

HOUSE BILL REPORT

HB 1031

*As Reported By House Committee on:
Local Government*

Title: An act relating to water and sewer districts.

Brief Description: Making various changes in sewer and water district law.

Sponsor(s): Representatives Wood, Haugen, Ferguson, Nelson, Horn, Roland, Paris and Nealey.

Brief History:

Reported by House Committee on:
Local Government, February 13, 1991, DPS.

**HOUSE COMMITTEE ON
LOCAL GOVERNMENT**

Majority Report: *That Substitute House Bill No. 1031 be substituted therefor, and the substitute bill do pass.*
Signed by 15 members: Representatives Haugen, Chair; Cooper, Vice Chair; Ferguson, Ranking Minority Member; Mitchell, Assistant Ranking Minority Member; Bray; Edmondson; Franklin; Horn; Nealey; Nelson; Rayburn; Roland; Wood; Wynne; and Zellinsky.

Staff: Steve Lundin (786-7127).

Background: Sewer district and water district commissioners may receive compensation at a rate of up to \$50 per day, not to exceed \$4,800 per year. In addition, the commissioner who is the secretary of the board may receive a reasonable amount for clerical services. No provisions of law exist concerning the provision of insurance benefits for sewer district or water district commissioners.

Sewer districts and water districts are authorized to hire staff and provide staff with compensation, as well as health care services, group insurance, and term life insurance.

Whenever a sewer district or water district leases its real property, the district is required to secure the lease by a performance bond with a penalty of an amount equal to the larger of "one-sixth of the term of the lease" or one year's rental.

In 1989, a statute relating to the general powers of water districts was amended twice in separate legislation.

A ballot proposition to increase the size of the board of commissioners in a sewer district or water district from three to five members may be presented to voters for their approval or rejection, if requested by petition of a certain percentage of district voters or by unanimous vote of the board of commissioners. Where the district has 10,000 or more customers, the size of the board is increased without voter approval upon adoption of a resolution providing for the increase by a unanimous vote of the board. However, a ballot proposition on the increase will be submitted to district voters upon the filing of a petition requesting the vote is submitted within 90 days of the adoption of the resolution that has been signed by a certain percentage of district voters.

Summary of Substitute Bill: A sewer district, or water district, with 5,000 or more customers providing health, group, or life insurance benefits to its employees may provide its commissioners with the same coverage.

The board of commissioners of a sewer district or water district can require a reasonable security deposit, in lieu of a performance bond, whenever district property is leased.

The water district statute that was amended twice in 1989 is reenacted to remove any ambiguity about the effect of both of the changes that were made.

Water districts are authorized to adopt water conservation plans and emergency water use restrictions that are enforceable by the imposition of fines. The commissioners may provide by resolution that if the fines are not paid for a specified period of time, the fines becomes a lien on the property of the party failing to comply with the plan or restrictions.

The vote of a board of commissioners is reduced from a unanimous vote to a simple majority vote that is necessary to place a ballot proposition before voters of a sewer district or water district authorizing an increase in the size of the board from three to five members.

Substitute Bill Compared to Original Bill: The vote of a board of commissioners is reduced from a unanimous vote to a simple majority vote that is necessary to place a ballot proposition before voters of a sewer district or water district authorizing an increase in the size of the board from three to five members.

Provisions were deleted relating to the deposit of district moneys and the payment of liens for utility services when the lien for unpaid property taxes is foreclosed.

Fiscal Note: Not requested.

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

Testimony For: This is primarily the same bill as passed the House last year. These are primarily technical changes. The performance bond is difficult to obtain.

Testimony Against: None.

Witnesses: (Testified in favor of the original bill.) Joe Daniels, Bruce McNight, Ron Ricker and Bonnie Strode, Washington State Association of Water and Wastewater Districts.