

# HOUSE BILL REPORT

## SB 5362

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### 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:** Senators Chase, Prentice, White, Nelson, Kastama, Fraser, Shin, Harper, Hatfield, Conway, McAuliffe and Kohl-Welles.

#### **Brief History:**

##### **Committee Activity:**

Local Government: 3/8/11, 3/9/11 [DPA].

#### **Brief Summary of Bill (As Amended by House)**

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

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### HOUSE COMMITTEE ON LOCAL GOVERNMENT

**Majority Report:** Do pass as amended. 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

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telecommunications services. Washington has 28 PUDs that serve more than 2.2 million customers. A board of three elected commissioners manages each PUD.

Public utility districts, through their regular customer billings, may request voluntary contributions for the purpose of assisting qualified low-income residential customers pay their electricity bills. Funds received through voluntary contributions to the PUD's low-income customers must not reduce the amount of assistance for which low-income customers are eligible under the federally funded energy assistance programs administered by the Department of Commerce (COM) within the district's service area. Voluntary contributions are managed and disbursed by one of the following entities:

- the district;
- the grantee of the COM which administers federally funded energy assistance programs for the state in the district's service area; or
- a charitable organization within the district's service area.

The PUD, when possible, is paid on behalf of the customer by the grantee or the charitable organization. When direct vendor payment is not possible, a check is issued jointly payable to the customer and the PUD.

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#### **Summary of Amended Bill:**

Public utility districts, through their regular customer billings, may request voluntary contributions to assist their qualified low-income residential customers pay their water, sewer, or electricity bills. The PUD, a charitable organization within the PUD's service area, or the grantee of the COM, which administers federally funded energy assistance programs for the state in the PUD's service area, may manage and distribute funds regarding electricity bills assistance. The PUD or a charitable organization within the PUD's service area may manage and distribute funds regarding water and sewer bills assistance. Additionally, the references to the Department of Community, Trade and Economic Development are changed to the COM.

#### **Amended Bill Compared to Original Bill:**

The COM may not manage contributions designated for water and sewer bills assistance to low-income residential PUD customers. Rather, the PUD or a charitable organization within the PUD's service area is authorized to administer the PUD's voluntary contributions program regarding water and sewer bills assistance for low-income residential PUD customers.

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**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date of Amended 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 may currently request, through their regular customer billings, voluntary contributions to assist low-income residential customers pay their electricity bills. What this provision does is allows PUDs to request voluntary contributions to assist these customers in paying their water, sewer, and electricity bills. Accordingly, this may be described as a "just add water" provision that enhances the ability of PUDs to have local programs that help their low-income customers meet their utility bill needs.

(Opposed) None.

**Persons Testifying:** Senator Chase, prime sponsor; and Bill Clarke, Washington Public Utility Districts.

**Persons Signed In To Testify But Not Testifying:** None.