

Summary of Draft Bill

LC 1179 is a bill prepared by legislative counsel at the request of Representative Barton on the City's behalf. The bill essentially allows a city, or cities, to take over a county service district, such as the Tri-Cities Service District, if the majority of the individuals residing within the district are also city residents.

When the majority of the residents of a district also reside within the boundaries of a city and the city wants to change that situation, the city begins the process by adopting a resolution. The resolution must declare the city's intent to change the governance of the district and dissolve the existing service district. The resolution must also identify the successor to the service district, whether it is the city itself or some other entity and the date on which the transfer will occur. The resolution must then be delivered to the service district as well as any affected counties.

After the resolution is adopted, the city must then call a joint meeting with the governing body of the city and the service district that is being replaced and the successor entity. At that meeting, the entities shall review the property, contracts, rights and financial status of the service district to be replaced. After the meeting, the parties may, but do not have to, adopt a debt distribution plan to ensure that all outstanding indebtedness of the service district is paid off. The bill then provides that, on the effective date declared in the resolution, the city, or successor entity succeeds to all of the property, rights, responsibilities and duties of the service district.

If the service district involves more than one city, all cities must adopt duplicate resolutions setting forth their intent to change the governance of the service district. Otherwise, the process for assuming the duties of the service district is generally the same as for a single city.