## ENGROSSED SENATE BILL 5599

State of Washington 60th Legislature 2008 Regular Session

By Senators Schoesler, Poulsen and Morton

Read first time 01/25/2007. Referred to Committee on Water, Energy & Telecommunications.

1 AN ACT Relating to distributions of tax proceeds from thermal 2 electric generating facilities; and amending RCW 54.28.010 and 3 54.28.055.

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

5 **Sec. 1.** RCW 54.28.010 and 1977 ex.s. c 366 s 1 are each amended to 6 read as follows:

7 As used in this chapter:

8 (1) "Operating property" means all of the property utilized by a 9 public utility district in the operation of a plant or system for the 10 generation, transmission, or distribution of electric energy for sale;

11 (2) "Taxing districts" means counties, cities, towns, school 12 districts, and road districts;

13 (3) "Distributes to consumers" means the sale of electric energy to 14 ultimate consumers thereof, and does not include sales of electric 15 energy for resale by the purchaser;

16 (4) "Wholesale value" means all costs of a public utility district 17 associated with the generation and transmission of energy from its own 18 generation and transmission system to the point or points of inter-19 connection with a distribution system owned and used by a district to distribute such energy to consumers, or in the event a distribution system owned by a district is not used to distribute such energy, then the term means the gross revenues derived by a district from the sale of such energy to consumers;

5 (5) "Thermal electric generating facility" means a steam-powered
6 electrical energy producing facility utilizing nuclear or fossil fuels;

7 (6) "Placed in operation" means delivery of energy into a 8 transmission or distribution system for use or sale in such a manner as 9 to establish a value accruing to the power plant operator, except 10 operation incidental to testing or startup adjustments;

(7) "Impacted area" for a thermal electric generating facility on a federal reservation means that area in the state lying within thirtyfive statute miles of the most commonly used entrance of the federal reservation and which is south of the southern boundary of township fifteen north;

16 <u>(8) "Modified impacted area" for a thermal electric generating</u> 17 <u>facility on a federal reservation means that area in the state lying</u> 18 <u>within thirty-five statute miles of the most commonly used entrance of</u> 19 <u>the federal reservation</u>.

20 **Sec. 2.** RCW 54.28.055 and 1986 c 189 s 1 are each amended to read 21 as follows:

(1) After computing the tax imposed by RCW 54.28.025(1), the department of revenue shall instruct the state treasurer to distribute the amount collected as follows:

(a) Fifty percent to the state general fund for the support ofschools; and

(b) Twenty-two percent to the counties, twenty-three percent to the cities, three percent to the fire protection districts, and two percent to the library districts.

30 (2) Each county, city, fire protection district, and library 31 district shall receive a percentage of the amount for distribution to counties, cities, fire protection districts, and library districts, 32 respectively, in the proportion that the population of such district 33 residing within the impacted area bears to the total population of all 34 such districts residing within the impacted area. Except that, for any 35 36 tax amount collected in excess of the collections for fiscal year 2008, the department shall instruct the state treasurer to distribute to each 37

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county, city, fire protection district, and library district a 1 2 percentage of the amount for distribution to counties, cities, fire protection districts, and library districts, respectively, in the 3 proportion that the population of such district residing within the 4 modified impacted area bears to the total population of all such 5 districts residing within the modified impacted area. For the purposes 6 7 of this chapter, the term "library district" includes only regional 8 libraries as defined in RCW 27.12.010(4), rural county library districts as defined in RCW 27.12.010(5), intercounty rural library 9 districts as defined in RCW 27.12.010(6), and island library districts 10 as defined in RCW 27.12.010(7). The population of a library district, 11 12 for purposes of such a distribution, shall not include any population 13 within the library district and the impacted area or modified impacted 14 area that also is located within a city or town.

15 (3) If any distribution pursuant to subsection (1)(b) of this 16 section cannot be made, then that share shall be prorated among the 17 state and remaining local districts.

(4) All distributions directed by this section to be made on the
basis of population shall be calculated in accordance with data to be
provided by the office of financial management.

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