code
6 city; or

7 (b) Of any size containing residential property owners and having
8 at least eighty percent of the boundaries of such area contiguous to
9 the city. Territory annexed under this subsection (1)(b) must be
10 within the same county and within the same urban growth area
11 designated under RCW 36.70A.110, and the city must plan under chapter
12 36.70A RCW.

13 (2) The resolution (~~shall~~) must describe the boundaries of the
14 area to be annexed, state the number of voters residing therein as
15 nearly as may be, and set a date for a public hearing on such
16 resolution for annexation. The legislative body of the code city must
17 file notice of the proposed action with the office of financial
18 management for its review pursuant to section 1 of this act. Notice
19 of the hearing (~~shall~~) must be given by publication of the
20 resolution at least once a week for two weeks prior to the date of
21 the hearing, in one or more newspapers of general circulation within
22 the code city and one or more newspapers of general circulation
23 within the area to be annexed.

24 (3) For purposes of subsection (1)(b) of this section, territory
25 bounded by a river, lake, or other body of water is considered
26 contiguous to a city that is also bounded by the same river, lake, or
27 other body of water.

28 **Sec. 426.** RCW 35A.14.297 and 1967 ex.s. c 119 s 35A.14.297 are
29 each amended to read as follows:

30 On the date set for hearing as provided in RCW 35A.14.295,
31 residents or property owners of the area included in the resolution
32 for annexation shall be afforded an opportunity to be heard. Subject
33 to approval of the proposed action by the office of financial
34 management pursuant to section 1 of this act, the legislative body
35 may provide by ordinance for annexation of the territory described in
36 the resolution, but the effective date of the ordinance shall be not
37 less than forty-five days after the passage thereof. The legislative
38 body shall cause notice of the proposed effective date of the
39 annexation, together with a description of the property to be

1 annexed, to be published at least once each week for two weeks
2 subsequent to passage of the ordinance, in one or more newspapers of
3 general circulation within the city and in one or more newspapers of
4 general circulation within the area to be annexed. If the annexation
5 ordinance provides for assumption of indebtedness or adoption of a
6 proposed zoning regulation, the notice shall include a statement of
7 such requirements. Such annexation ordinance shall be subject to
8 referendum for forty-five days after the passage thereof. Upon the
9 filing of a timely and sufficient referendum petition as provided in
10 RCW 35A.14.299 below, a referendum election shall be held as provided
11 in RCW 35A.14.299, and the annexation shall be deemed approved by the
12 voters unless a majority of the votes cast on the proposition are in
13 opposition thereto. After the expiration of the forty-fifth day from,
14 but excluding the date of passage of the annexation ordinance, if no
15 timely and sufficient referendum petition has been filed, as provided
16 by RCW 35A.14.299 below, the area annexed shall become a part of the
17 code city upon the date fixed in the ordinance of annexation.

18 **Sec. 427.** RCW 35A.14.300 and 1981 c 332 s 7 are each amended to
19 read as follows:

20 Legislative bodies of code cities may by a majority vote annex
21 territory outside the limits of such city whether contiguous or
22 noncontiguous for any municipal purpose when such territory is owned
23 by the city. The legislative body of a code city must file notice of
24 the proposed action with the office of financial management for its
25 review and approval pursuant to section 1 of this act.

26 **Sec. 428.** RCW 35A.14.310 and 1985 c 105 s 1 are each amended to
27 read as follows:

28 A code city may annex an unincorporated area contiguous, as
29 defined in section 1(7) of this act, to the city that is owned by the
30 federal government by adopting an ordinance providing for the
31 annexation and which ordinance either acknowledges an agreement of
32 the annexation by the government of the United States, or accepts a
33 gift, grant, or lease from the government of the United States of the
34 right to occupy, control, improve it or sublet it for commercial,
35 manufacturing, or industrial purposes: PROVIDED, That this right of
36 annexation shall not apply to any territory more than four miles from
37 the corporate limits existing before such annexation. Whenever a code
38 city proposes to annex territory under this section, the city

1 (~~shall~~) must file notice of the proposed action with the office of
2 financial management for its review and approval pursuant to section
3 1 of this act and provide written notice of the proposed
4 (~~annexation~~) action to the legislative authority of the county
5 within which such territory is located. The notice (~~shall~~) to the
6 legislative authority of the county must be provided at least thirty
7 days before the city proposes to adopt the annexation ordinance. The
8 city shall not adopt the annexation ordinance, and the annexation
9 shall not occur under this section, if within twenty-five days of
10 receipt of the notice, the county legislative authority adopts a
11 resolution opposing the annexation, which resolution makes a finding
12 that the proposed annexation will have an adverse fiscal impact on
13 the county or road district.

14 **Sec. 429.** RCW 35A.14.430 and 2003 c 331 s 11 are each amended to
15 read as follows:

16 When a petition for annexation is filed with the legislative body
17 of a code city, that meets the requirements of RCW 35A.01.040 and
18 35A.14.420, the legislative body may entertain the same, fix a date
19 for a public hearing thereon and cause notice of the hearing to be
20 published in one or more issues of a newspaper of general circulation
21 in the city. The legislative body must also file notice of the
22 proposed action with the office of financial management for its
23 review pursuant to section 1 of this act. The notice (~~shall~~) of the
24 hearing must also be posted in three public places within the
25 territory proposed for annexation, (~~and shall~~) specify the time and
26 place of hearing, and invite interested persons to appear and voice
27 approval or disapproval of the annexation.

28 **Sec. 430.** RCW 35A.14.440 and 2003 c 331 s 12 are each amended to
29 read as follows:

30 Following the hearing and approval of the proposed action by the
31 office of financial management pursuant to section 1 of this act, if
32 the legislative body determines to effect the annexation, (~~they~~
33 ~~shall~~) it must do so by ordinance. Subject to RCW 35A.14.410, the
34 ordinance may annex all or any portion of the proposed area but may
35 not include in the annexation any property not described in the
36 petition. Upon passage of the annexation ordinance, a certified copy
37 (~~shall~~) must be filed with the board of county commissioners of the

1 county in which the annexed property is located and a copy must be
2 filed with the office of financial management.

3 **Sec. 431.** RCW 35A.14.460 and 2003 c 299 s 3 are each amended to
4 read as follows:

5 (1) The legislative body of a county or code city planning under
6 chapter 36.70A RCW and subject to the requirements of RCW 36.70A.215
7 may initiate an annexation process for unincorporated territory by
8 adopting a resolution commencing negotiations for an interlocal
9 agreement as provided in chapter 39.34 RCW between a county and any
10 code city within the county. The territory proposed for annexation
11 must meet the following criteria: (a) Be within the code city urban
12 growth area designated under RCW 36.70A.110, and (b) at least sixty
13 percent of the boundaries of the territory proposed for annexation
14 must be contiguous, as defined in section 1(7) of this act, to the
15 annexing code city or one or more cities or towns.

16 (2) If the territory proposed for annexation has been designated
17 in an adopted county comprehensive plan as part of an urban growth
18 area, urban service area, or potential annexation area for a specific
19 city, or if the urban growth area territory proposed for annexation
20 has been designated in a written agreement between a city and a
21 county for annexation to a specific city or town, the designation or
22 designations shall receive full consideration before a city or county
23 may initiate the annexation process provided for in RCW 35A.14.470.

24 (3) The agreement shall describe the boundaries of the territory
25 to be annexed and be submitted to the office of financial management
26 for its review pursuant to section 1 of this act. A public hearing
27 shall be held by each legislative body, separately or jointly, before
28 the agreement is executed. Each legislative body holding a public
29 hearing shall, separately or jointly, publish the agreement at least
30 once a week for two weeks before the date of the hearing in one or
31 more newspapers of general circulation within the territory proposed
32 for annexation.

33 (4) Following adoption and execution of the agreement by both
34 legislative bodies and its approval by the office of financial
35 management pursuant to section 1 of this act, the city legislative
36 body shall adopt an ordinance providing for the annexation of the
37 territory described in the agreement. The legislative body shall
38 cause notice of the proposed effective date of the annexation,
39 together with a description of the property to be annexed, to be

1 published at least once each week for two weeks subsequent to passage
2 of the ordinance, in one or more newspapers of general circulation
3 within the city and in one or more newspapers of general circulation
4 within the territory to be annexed. If the annexation ordinance
5 provides for assumption of indebtedness or adoption of a proposed
6 zoning regulation, the notice shall include a statement of the
7 requirements. Any territory to be annexed through an ordinance
8 adopted under this section is annexed and becomes a part of the city
9 upon the date fixed in the ordinance of annexation, which date may
10 not be fewer than forty-five days after adoption of the ordinance.

11 **Sec. 432.** RCW 35A.14.470 and 2006 c 344 s 26 are each amended to
12 read as follows:

13 (1) The legislative body of any county planning under chapter
14 36.70A RCW and subject to the requirements of RCW 36.70A.215 may
15 initiate an annexation process with the legislative body of any other
16 cities or towns that are contiguous, as defined in section 1(7) of
17 this act, to the territory proposed for annexation in RCW 35A.14.460
18 if:

19 (a) The county legislative body initiated an annexation process
20 as provided in RCW 35A.14.460; and

21 (b) The affected city legislative body adopted a responsive
22 resolution rejecting the proposed annexation or declined to create
23 the requested interlocal agreement with the county; or

24 (c) More than one hundred eighty days have passed since adoption
25 of a county resolution as provided for in RCW 35A.14.460 and the
26 parties have not adopted or executed an interlocal agreement
27 providing for the annexation of unincorporated territory. The
28 legislative body for either the county or an affected city may,
29 however, pass a resolution extending the negotiation period for one
30 or more six-month periods if a public hearing is held and findings of
31 fact are made prior to each extension.

32 (2) Any county initiating the process provided for in subsection
33 (1) of this section must do so by adopting a resolution commencing
34 negotiations for an interlocal agreement as provided in chapter 39.34
35 RCW between the county and any city or town within the county. The
36 annexation area must be within an urban growth area designated under
37 RCW 36.70A.110 and at least sixty percent of the boundaries of the
38 territory to be annexed must be contiguous, as defined in section
39 1(7) of this act, to one or more cities or towns.

1 (3) The agreement shall describe the boundaries of the territory
2 to be annexed and be submitted to the office of financial management
3 for its review pursuant to section 1 of this act. A public hearing
4 shall be held by each legislative body, separately or jointly, before
5 the agreement is executed. Each legislative body holding a public
6 hearing shall, separately or jointly, publish the agreement at least
7 once a week for two weeks before the date of the hearing in one or
8 more newspapers of general circulation within the territory proposed
9 for annexation.

10 (4) Following adoption and execution of the agreement by both
11 legislative bodies and its approval by the office of financial
12 management pursuant to section 1 of this act, the city or town
13 legislative body shall adopt an ordinance providing for the
14 annexation. The legislative body shall cause notice of the proposed
15 effective date of the annexation, together with a description of the
16 property to be annexed, to be published at least once each week for
17 two weeks subsequent to passage of the ordinance, in one or more
18 newspapers of general circulation within the city and in one or more
19 newspapers of general circulation within the territory to be annexed.
20 If the annexation ordinance provides for assumption of indebtedness
21 or adoption of a proposed zoning regulation, the notice shall include
22 a statement of the requirements. Any area to be annexed through an
23 ordinance adopted under this section is annexed and becomes a part of
24 the city or town upon the date fixed in the ordinance of annexation,
25 which date may not be less than forty-five days after adoption of the
26 ordinance.

27 (5) The annexation ordinances provided for in RCW 35A.14.460(4)
28 and subsection (4) of this section are subject to referendum for
29 forty-five days after passage. Upon the filing of a timely and
30 sufficient referendum petition with the legislative body, signed by
31 registered voters in number equal to not less than fifteen percent of
32 the votes cast in the last general state election in the area to be
33 annexed, the question of annexation shall be submitted to the voters
34 of the area in a general election if one is to be held within ninety
35 days or at a special election called for that purpose according to
36 RCW 29A.04.330. Notice of the election shall be given as provided in
37 RCW 35A.14.070 and the election shall be conducted as provided in the
38 general election law. The annexation shall be deemed approved by the
39 voters unless a majority of the votes cast on the proposition are in
40 opposition thereto.

1 After the expiration of the forty-fifth day from but excluding
2 the date of passage of the annexation ordinance, if no timely and
3 sufficient referendum petition has been filed, the area annexed shall
4 become a part of the city or town upon the date fixed in the
5 ordinance of annexation.

6 (6) If more than one city or town adopts interlocal agreements
7 providing for annexation of the same unincorporated territory as
8 provided by this section, an election shall be held in the area to be
9 annexed pursuant to RCW 35A.14.070. In addition to the provisions of
10 RCW 35A.14.070, the ballot shall also contain a separate proposition
11 allowing voters to cast votes in favor of annexation to any one city
12 or town participating in an interlocal agreement as provided by this
13 section. If a majority of voters voting on the proposition vote
14 against annexation, the proposition is defeated. If, however, a
15 majority of voters voting in the election approve annexation, the
16 area shall be annexed to the city or town receiving the highest
17 number of votes among those cast in favor of annexation.

18 (7) Costs for an election required under subsection (6) of this
19 section shall be borne by the county.

20 **Sec. 433.** RCW 35A.14.480 and 2013 2nd sp.s. c 27 s 2 are each
21 amended to read as follows:

22 (1)(a) An annexation by a code city proposing to annex territory
23 served by one or more fire protection districts may be accomplished
24 by ordinance after entering into an interlocal agreement as provided
25 in chapter 39.34 RCW with the county and the fire protection district
26 or districts that have jurisdiction over the territory proposed for
27 annexation.

28 (b) A code city proposing to annex territory shall initiate the
29 interlocal agreement process by sending notice to the fire protection
30 district representative and county representative stating the code
31 city's interest to enter into an interlocal agreement negotiation
32 process. The parties have forty-five days to respond in the
33 affirmative or negative. A negative response must state the reasons
34 the parties do not wish to participate in an interlocal agreement
35 negotiation. A failure to respond within the forty-five day period is
36 deemed an affirmative response and the interlocal agreement
37 negotiation process may proceed. The interlocal agreement process may
38 not proceed if any negative responses are received within the forty-
39 five day period.

1 (c) The interlocal agreement must describe the boundaries of the
2 territory proposed for annexation and must be consistent with the
3 boundaries identified in an ordinance describing the boundaries of
4 the territory proposed for annexation and setting a date for a public
5 hearing on the ordinance. If the boundaries of the territory proposed
6 for annexation are agreed to by all parties, a notice of intention
7 must be filed with the boundary review board created under RCW
8 36.93.030 and the office of financial management. However, the
9 jurisdiction of the board may not be invoked as described in RCW
10 36.93.100 for annexations that are the subject of such agreement.

11 (2) An interlocal annexation agreement under this section must
12 include the following:

13 (a) A statement of the goals of the agreement. Goals must
14 include, but are not limited to:

15 (i) The transfer of revenues and assets between the fire
16 protection district and the code city;

17 (ii) A consideration and discussion of the impact to the level of
18 service of annexation on the unincorporated area, and an agreement
19 that the impact on the ability of fire protection and emergency
20 medical services within the incorporated area must not be negatively
21 impacted at least through the budget cycle in which the annexation
22 occurs;

23 (iii) A discussion with fire protection districts regarding the
24 division of assets and its impact to citizens inside and outside the
25 newly annexed area;

26 (iv) Community involvement, including an agreed upon schedule of
27 public meetings in the area or areas proposed for annexation;

28 (v) Revenue sharing, if any;

29 (vi) Debt distribution;

30 (vii) Capital facilities obligations of the code city, county,
31 and fire protection districts;

32 (viii) An overall schedule or plan on the timing of any
33 annexations covered under this agreement; and

34 (ix) A description of which of the annexing code cities'
35 development regulations will apply and be enforced in the area.

36 (b) The subject areas and policies and procedures the parties
37 agree to undertake in annexations. Subject areas may include, but are
38 not limited to:

39 (i) Roads and traffic impact mitigation;

40 (ii) Surface and storm water management;

1 (iii) Coordination and timing of comprehensive plan and
2 development regulation updates;

3 (iv) Outstanding bonds and special or improvement district
4 assessments;

5 (v) Annexation procedures;

6 (vi) Distribution of debt and revenue sharing for annexation
7 proposals, code enforcement, and inspection services;

8 (vii) Financial and administrative services; and

9 (viii) Consultation with other service providers, including
10 water-sewer districts, if applicable.

11 (c) A term of at least five years, which may be extended by
12 mutual agreement of the code city, the county, and the fire
13 protection district.

14 (3) If the fire protection district, annexing code city, and
15 county reach an agreement on the enumerated goals, or ~~((if))~~ only the
16 annexing code city and county reach an agreement on the enumerated
17 goals, the code city may adopt an annexation ordinance, but the
18 annexation ordinance provided for in this section is subject to
19 approval by the office of financial management pursuant to section 1
20 of this act and referendum for forty-five days after its passage,
21 provided that no referendum shall be allowed for an annexation under
22 this section if the fire protection district, annexing code city, and
23 the county reach agreement on an annexation for which a code city has
24 initiated the interlocal agreement process by sending notice to the
25 fire protection district representative and county representative
26 prior to July 28, 2013. Upon the filing of a timely and sufficient
27 referendum petition with the legislative body of the code city,
28 signed by qualified electors in a number not less than ten percent of
29 the votes cast in the last general state election in the area to be
30 annexed, the question of annexation must be submitted to the voters
31 of the area in a general election if one is to be held within ninety
32 days or at a special election called for that purpose according to
33 RCW 29A.04.330. Notice of the election must be given as provided in
34 RCW 35A.14.070, and the election must be conducted as provided in the
35 general election laws under Title 29A RCW. The annexation must be
36 deemed approved by the voters unless a majority of the votes cast on
37 the proposition are in opposition to the annexation.

38 After the expiration of the forty-fifth day from, but excluding,
39 the date of passage of the annexation ordinance, if a timely and
40 sufficient referendum petition has not been filed, the area annexed

1 becomes a part of the code city upon the date fixed in the ordinance
2 of annexation.

3 **Sec. 434.** RCW 35A.14.490 and 2009 c 402 s 5 are each amended to
4 read as follows:

5 (1) Territory owned by a county and used for an agricultural fair
6 as provided in chapter 15.76 ((RCW)) or ((chapter)) 36.37 RCW may
7 only be annexed to a code city through the method prescribed in this
8 section.

9 (a) The legislative body of the city proposing the annexation
10 must submit a request for annexation and a legal description of the
11 subject territory to the legislative authority of the county within
12 which the territory is located.

13 (b) Upon receipt of the request and description, the county
14 legislative authority has thirty days to review the proposal and
15 determine if the annexation proceedings will continue. As a condition
16 of approval, the county legislative authority may modify the
17 proposal, but it may not add territory that was not included in the
18 request and description. Approval of the county legislative authority
19 is a condition precedent to further proceedings upon the request and
20 there is no appeal of the county legislative authority's decision.

21 (c) If the county legislative authority determines that the
22 proceedings may continue, it must, within thirty days of the
23 determination, fix a date for a public hearing on the proposal, and
24 cause notice of the hearing to be published at least once a week for
25 two weeks prior to the hearing in one or more newspapers of general
26 circulation in the territory proposed for annexation. The notice must
27 also be posted in three public places within the subject territory,
28 specify the time and place of the hearing, and invite interested
29 persons to appear and voice approval or disapproval of the
30 annexation. If the annexation proposal provides for assumption of
31 indebtedness or adoption of a proposed zoning regulation, the notice
32 must include a statement of these requirements.

33 (d) If, following the conclusion of the hearing, a majority of
34 the county legislative authority deems the annexation proposal to be
35 in the best interest of the county, it may adopt a resolution
36 approving of the annexation. The county legislative authority must
37 file notice of the proposed action with the office of financial
38 management for its review pursuant to section 1 of this act.

1 (e) If, following the county legislative authority's adoption of
2 the annexation approval resolution and approval of the proposed
3 action by the office of financial management pursuant to section 1 of
4 this act, the legislative body of the city proposing annexation
5 determines to effect the annexation, it must do so by ordinance. The
6 ordinance: (i) May only include territory approved for annexation in
7 the resolution adopted under (d) of this subsection; and (ii) must
8 not exclude territory approved for annexation in the resolution
9 adopted under (d) of this subsection. Upon passage of the annexation
10 ordinance, a certified copy must be filed with the applicable county
11 legislative authority.

12 (2) Any territory annexed through an ordinance adopted under this
13 section is annexed and becomes a part of the code city upon the date
14 fixed in the ordinance.

15 **Sec. 435.** RCW 35A.14.700 and 2011 c 342 s 2 are each amended to
16 read as follows:

17 (1) Whenever any territory is annexed to or deannexed from a code
18 city, any territory is subject to boundary line adjustment, or cities
19 are consolidated pursuant to chapter 35.10 RCW:

20 (a) A copy of the complete ordinance containing a legal
21 description and a map showing specifically the boundaries of the
22 territory or consolidated area must be submitted immediately after
23 the city or town's adoption. Within two days of receipt of the
24 ordinance, the office of financial management must post a digital
25 copy on the internet or transmit digital copies via email to the
26 departments of transportation and revenue. The requirement to notify
27 the department of revenue of a tax rate change under RCW 82.14.055(1)
28 is met when the office of financial management receives the documents
29 required under this subsection (1)(a); and

30 (b) A certificate as hereinafter provided ((shall)) must be
31 submitted ((in triplicate)) to the office of financial management
32 within thirty days of the effective date of ((annexation)) the action
33 specified in the relevant ordinance. After approval of the
34 certificate, the office of financial management ((shall)) must retain
35 the original copy in its files((7)) and transmit ((the second)) a
36 digital copy to ((the department of transportation and return the
37 third copy to)) the code city via email. ((Such)) The certificate((s
38 shall)) must be in ((such)) a form and contain ((such)) information
39 as ((shall be)) prescribed by the office of financial management. ((A

1 ~~copy of the complete ordinance containing a legal description and a~~
2 ~~map showing specifically the boundaries of the annexed territory~~
3 ~~shall be attached to each of the three copies of the certificate.)~~

4 The certificate (~~shall~~) must be signed by the mayor and attested by
5 the city clerk. Upon request, the office of financial management
6 (~~shall~~) must furnish certification forms to any code city.

7 (2)(a) The resident population of the (~~annexed~~) territory
8 (~~shall~~) or consolidated area must be determined by, or under the
9 direction of, the mayor of the code city.

10 (b) If the (~~annexing~~) code city has a population of ten
11 thousand or less, the (~~annexed~~) territory or consolidated area
12 consists entirely of one or more partial federal census blocks, or
13 2010 federal decennial census data has not been released within
14 twelve months immediately prior to the date of (~~annexation~~) the
15 action, the population determination (~~shall~~) must consist of an
16 actual enumeration of the population.

17 (c) In any circumstance, the code city may choose to have the
18 population determination of the entire (~~annexed~~) territory or
19 consolidated area consist of an actual enumeration. However, if the
20 code city does not use actual enumeration for determining population,
21 the (~~annexed~~) territory or consolidated area includes or consists
22 of one or more complete federal census blocks, and 2010 federal
23 decennial census data has been released within twelve months
24 immediately prior to the date of (~~annexation~~) the action, the
25 population determination (~~shall~~) must consist of:

26 (i) Relevant 2010 federal decennial census data pertaining to the
27 complete block or blocks, as such data has been updated by the most
28 recent official population estimate released by the office of
29 financial management pursuant to RCW 43.62.030;

30 (ii) An actual enumeration of any population located within the
31 (~~annexed~~) territory or consolidated area but outside the complete
32 federal census block or blocks; and

33 (iii) If the office of financial management, at least two weeks
34 prior to the date of (~~annexation~~) the action, confirms the
35 existence of a known census error within a complete federal census
36 block and identifies a structure or complex listed in (c)(iii)(A)
37 through (E) of this subsection (2) as a likely source of the error,
38 an actual enumeration of one or more of the block's identified:

39 (A) Group quarters;

40 (B) Mobile home parks;

1 (C) Apartment buildings that are composed of at least fifty units
2 and are certified for occupancy between January 1, 2010, and April 1,
3 2011;

4 (D) Missing subdivisions; and

5 (E) Closures of any of the categories in (c)(iii)(A) through (D)
6 of this subsection.

7 (d) Whenever an actual enumeration is used, it shall be made in
8 accordance with the practices and policies of, and subject to the
9 approval of, the office of financial management.

10 (e) The code city (~~shall be~~) is responsible for the full cost
11 of the population determination.

12 (3) Upon approval of the (~~annexation~~) certificate, the office
13 of financial management (~~shall~~) must forward to each state official
14 or department responsible for making allocations or payments to
15 cities or towns, a revised certificate reflecting the increase in
16 population due to (~~such annexation~~) the action. Upon and after the
17 date of the commencement of the next quarterly period, the population
18 determination indicated in (~~such~~) the revised certificate (~~shall~~)
19 must be used as the basis for the allocation and payment of state
20 funds to such city or town.

21 For the purposes of this section, each quarterly period (~~shall~~)
22 commences on the first day of the months of January, April, July, and
23 October. Whenever a revised certificate is forwarded by the office of
24 financial management thirty days or less prior to the commencement of
25 the next quarterly period, the population of the (~~annexed~~)
26 territory (~~shall~~) or consolidated area must not be considered until
27 the commencement of the following quarterly period.

28 (4) Until (~~an annexation~~) a certificate is filed and approved
29 (~~as provided herein, such annexed~~), the territory (~~shall~~) or
30 consolidated area must not be considered by the office of financial
31 management in determining the population of such code city.

32 **Sec. 436.** RCW 35A.16.010 and 1967 ex.s. c 119 s 35A.16.010 are
33 each amended to read as follows:

34 Upon the filing of a petition which is sufficient as determined
35 by RCW 35A.01.040 praying for the exclusion from the boundaries of a
36 code city of an area described by metes and bounds or by reference to
37 a recorded plat or government survey, signed by qualified voters of
38 the city in number equal to not less than ten percent of the number
39 of votes cast at the last general municipal election, the legislative

1 body of the code city shall cause the question to be submitted to the
2 voters. As an alternate method, such a proposal for exclusion from
3 the code city of a described area may be submitted to the voters by
4 resolution of the legislative body. The question shall be submitted
5 at the next general municipal election if one is to be held within
6 one hundred and eighty days or at a special election called for that
7 purpose not less than ninety days nor more than one hundred and
8 eighty days after the certification of sufficiency of the petition or
9 the passage of the resolution. The petition or resolution shall set
10 out and describe the territory to be excluded from the code city,
11 together with the boundaries of the code city as it will exist after
12 such change is made. The legislative body of the code city must file
13 notice of the proposed action with the office of financial management
14 for its review pursuant to section 1 of this act.

15 **Sec. 437.** RCW 35A.16.040 and 1967 ex.s. c 119 s 35A.16.040 are
16 each amended to read as follows:

17 Promptly after the filing of the abstract of votes with the
18 secretary of state and subject to approval of the proposed action by
19 the office of financial management pursuant to section 1 of this act,
20 the legislative body shall adopt an ordinance defining and fixing the
21 corporate limits after excluding the area as determined by the
22 election. The ordinance shall also describe the excluded territory by
23 metes and bounds or by reference to a recorded plat or government
24 survey and declare it no longer a part of the code city.

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