

SENATE BILL REPORT

SB 5451

As Reported by Senate Committee On:
Environment, Water & Energy, February 17, 2009

Title: An act relating to changing the date for setting the amount of pipeline safety fees.

Brief Description: Changing the date for setting the amount of pipeline safety fees.

Sponsors: Senators Oemig, Ranker, Rockefeller, Honeyford and Fraser; by request of Utilities & Transportation Commission.

Brief History:

Committee Activity: Environment, Water & Energy: 2/13/09, 2/17/09 [DPS].

SENATE COMMITTEE ON ENVIRONMENT, WATER & ENERGY

Majority Report: That Substitute Senate Bill No. 5451 be substituted therefor, and the substitute bill do pass.

Signed by Senators Rockefeller, Chair; Pridemore, Vice Chair; Honeyford, Ranking Minority Member; Delvin, Fraser, Hatfield, Holmquist, Marr, Morton, Ranker and Sheldon.

Staff: Sam Thompson (786-7413)

Background: The State Pipeline Safety Program, administered by the Utilities and Transportation Commission (UTC), is funded by federal grants and fees charged to pipeline companies. The size of the federal grant determines how much companies are charged. Current law requires the UTC to bill companies for fees before July 1 of each year. Since the agency does not receive information regarding federal grant funding until later in the summer, this billing is an estimate. The UTC sends final invoices to companies in September, after it receives pertinent grant funding information. It is suggested that UTC billing should be aligned with the federal grant determination to avoid the need for two rounds of billing.

Summary of Bill (Recommended Substitute): The requirement for the UTC to set pipeline safety fees before July 1 each year is revised to provide that the UTC must set pipeline safety fees before a date it establishes by administrative rule. A reference to a previously repealed section is deleted.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

EFFECT OF CHANGES MADE BY ENVIRONMENT, WATER & ENERGY COMMITTEE (Recommended Substitute): Proposed language requiring the UTC to set pipeline safety fees by September 1 of each year is deleted. Instead, the UTC is granted authority to establish the date by administrative rule.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: The UTC should provide pipeline companies with one bill, rather than an estimated invoice and a final "real" invoice. The proposed substitute bill appropriately grants the UTC authority to establish its deadline date for fee-setting by administrative rule, providing necessary flexibility.

Persons Testifying: PRO: Senator Oemig, prime sponsor; Ann Soiza, UTC.