

HOUSE BILL REPORT

HB 1572

As Reported by House Committee On: Local Government

Title: An act relating to authorizing public utility districts to request voluntary contributions to assist low-income customers with payment of water and sewer bills.

Brief Description: Authorizing public utility districts to request voluntary contributions to assist low-income customers with payment of water and sewer bills.

Sponsors: Representatives Pettigrew, Kagi, Reykdal, Haigh, Takko, Kenney, Moscoso, Hasegawa, Moeller and Frockt.

Brief History:

Committee Activity:

Local Government: 2/2/11, 2/8/11 [DPS].

Brief Summary of Substitute Bill

- Authorizes public utility districts (PUDs) to request voluntary contributions to help low-income customers pay their water and sewer bills.
- Authorizes the PUD or a charitable organization to manage voluntary contributions to assist low-income customers pay their water and sewer bills.

HOUSE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 9 members: Representatives Takko, Chair; Tharinger, Vice Chair; Angel, Ranking Minority Member; Asay, Assistant Ranking Minority Member; Fitzgibbon, Rodne, Smith, Springer and Upthegrove.

Staff: Miranda Leskinen (786-7291) and Ethan Moreno (786-7386).

Background:

Public utility districts (PUDs), a type of special purpose district, are created by and for the communities they serve and may provide water, electricity, conservation, and telecommunications services. Washington has 28 PUDs that serve more than 2.2 million

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customers. A board of three elected commissioners manages each PUD. Commissioners serve staggered six-year terms.

Public utility districts may receive revenue from the following sources:

- service fees;
- property tax levies;
- general obligation funds;
- revenue bonds;
- special assessments; and
- special assessment bonds.

Currently, PUDs may include a request for voluntary contributions on their service billing statements for the purpose of assisting qualified low-income residential customers pay their electricity bills. Contributions are managed and distributed by one of the following entities:

- the district;
- the Department of Community, Trade and Economic Development (DCTED); or
- a charitable organization with the district's service area.

Summary of Substitute Bill:

Public utility districts may request voluntary contributions to assist qualified customers pay their water and sewer bills on their service billing statements. Contributions resulting from this request may be administered by the PUD or a charitable organization. Additionally, the references to the DCTED are changed to the Department of Commerce (COM).

Substitute Bill Compared to Original Bill:

The COM may not manage contributions designated for water and sewer bills assistance to low-income PUD customers. The PUD or a charitable organization is allowed to administer a PUD's voluntary contributions program regarding water and sewer bills assistance for qualified low-income customers of the district.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) Public utility districts have been successful in providing assistance to low-income customers in paying their electricity bills. There is a real need for this type of

assistance and PUDs would like the ability to extend the opportunity to qualified low-income customers of the district to receive assistance in paying their water and sewer bills.

(Opposed) None.

Persons Testifying: Paul Pickett and Christopher L. Stearns, Thurston Public Utility District; and Vicki Christophersen, Washington Public Utility District Association.

Persons Signed In To Testify But Not Testifying: None.