

**Chapter 36.60 RCW  
COUNTY RAIL DISTRICTS**

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**RCW 36.60.010 Establishment of district—Boundaries—Powers.**

Subject to RCW 36.60.020, the legislative authority of a county may establish one or more county rail districts within the county for the purpose of providing and funding improved rail freight or passenger service, or both. The boundaries of county rail districts shall be drawn to include contiguous property in an area from which agricultural or other goods could be shipped by the rail service provided. The district shall not include property outside this area which does not, or, in the judgment of the county legislative authority, is not expected to produce goods which can be shipped by rail, or property substantially devoted to fruit crops or producing goods that are shipped in a direction away from the district. A county rail district is a quasi municipal corporation, an independent taxing "authority" within the meaning of Article VII, section 1 of the state Constitution, and a "taxing district" within the meaning of Article VII, section 2 of the state Constitution.

A county rail district shall constitute a body corporate and shall possess all the usual powers of a corporation for public purposes as well as all other powers that may now or hereafter be specifically conferred by statute, including, but not limited to, the authority to hire employees, staff, and services, to enter into contracts, to accept and expend or use gifts, grants, and donations, and to sue and be sued.

The county legislative authority shall be the governing body of a county rail district. The county treasurer shall act as the ex officio treasurer of the county rail district. The electors of a district are all registered voters residing within the district.

This authority and that provided in RCW 36.60.030 may only be exercised outside the boundaries of the county rail district if such

extraterritorial rail services, equipment, or facilities are found, by resolution of the county legislative authority exercising such authority, to be reasonably necessary to link the rail services, equipment, and facilities within the rail district to an interstate railroad system; however, if such extraterritorial rail services, equipment, or facilities are in or are to be located in one or more other counties, the legislative authority of such other county must consent by resolution to the proposed plan of the originating county which consent shall not be unreasonably withheld. [2001 c 58 § 1; 1985 c 187 § 1; 1983 c 303 § 8.]

**RCW 36.60.020 Establishment, modification, or dissolution of district—Public notice and hearing—Election.** (1) A county legislative authority proposing to establish a county rail district, or to modify the boundaries of an existing county rail district, or to dissolve an existing county rail district, shall conduct a hearing at the time and place specified in a notice published at least once, not less than ten days prior to the hearing, in a newspaper of general circulation within the proposed county rail district. This notice shall be in addition to any other notice required by law to be published. Additional notice of the hearing may be given by mail, posting within the proposed county rail district, or in any manner the county legislative authority deems necessary to notify affected persons. All hearings shall be public and the county legislative authority shall hear objections from any person affected by the formation, modification of the boundaries, or dissolution of the county rail district.

(2) Following the hearing held under subsection (1) of this section, the county legislative authority may adopt a resolution providing for the submission of a proposal to establish a county rail district, modify the boundaries of an existing county rail district, or dissolve an existing county rail district, if the county legislative authority finds the proposal to be in the public interest. The resolution shall contain the boundaries of the district if applicable.

A proposition to create a county rail district, modify the boundaries of an existing county rail district, or dissolve an existing rail district shall be submitted to the affected voters at the next general election held sixty or more days after the adoption of the resolution providing for the submittal by the county legislative authority. The resolution shall establish the boundaries of the district and include a finding that the creation of the district is in the public interest and that the area included within the district can reasonably be expected to benefit from its creation. No portion of a city may be included in such a district unless the entire city is included.

The district shall be created upon approval of the proposition by simple majority vote. The ballot proposition submitted to the voters shall be in substantially the following form:

FORMATION OF COUNTY RAIL DISTRICT . . . . .

Shall a county rail district be established for the area described in a resolution of the legislative authority of . . . . . county, adopted on the . . . . day of . . . . ., (year) . . . . ?

Yes . . . . .

No . . . . .

[2016 c 202 § 30; 1983 c 303 § 9.]

*Dissolution of inactive special purpose districts: Chapter 36.96 RCW.*

**RCW 36.60.030 Authority of district to provide rail service.** A county rail district is authorized to contract with a person, partnership, or corporation to provide rail service along a light-density essential-service rail line for the purpose of carrying commodities. The district shall also have the power to acquire, maintain, improve, or extend rail facilities within the district that are necessary for the safe and efficient operation of the contracted rail service. A county rail district may receive state rail assistance under chapter 47.76 RCW. Two or more county rail districts may enter into interlocal cooperation agreements under chapter 39.34 RCW to carry out the purposes of this chapter. [1983 c 303 § 10.]

**RCW 36.60.040 Excess property tax levies authorized.** A county rail district is not authorized to impose a regular ad valorem property tax levy but may:

(1) Levy an ad valorem property tax, in excess of the one percent limitation, upon the property within the district for a one-year period to be used for operating or capital purposes whenever authorized by the voters of the district pursuant to RCW 84.52.052 and Article VII, section 2(a) of the state Constitution.

(2) Provide for the retirement of voter approved general obligation bonds, issued for capital purposes only, by levying bond retirement ad valorem property tax levies, in excess of the one percent limitation, whenever authorized by the voters of the district pursuant to Article VII, section 2(b) of the state Constitution and RCW 84.52.056. [1983 c 303 § 11.]

**RCW 36.60.050 General obligation bonds authorized—Limitations—Terms.**

(1) To carry out the purpose of this chapter, a county rail district may issue general obligation bonds, not to exceed an amount, together with any outstanding nonvoter approved general obligation indebtedness, equal to three-eighths of one percent of the value of taxable property within the district, as the term "value of taxable property" is defined in RCW 39.36.015. A county rail district may additionally issue general obligation bonds for capital purposes only, together with any outstanding general obligation indebtedness, not to exceed an amount equal to one and one-fourth percent of the value of the taxable property within the district, as the term "value of taxable property" is defined in RCW 39.36.015, as prescribed in Article VIII, section 6 of the state Constitution, and to provide for the retirement thereof by excess property tax levies as provided in RCW 36.60.040(2). The county rail district may submit a single proposition to the voters which, if approved, authorizes both the issuance of the bonds and the bond retirement property tax levies.

(2) General obligation bonds with a maturity in excess of forty years shall not be issued. The governing body of the county rail district shall by resolution determine for each general obligation bond issue the amount, date or dates, terms, conditions,

denominations, interest rate or rates, which may be fixed or variable, maturity or maturities, redemption rights, registration privileges, manner of execution, price, manner of sale, and covenants. The bonds may be in any form, including bearer bonds or registered bonds. Facsimile signatures may be used on the bonds and any coupons. Refunding general obligation bonds may be issued in the same manner as general obligation bonds are issued.

(3) Whenever general obligation bonds are issued to fund specific projects or enterprises that generate revenues, charges, user fees, or special assessments, the county rail district which issues the bonds may specifically pledge all or a portion of the revenues, charges, user fees, or special assessments to refund the general obligation bonds. [1983 c 303 § 12.]

**RCW 36.60.060 Revenue bonds authorized—Limitations—Terms.** (1)

A county rail district may issue revenue bonds to fund revenue generating facilities which it is authorized to provide or operate. Whenever revenue bonds are to be issued, the governing body of the district shall create or have created a special fund or funds for the sole purpose of paying the principal of and interest on the bonds of each such issue, into which fund or funds the governing body may obligate the district to pay such amounts of the gross revenue of all or any part of the facilities constructed, acquired, improved, repaired, or replaced pursuant to this chapter as the governing body determines.

(2) The governing body of a county rail district issuing revenue bonds shall create a special fund or funds from which, along with any reserves created under RCW 39.44.140, the principal and interest on the revenue bonds shall exclusively be payable. The governing body may obligate the county rail district to set aside and pay into the special fund or funds a fixed proportion or a fixed amount of the revenues from the public improvements, projects, facilities, and all related additions funded by the revenue bonds. This amount or proportion shall be a lien and charge against these revenues, subject only to operating and maintenance expenses. The governing body shall consider the cost of operation and maintenance of the public improvement, project, facility, or additions funded by the revenue bonds and shall not place into the special fund or funds a greater amount or proportion of the revenues than it thinks will be available after maintenance and operation expenses have been paid and after the payment of revenue previously pledged. The governing body may also provide that revenue bonds payable from the same source or sources of revenue may later be issued on parity with any revenue bonds issued and sold.

(3) Revenue bonds issued pursuant to this section shall not be an indebtedness of the county rail district issuing the bonds, and the interest and principal on the bonds shall only be payable from the revenues lawfully pledged to meet the principal and interest requirements and any reserves created pursuant to RCW 39.44.140. The owner of a revenue bond or any interest coupon issued pursuant to this section shall not have any claim against the county rail district arising from the bond or coupon except for payment from the revenues lawfully pledged to meet the principal and interest requirements and any reserves created pursuant to RCW 39.44.140. The substance of the

limitations included in this subsection shall be plainly printed, written, or engraved on each bond issued pursuant to this section.

(4) Revenue bonds with a maturity in excess of thirty years shall not be issued. The governing body of the county rail district shall by resolution determine for each revenue bond issue the amount, date, terms, conditions, denominations, maximum fixed or variable interest rate or rates, maturity or maturities, redemption rights, registration privileges, manner of execution, manner of sale, callable provisions, if any, and covenants including the refunding of existing revenue bonds. The bonds may be in any form, including bearer bonds or registered bonds. Facsimile signatures may be used on the bonds and any coupons. Refunding revenue bonds may be issued in the same manner as revenue bonds are issued. [1983 c 303 § 13.]

**RCW 36.60.070 Power of eminent domain.** A county rail district may exercise the power of eminent domain to obtain property for its authorized purposes in the manner counties exercise the powers of eminent domain. [1983 c 303 § 14.]

*Eminent domain by counties: Chapter 8.08 RCW.*

**RCW 36.60.100 Establishment, modification, or dissolution of district—Alternate method.** The method of establishing, modifying, or dissolving a county rail district in RCW 36.60.110 through 36.60.130 is an alternate method to that specified in RCW 36.60.020. [1986 c 26 § 1.]

**RCW 36.60.110 Establishment, modification, or dissolution of district—Alternate method—Petition.** A petition to establish, modify the boundaries, or dissolve a county rail district shall be filed with the county legislative authority. The petition shall be signed by the owners of property valued at not less than seventy-five percent according to the assessed valuation for general taxation of the property for which establishment, modification or dissolution is petitioned. The petition shall set forth a legal description of the property and shall be accompanied by a plat which outlines the boundaries of the property sought to be annexed. [1986 c 26 § 2.]

**RCW 36.60.120 Establishment, modification, or dissolution of district—Alternate method—Public hearing.** If a petition to establish, modify the boundaries, or dissolve a county rail district is filed with the county legislative authority that complies with the requirements specified in RCW 36.60.110, the legislative authority may accept the petition, fix a date for a public hearing, and publish notice of the hearing in one issue of the official county newspaper. The notice shall also be posted in three public places within the area proposed for establishment, modification, or dissolution, and shall specify the time and place of hearing. The expense of publication and posting of the notice shall be paid by the signers of the petition. [1986 c 26 § 3.]

**RCW 36.60.130 Establishment, modification, or dissolution of district—Alternate method—Determination by county legislative authority.** Following the hearing, the county legislative authority shall determine by resolution whether the area proposed shall establish, modify the boundaries, or dissolve the county rail district. They may include all or any portion of the proposed area but may not include any property not described in the petition. [1986 c 26 § 4.]

**RCW 36.60.140 Annexation by boundary modification—Assumption of outstanding indebtedness.** All property annexed to a county rail district by a boundary modification under RCW 36.60.110 through 36.60.130 shall assume all or any portion of the outstanding indebtedness of the county rail district existing at the date of modification. [1986 c 26 § 5.]

**RCW 36.60.900 Liberal construction.** The rule of strict construction does not apply to this chapter, and this chapter shall be liberally construed to permit the accomplishment of its purposes. [1983 c 303 § 15.]