Legislature Heads Into Third Special Session

This week the Legislature reconvened into the third special session of the year for the primary purpose of adopting a transportation funding package to relieve transportation congestion in the Puget Sound region.

Yesterday, the Governor added a second proposal for farm disaster relief resulting from the June rain, hail and wind storm that hit 13 counties. See the story below.

The first four days of the session have been devoted to intense negotiations over a statewide funding package that would result in a 9 cents gas tax increase, a 1.5% tax on sales of new and used cars and a 25% increase in the truck hauling fees. The gas tax will provide some funding for county roads, but the exact amount has not been agreed to yet. The proposal will not go to a vote of the people, but will be approved by the Legislature.

The other piece of the transportation package will include a regional funding bill that will only apply to King, Pierce and Snohomish counties requiring a vote of the people of these counties before any tax increases.

There will be a study during the next year to determine if adjoining counties could be included. The final piece of the transportation package of bills will include an accountability act in order to get the support of those legislators who have said they will not vote for any new taxes without it.

In order for any transportation funding to pass the House will need to provide 50 votes and each caucus is saying that they will need at least 25 from each other. This will be very difficult and if the votes are not there by the end of the weekend they could very likely go home without any bills passing.

A more complete explanation of the proposed bills will be in next week's Courthouse Journal after copies of the bills are made available.

Governor Locke’s Farm Disaster Relief Proposal

Thursday, we received a draft copy of Governor Locke’s proposal dealing with farm disaster relief. The key provision of the proposal is a property tax exemption. The exemption applies to property taxes that have not yet been paid for 2001, 2002 and 2003. A copy of Section 3 of the draft bill and the listing of counties and crops affected in those counties is included as an attachment.

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Under this measure, a farmer must be in one of 13 counties that was declared a disaster and they must qualify for an emergency loan from the Farm Service Agency. Counties affected are: Adams; Benton; Chelan; Clark; Columbia; Douglas; Franklin; Grant; King; Kittitas; Pierce; Walla Walla; and Yakima. If the farmers meet those qualifications, they are exempt from all regular and excess levies owing on all real property, including perennial vines

(Continued on page 2)
and orchard trees, owned or leased by that farmer, provided that land is used exclusively for growing an agricultural product damaged in the storms occurring last month, on June 26 and 27 (see attached list for eligible crops).

The exemption applies to 2001 taxes that are unpaid as of the effective date of the act, and for 2002 and 2003 taxes. The farmer is to file an exemption form with the county treasurer on or before the due date for the taxes. Counties and other taxing districts that lose revenues as a result of this exemption are entitled to reimbursement from the State for the lost revenues. There is no language in the bill that prohibits a tax shift, so the results would be a tremendous tax shift in some counties to other taxpayers in 2002 and 2003 including farmers that did not sustain damage from the storm.

### Special Session and Election Bills

A number of bills have been introduced this session (3rd Special) dealing with elections:

#### The Courthouse Journal

The Courthouse Journal is published weekly by the Washington Association of County Officials (WACO) and the Washington State Association of Counties (WSAC).

We welcome your suggestions and contributions. The weekly deadline is noon Thursday.

Direct inquiries and correspondence to The Courthouse Journal, 206 Tenth Ave SE, Olympia, WA 98501-1131.

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#### Technical Amendments to Vacancy Statutes

SB 6211 makes technical changes to the statutes relating to vacancies. During the last session, WSACA successfully passed SB 5273, which changed when a special filing period could be opened after a vacancy occurs, from the fourth Tuesday before an election to the sixth Tuesday before an election. Unfortunately, two sections were not amended that should have been: RCW 29.15.190 and 42.12.040. By amending most, but not all, of the statutes that govern this process, an argument can be made that an election is required for any vacancy occurring between the 6th and 4th Tuesday. Since no statutory mechanism exists for candidate filings for such a vacancy, a write-in election may be required.

County Auditors have been asked to call both their House and Senate legislators to let them know of the importance of this bill. The bill has been sponsored by Senator Gardner, who also sponsored SB 5273.

#### Primary Election

SB 6213 makes an attempt to give the state a primary. The top two vote getters, regardless of party would advance to the general election ballot.

#### Conservation Districts

SB 6215 would provide a moratorium on the election of conservation district commissioners for 2001 and 2002 elections until 2002 and those elections would be held in accordance with the laws of Title 89.08 RCW and not Title 29 of the RCW. In 1999, legislation was passed that appeared to take the election process for conservation district supervisors out of Title 89 and put it into Title 29. However, it remained unclear as to what the governing statutes were.

The administrative costs to modify tax collections mid-year are tremendous. All applications for 2001 would have to be made by October 31. Since recalculation of second half tax bills is impractical, eligible farmers would still have to pay second half taxes to avoid being delinquent and then receive a refund at a later date.
Upcoming Meetings
Annual Local Board of Health Leadership Workshop — Save the Date!

Commissioners Mike Shelton, Bill Hinkle, Darcie Nielsen, Mike Doherty and Council member Barbara Corthen met during the WSAC Conference in Yakima and selected October 25 – 26, 2001 as the dates for the next Local Board of Health Leadership Workshop. The theme for this year’s workshop is “Emerging Health Issues” and is drawn from the issues local board of health members identified as areas of high interest in the recently completed survey. The format of the workshop will include roundtable discussions offering the opportunity to have facilitated discussions with other local board members about emerging health issues as well as brief presentations that should help fuel those discussions.

Also planning to attend is Tom Milne, the Executive Director from the National Association of County and City Health Officials (NACCHO) to both provide a national perspective on emerging health issues and to hear from local board members the issues of importance at home. Our own Secretary of Health, MarySelecky, will provide the state perspective. The workshop promises to be informative and will challenge your thinking about local government public health. Watch for more information and registration materials to come out in the next month.

Good Things

King County Pet License Program Receives NACo Award

Congratulations to the King County Licensing & Regulatory Services Division for receiving a 2001 Achievement Award from the National Association of Counties for their Pet Partnership Program. This was given in “recognition of an innovative program which contributes to and enhances county government in the United States.” The Pet Partnership Program was designed collaboratively with suburban cities, veterinarians, nonprofits and business to increase the number of pets licensed within King County.

According to a news release “The Program is based on innovative community partnerships, education campaigns, appealing incentives (e.g. free microchips), enhancing licensing convenience, increasing renewal rates, and promoting licensing through friendly door-to-door pet license canvassers.” Pet licenses sold in 2000 saw a 15% increase over those sold in 1999 and the county is hoping to see a 13% increase over the 2000 licenses sold.

NACo Achievement Awards

Five counties in the State of Washington received 14 different NACO Achievement Awards in 2001. We salute each of you for a job well done! Following is a list of those projects receiving an award:

* Wenatchee River County Park – Chelan County
* Youth Town Hall – Clark County
* 24x7 Environmental Complaint Hotline – King County
* Issaquah TDC Project – Implementing Growth Management – King County
* Neighborhood Enhancement Program – King County
* Pet Partnership Program - King County (See article in this week’s “Good Things” section of the Courthouse Journal)
* “Port to Port” Transportation Corridor Seismic Vulnerability – Pierce County
* Crisis Information Center Program – Pierce County
* Delinquent Fine and Fee Recovery – Pierce County
* Drainage Management Program for Environmental Protection – Pierce County

We would like to include a description of your project in the Courthouse Journal’s “Good Things” section. Please send us an explanation of your project and how it has helped your community.

Revenues for Distribution Online

If you have any question at all regarding what revenues are distributed to cities and counties by the State Treasurer, check out this link: http://www.wa.gov/tre/rd_pamph.htm. State Treasurer Mike Murphy first published the Revenues for Distribution Pamphlet in 1998. Now the updated version is at your fingertips. The publication is a wealth of information. It not only addresses every-thing from autopsy reimbursement to Taylor Grazing fees, but also includes a description of the revenue to be distributed, the statutory authority, and the appropriate BARS code. Some of us can’t get along without it!

Governor Names Washington State Patrol Chief

Governor Gary Locke has named Ronal W. Serpas as the new Chief of the Washington State Patrol (WSP) effective August 1. Serpas is a career law enforcement officer and currently serves as Assistant Superintendent of Police and Chief of Operations for the New Orleans, Louisiana

(Continued on page 4)
Boards and Commissions List Compiled

At the last Board of Directors meeting in June at Yakima it was requested that a list of WSAC members appointed to various state Boards and Commissions be published. The list is attached at the end of this Courthouse Journal.

There are 58 members of WSAC or their affiliates serving on a total of 50 boards and commissions. Some of the appointments are made directly by the WSAC Board of Directors and the Governor makes others after nomination by the WSAC Board.

New Publications Available from MRSC

Model Pipeline Ordinances
The 2000 legislature, required the Municipal Research Council to develop, by June 30, 2001, and periodically update, for consideration by local governments: a model ordinance that establishes setback and depth requirements for new hazardous liquid and gas pipeline construction; and a model franchise agreement for jurisdictions through which a hazardous liquid or gas pipeline is located.

The task of drafting the documents was entrusted to Municipal Research & Services Center. Over the past year we have worked with representatives of concerned local governments to produce documents that should provide a basis for responsible local government regulation of transmission pipelines in our state.

Farm Equipment and Machinery – Exemption from State Property Tax

On July 13, Governor Locke signed SHB 1906 (Chapter 24, Laws of 2001), after vetoing Section 2 of the bill, requiring the State levy to be calculated in such a manner that there would not be any tax shift to other taxpayers. This section was the center of controversy between the House and Senate. The Senate had taken this section out of the bill and then sent it back to the House for concurrence. Towards the end of the session, the House insisted on the original bill and the measure then passed the Senate with this language included. The Governor’s partial veto returns the bill to the form that it was in when it cleared the Senate Ways and Means Committee and the Senate the first time. In his veto message, the Governor pointed out that the inclusion of this language would have reduced the State property tax levy approximately $7 million and that the

(Continued from page 3)

ana Police Department. He is a 21-year veteran of the NOPD.

While Chief of Operations, he implemented a series of operational reforms including:
- Decentralizing investigative functions to local districts.
- Implementing an accountability strategy.
- Incorporating community policing strategy in all local districts.
- Integrating investigative strategies of local, state and federal law enforcement agencies.

Since his promotion to Chief of Operations of NOPD in 1996, the city has seen its murder rate drop by 55 percent and its homicide clearance rates have doubled. In addition, among big cities, New Orleans led the nation in reducing violent crime, which dropped 46 percent between 1996 and 1999.

Douglas County Sheriff Dan La-Roche and Larry Erickson, Executive Director of the Washington Association of Sheriffs & Police Chief (WASPC), served on the search committee for the new chief.

There are many opportunities to serve on state boards and commissions. Most recently there have been articles in the Courthouse Journal notifying members of vacancies on the Municipal Research Center, the Pipeline Safety Committee and the Emergency Management Council. If you are interested in these or other appointments please contact WSAC to let us know of your interest.

(Continued on page 5)
The recent decision by the 9th Circuit Court of Appeals, Goldberg v. Ellett, says that a bankruptcy court may prohibit a state tax official from collecting state taxes that were discharged in a bankruptcy proceeding in which the state declined to participate.

The case stemmed from a Chapter 13 bankruptcy case in which Ellett, the debtor, listed the California Franchise Tax Board (FTB) as a general unsecured creditor in the amount of $18,000 for personal income tax obligations for certain years. (The FTB collects state personal income taxes and bank and corporation taxes for the State of California.) The debtor also notified the FTB of the commencement of the bankruptcy case, but the FTB did not file a proof of claim or otherwise participate in the bankruptcy proceedings. The Chapter 13 plan was confirmed and completed over the course of two years. Because the FTB did not file a proof of claim, it received no distributions.

Several months after the bankruptcy court discharged the debtor, the FTB sent the debtor a demand for the personal income taxes, saying that such obligation was not discharged in bankruptcy and that a collection action was “now pending,” which could involve attaching and withholding the debtor’s wages, filing a lien on his real or personal property, or seizing personal property. The FTB was notified of the Chapter 13 plan and discharge order, but the FTB again responded that his California income tax obligations had not been discharged and that collection efforts would commence. Motions were filed on both sides, with the bankruptcy court denying the FTB motion, leading to the Court of Appeals decision.

Counties need to take heed of this court case. In bankruptcies, property taxes may be first in line, but if a claim is not filed and if the county does not participate in the court proceedings and remain aware of the plan, the taxes may be very well discharged.

### Courthouse Ramblings

Whitman County Auditor Dave Repp has been appointed to the State Council on Aging until September of 2002. The council advises the Governor and Department of Health Services on policies, programs and services affecting the elderly.

Former Yakima County Sheriff Doug Blair is working for the Criminal Justice Training Commission as a certification officer.

### Coming Events

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
<th>Location/Details</th>
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<tbody>
<tr>
<td>Washington State Association of County Assessors’ Annual Conference</td>
<td>August 27-30</td>
<td>Washington, Enzian Inn, Leavenworth</td>
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<tr>
<td>International Association of Assessing Officers (IAAO) Annual</td>
<td>September 9-12</td>
<td>Miami, Florida</td>
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<tr>
<td>WASC Eastern District Meeting, East Wenatchee, Mickey O’Reilly Inn</td>
<td>September 27-28</td>
<td>East Wenatchee, Mickey O’Reilly Inn</td>
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<td>WACO Annual Conference, Port Ludlow Resort &amp; Conference Center</td>
<td>October 1-5</td>
<td>Port Ludlow Resort &amp; Conference Center</td>
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<tr>
<td>WASC Western District Meeting, Long Beach</td>
<td>October 11-12</td>
<td>Long Beach</td>
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<tr>
<td>CRAB Board Meeting, CRAB Office, Olympia</td>
<td>October 18-19</td>
<td>CRAB Office, Olympia</td>
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<tr>
<td>ACHS Meeting, Silverdale</td>
<td>November 14-16</td>
<td>ACHS Meeting, Silverdale</td>
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<tr>
<td>WASPC Annual Fall Conference, Doubletree Hotel, Pasco</td>
<td>November 12-15</td>
<td>WASPC Annual Fall Conference, Doubletree Hotel, Pasco</td>
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<tr>
<td>WSAC Fall Legislative Conference, Silverdale Hotel on the Bay</td>
<td>November 14-16</td>
<td>WSAC Fall Legislative Conference, Silverdale Hotel on the Bay</td>
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<tr>
<td>WCIF Board Meeting, in conjunction with WSAC Fall</td>
<td>November 14</td>
<td>WCIF Board Meeting, in conjunction with WSAC Fall</td>
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<td>SECTION 2 will preserve revenue for the State General Fund and</td>
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<td>increase the reserves available for the State School Levy.</td>
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<td>SECTION 3 remained in the bill which says the act applies to taxes</td>
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<td>levied for collection in 2003 and thereafter. Assessors</td>
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<td>will need to begin planning how they will implement this act so that</td>
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<td>any modifications to personal property affidavits sent to</td>
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<td>the taxes may be very well discharged.</td>
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<td>farmers can be made in sufficient time for their</td>
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<td>The FTB collects state personal income taxes and bank and corporation taxes for the State of California.)</td>
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Employment Opportunities

The Grays Harbor County Public Health & Social Services Department has an opening for a Deputy Director with a beginning monthly salary of $4,332. Minimum Qualifications: Bachelor’s degree in Business or Public Administration, Accounting or closely-allied field and 6 years professional experience in budgeting and/or grant accounting, including fiscal management and program analysis, 2 years of which must have been in a supervisory capacity. Qualifications as a CPA in WA State may be substituted for all educational requirements. Must have valid WSDL. Residency in Grays Harbor County must be established within six months of employment. Background checks will be conducted prior to employment. Applications and a complete job description may be obtained from Grays Harbor County Management Services, 3rd Floor Admin. Bldg., P.O. Box 790, Montesano, WA 98563, (360) 249-4144 or on our website at www.co.grays-harbor.wa.us. Closing: August 6, 2001 at 5 p.m. Grays Harbor County is an Equal Opportunity Employer

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The Grays Harbor County Department of Public Services, Planning & Building Division, has an opening for a Plans Examiner/Lead Building Inspector with a monthly salary of $3,439 to $4,110 DOQ. Minimum Qualifications: Requires seven years of employment as a building inspector, plan reviewer, or related position, at least two of which were as an I.C.B.O. Certified Plans Examiner; two year degree in building technology, engineering technology, or closely related field; applicable experience may be substituted at a rate of one for one; I.C.B.O. Building Inspector Certification; I.C.B.O. Plans Examiner Certification and a valid WSDL. Requires the physical ability to crawl under buildings, climb ladders, and walk underdeveloped terrain. Proficiency with Windows operating system-based personal computer as well as Windows based applications. Demonstrate ability to foster good relations with the public. Applications and a complete job description may be obtained from Grays Harbor County Management Services, 3rd Floor Admin. Building, Suite 33, P.O. Box 790, Montesano, WA 98563, (360) 249-4144 or on our website at www.co.grays-harbor.wa.us. Closing: August 3, 2001 at 5:00 p.m. Grays Harbor County is an Equal Opportunity Employer

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A Reminder: We Still Need Your E-mail Address....

As we have stated in the last couple of our publications, WACO and WSAC will begin e-mailing the Courthouse Journal August 1. At this time we still do not have everyone's email address!

If you have not already done so please help us update our database by sending us your current information to include your e-mail address as soon as possible. Please direct your information to:

gpeppert@wacounties.org
or
khouts@wacounties.org

We appreciate your help!!!!!!