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**ENGROSSED SUBSTITUTE SENATE BILL 5024**

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**State of Washington 66th Legislature 2019 Regular Session**

**By** Senate Local Government (originally sponsored by Senators Hasegawa and Fortunato)

AN ACT Relating to the transparency of local taxing districts; amending RCW 19.29A.030; adding a new section to chapter 35.58 RCW; adding a new section to chapter 54.04 RCW; adding a new section to chapter 85.08 RCW; adding a new section to chapter 36.58A RCW; adding a new section to chapter 36.58 RCW; adding a new section to chapter 57.02 RCW; and adding a new section to chapter 35.92 RCW.

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

NEW SECTION. **Sec.**  A new section is added to chapter 35.58 RCW to read as follows:

Any metropolitan municipal corporation must disclose the rates of each tax it collects on behalf of the state or another political subdivision, if any. Metropolitan municipal corporations must also disclose the method by which the tax rates are applied to the relevant service charges billed to the customer or taxpayer. The disclosures required by this section must occur through at least one of the following methods:

(1) On regular billing statements provided electronically or in written form;

(2) On the corporation's web site, if the corporation provides written notice to customers or taxpayers that such information is available on its web site; or

(3) Through a billing insert, mailer, or other written or electronic communication provided to customers or taxpayers on either an annual basis or within thirty days of the effective date of any subsequent tax rate change.

NEW SECTION. **Sec.**  A new section is added to chapter 54.04 RCW to read as follows:

Any public utility district must disclose the rates of each tax it collects on behalf of the state or another political subdivision, if any. Public utility districts must also disclose the method by which the tax rates are applied to the relevant service charges billed to the customer or taxpayer. The disclosures required by this section must occur through at least one of the following methods:

(1) On regular billing statements provided electronically or in written form;

(2) On the district's web site, if the district provides written notice to customers or taxpayers that such information is available on its web site; or

(3) Through a billing insert, mailer, or other written or electronic communication provided to customers or taxpayers on either an annual basis or within thirty days of the effective date of any subsequent tax rate change.

NEW SECTION. **Sec.**  A new section is added to chapter 85.08 RCW to read as follows:

Any diking, drainage, and sewerage improvement district must disclose the rates of each tax it collects on behalf of the state or another political subdivision, if any. Diking, drainage, and sewerage improvement districts must also disclose the method by which the tax rates are applied to the relevant service charges billed to the customer or taxpayer. The disclosures required by this section must occur through at least one of the following methods:

(1) On regular billing statements provided electronically or in written form;

(2) On the district's web site, if the district provides written notice to customers or taxpayers that such information is available on its web site; or

(3) Through a billing insert, mailer, or other written or electronic communication provided to customers or taxpayers on either an annual basis or within thirty days of the effective date of any subsequent tax rate change.

NEW SECTION. **Sec.**  A new section is added to chapter 36.58A RCW to read as follows:

Any solid waste collection district must disclose the rates of each tax it collects on behalf of the state or another political subdivision, if any. Solid waste collection districts must also disclose the method by which the tax rates are applied to the relevant service charges billed to the customer or taxpayer. The disclosures required by this section must occur through at least one of the following methods:

(1) On regular billing statements provided electronically or in written form;

(2) On the district's web site, if the district provides written notice to customers or taxpayers that such information is available on its web site; or

(3) Through a billing insert, mailer, or other written or electronic communication provided to customers or taxpayers on either an annual basis or within thirty days of the effective date of any subsequent tax rate change.

NEW SECTION. **Sec.**  A new section is added to chapter 36.58 RCW to read as follows:

Any solid waste disposal district must disclose the rates of each tax it collects on behalf of the state or another political subdivision, if any. Solid waste disposal districts must also disclose the method by which the tax rates are applied to the relevant service charges billed to the customer or taxpayer. The disclosures required by this section must occur through at least one of the following methods:

(1) On regular billing statements provided electronically or in written form;

(2) On the district's web site, if the district provides written notice to customers or taxpayers that such information is available on its web site; or

(3) Through a billing insert, mailer, or other written or electronic communication provided to customers or taxpayers on either an annual basis or within thirty days of the effective date of any subsequent tax rate change.

NEW SECTION. **Sec.**  A new section is added to chapter 57.02 RCW to read as follows:

Any water-sewer district must disclose the rates of each tax it collects on behalf of the state or another political subdivision, if any. Water-sewer districts must also disclose the method by which the tax rates are applied to the relevant service charges billed to the customer or taxpayer. The disclosures required by this section must occur through at least one of the following methods:

(1) On regular billing statements provided electronically or in written form;

(2) On the district's web site, if the district provides written notice to customers or taxpayers that such information is available on its web site; or

(3) Through a billing insert, mailer, or other written or electronic communication provided to customers or taxpayers on either an annual basis or within thirty days of the effective date of any subsequent tax rate change.

NEW SECTION. **Sec.**  A new section is added to chapter 35.92 RCW to read as follows:

Any city or town operating as a municipal utility must disclose the rates of each tax it collects on behalf of the state or another political subdivision, if any. Municipal utilities must also disclose the method by which the tax rates are applied to the relevant service charges billed to the customer or taxpayer. The disclosures required by this section must occur through at least one of the following methods:

(1) On regular billing statements provided electronically or in written form;

(2) On the municipal utility's web site, if it provides written notice to customers or taxpayers that such information is available on its web site; or

(3) Through a billing insert, mailer, or other written or electronic communication provided to customers or taxpayers on either an annual basis or within thirty days of the effective date of any subsequent tax rate change.

**Sec.**  RCW 19.29A.030 and 1998 c 300 s 4 are each amended to read as follows:

Except as otherwise provided in RCW 19.29A.040, an electric utility ((~~shall~~)) must:

(1) Provide notice to all of its retail electric customers that the disclosures required in RCW 19.29A.020 are available without charge upon request. Such notice ((~~shall~~)) must be provided at the time service is established and either included as a prominent part of each customer's bill or in a written notice mailed to each customer at least once a year thereafter. Required disclosures ((~~shall~~)) must be provided without charge, in writing using plain language that is understandable to an ordinary customer, and presented in a form that is clear and conspicuous((~~.~~));

(2) Provide written or electronic notice of public hearings where changes in electricity rates will be considered or approved by the commission or governing body, in a form and manner as may be required by the commission or governing body;

(3) Disclose on each billing statement the rate of tax imposed upon the electric utility under RCW 35.21.870, if any, and the amount of such tax to be paid directly by the retail electric customer through the billing statement;

(4) Disclose the following information in a prominent manner on all billing statements sent to retail electric customers, or by a separate written notice mailed to all retail electric customers at least quarterly and at the same time as a billing statement: "YOUR BILL INCLUDES CHARGES FOR ELECTRICITY, DELIVERY SERVICES, GENERAL ADMINISTRATION AND OVERHEAD, METERING, TAXES, CONSERVATION EXPENSES, AND OTHER ITEMS.

**--- END ---**