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**SUBSTITUTE HOUSE BILL 2031**

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**State of Washington                      52nd Legislature                      1991 Regular Session**

**By** House Committee on Energy & Utilities (originally sponsored by Representatives Grant, Neher, Bray and Ludwig; by request of Utilities & Transportation Commission).

Read first time March 6, 1991.

1            AN ACT Relating to low-level waste sites; amending RCW 81.04.010,  
2 82.16.010, 82.04.260, and 43.145.020; adding new sections to chapter  
3 43.200 RCW; adding a new chapter to Title 81 RCW; and declaring an  
4 emergency.

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

6            NEW SECTION.    **Sec. 1.**            State and national policy directs that  
7 the management of low-level radioactive waste be accomplished by a  
8 system of interstate compacts and the development of regional disposal  
9 sites.    The Northwest regional compact, comprised of the states of  
10 Alaska, Hawaii, Idaho, Montana, Oregon, Utah, and Washington, has as  
11 its disposal facility the low-level radioactive waste disposal site  
12 located near Richland, Washington.    This site is expected to be the  
13 sole site for disposal of low-level radioactive waste for compact  
14 members effective January 1, 1993.    Future closure of this site will  
15 require significant financial resources.

1 Low-level radioactive waste is generated by essential activities  
2 and services that benefit the citizens of the state. Washington  
3 state's low-level radioactive waste disposal site has been used by the  
4 nation and the Northwest compact as a disposal site since 1965. The  
5 public has come to rely on access to this site for disposal of low-  
6 level radioactive waste, which requires separate handling from other  
7 solid and hazardous wastes. The price of disposing of low-level  
8 radioactive waste at the Washington state low-level radioactive waste  
9 disposal site is anticipated to increase when the federal low-level  
10 radioactive waste policy amendments act of 1985 is implemented and  
11 waste generated outside the Northwest compact states is excluded.

12 When these events occur, to protect Washington and other Northwest  
13 compact states' businesses and services, such as electrical production,  
14 medical and university research, and private industries, upon which the  
15 public relies, there will be a need to regulate the rates charged by  
16 the operator of Washington's low-level radioactive waste disposal site.  
17 This chapter is adopted pursuant to section 8, chapter 21, Laws of  
18 1990.

19 NEW SECTION. **Sec. 2.** Definitions in this section apply  
20 throughout this chapter unless the context clearly requires otherwise.

21 (1) "Commission" means the Washington utilities and transportation  
22 commission.

23 (2) "Effective rate" means the highest permissible rate, calculated  
24 as the lowest contract rate plus an administrative fee, if applicable,  
25 determined pursuant to section 5 of this act.

26 (3) "Extraordinary volume" means volumes of low-level radioactive  
27 waste delivered to a site caused by nonrecurring events, outside normal  
28 operations of a generator, which are in excess of twenty thousand cubic

1 feet or twenty percent of the preceding year's total volume at such  
2 site, whichever is less.

3 (4) "Extraordinary volume adjustment" means a mechanism that  
4 allocates the potential rate reduction benefits of an extraordinary  
5 volume between all generators and the generator responsible for such  
6 extraordinary volume as described in section 8 of this act.

7 (5) "Generator" means a person, partnership, association,  
8 corporation, or any other entity whatsoever that, as a part of its  
9 activities, produces low-level radioactive waste.

10 (6) "Inflation adjustment" means a mechanism that adjusts the  
11 maximum disposal rate by a percentage equal to the change in price  
12 levels in the preceding period, as measured by a common, verifiable  
13 price index as determined in section 5 of this act.

14 (7) "Initial rate proceeding" means the proceeding described in  
15 section 5 of this act.

16 (8) "Maximum disposal rate" means the rate described in section 6  
17 of this act.

18 (9) "Site" means a location, structure, or property used or to be  
19 used for the storage, treatment, or disposal of low-level radioactive  
20 waste for compensation within the state of Washington.

21 (10) "Site operator" means a low-level radioactive waste site  
22 operating company as defined in RCW 81.04.010.

23 (11) "Volume adjustment" means a mechanism which adjusts the  
24 maximum disposal rate in response to material changes in volumes of  
25 waste deposited at the site during the preceding period so as to  
26 provide a level of total revenues sufficient to recover the costs to  
27 operate and maintain the site.

28 **Sec. 3.** RCW 81.04.010 and 1981 c 13 s 2 are each amended to read  
29 as follows:

1 As used in this title, unless specially defined otherwise or unless  
2 the context indicates otherwise:

3 "Commission" means the utilities and transportation commission.

4 "Commissioner" means one of the members of such commission.

5 "Corporation" includes a corporation, company, association or joint  
6 stock association.

7 "Low-level radioactive waste site operating company" includes every  
8 corporation, company, association, joint stock association,  
9 partnership, and person, their lessees, trustees, or receivers  
10 appointed by any court whatsoever, owning, operating, controlling, or  
11 managing a low-level radioactive waste disposal site or sites located  
12 within the state of Washington.

13 "Low-level radioactive waste" means low-level waste as defined by  
14 RCW 43.145.010.

15 "Person" includes an individual, a firm or copartnership.

16 "Street railroad" includes every railroad by whatsoever power  
17 operated, or any extension or extensions, branch or branches thereof,  
18 for public use in the conveyance of persons or property for hire, being  
19 mainly upon, along, above or below any street, avenue, road, highway,  
20 bridge or public place within any one city or town, and includes all  
21 equipment, switches, spurs, tracks, bridges, right of trackage,  
22 subways, tunnels, stations, terminals and terminal facilities of every  
23 kind used, operated, controlled or owned by or in connection with any  
24 such street railroad, within this state.

25 "Street railroad company" includes every corporation, company,  
26 association, joint stock association, partnership and person, their  
27 lessees, trustees or receivers appointed by any court whatsoever, and  
28 every city or town, owning, controlling, operating or managing any  
29 street railroad or any cars or other equipment used thereon or in  
30 connection therewith within this state.

1 "Railroad" includes every railroad, other than street railroad, by  
2 whatsoever power operated for public use in the conveyance of persons  
3 or property for hire, with all bridges, ferries, tunnels, equipment,  
4 switches, spurs, tracks, stations and terminal facilities of every kind  
5 used, operated, controlled or owned by or in connection with any such  
6 railroad.

7 "Railroad company" includes every corporation, company,  
8 association, joint stock association, partnership or person, their  
9 lessees, trustees or receivers appointed by any court whatsoever,  
10 owning, operating, controlling or managing any railroad or any cars or  
11 other equipment used thereon or in connection therewith within this  
12 state.

13 "Express company" includes every corporation, company, association,  
14 joint stock association, partnership and person, their lessees,  
15 trustees or receivers appointed by any court whatsoever, who shall  
16 engage in or transact the business of carrying any freight, merchandise  
17 or property for hire on the line of any common carrier operated in this  
18 state.

19 "Common carrier" includes all railroads, railroad companies, street  
20 railroads, street railroad companies, steamboat companies, express  
21 companies, car companies, sleeping car companies, freight companies,  
22 freight line companies, and every corporation, company, association,  
23 joint stock association, partnership and person, their lessees,  
24 trustees or receivers appointed by any court whatsoever, and every city  
25 or town, owning, operating, managing or controlling any such agency for  
26 public use in the conveyance of persons or property for hire within  
27 this state.

28 "Vessel" includes every species of watercraft, by whatsoever power  
29 operated, for public use in the conveyance of persons or property for  
30 hire over and upon the waters within this state, excepting all

1 towboats, tugs, scows, barges, and lighters, and excepting rowboats and  
2 sailing boats under twenty gross tons burden, open steam launches of  
3 five tons gross and under, and vessels under five tons gross propelled  
4 by gas, fluid, naphtha or electric motors.

5 "Steamboat company" includes every corporation, company,  
6 association, joint stock association, partnership and person, their  
7 lessees, trustees or receivers, appointed by any court whatsoever,  
8 owning, controlling, leasing, operating or managing any vessel over and  
9 upon the waters of this state.

10 "Transportation of property" includes any service in connection  
11 with the receiving, delivery, elevation, transfer in transit,  
12 ventilation, refrigeration, icing, storage and handling of the property  
13 transported, and the transmission of credit.

14 "Transportation of persons" includes any service in connection with  
15 the receiving, carriage and delivery of the person transported and his  
16 baggage and all facilities used, or necessary to be used in connection  
17 with the safety, comfort and convenience of the person transported.

18 "Public service company" includes every common carrier.

19 The term "service" is used in this title in its broadest and most  
20 inclusive sense.

21 NEW SECTION. **Sec. 4.** (1) The commission shall have  
22 jurisdiction over the sites and site operators as set forth in this  
23 chapter.

24 (2)(a) The commission shall establish rates to be charged by site  
25 operators. In establishing the rates, the commission shall assure that  
26 they are fair, just, reasonable, and sufficient considering the value  
27 of the site operator's leasehold and license interests, the unique  
28 nature of its business operations, the site operator's liability  
29 associated with the site, its investment incurred over the term of its

1 operations, and the rate of return equivalent to that earned by  
2 comparable enterprises. Such rates shall only take effect following a  
3 finding that the site operator is a monopoly pursuant to section 11 of  
4 this act.

5 (b) In exercising the power in this subsection the commission may  
6 use any standard, formula, method, or theory of valuation reasonably  
7 calculated to arrive at the objective of prescribing and authorizing  
8 fair, just, reasonable, and sufficient rates. The relation of site  
9 operator expenses to site operator revenues may be deemed the proper  
10 test of a reasonable return.

11 (3) In all respects in which the commission has power and authority  
12 under this chapter, applications and complaints may be made and filed  
13 with it, process issued, hearings held, opinions, orders, and decisions  
14 made and filed, petitions for rehearing filed and acted upon, and  
15 petitions for review to the superior court filed therewith, appeals  
16 filed with the appellate courts of this state, considered and disposed  
17 of by said courts in the manner, under the conditions, and subject to  
18 the limitations, and with the effect specified in this title for public  
19 service companies generally.

20 (4) At any time after January 1, 1992, the commission may: (a)  
21 Prescribe a system of accounts for site operators using as a starting  
22 point the existing system used by site operators; (b) audit the books  
23 of site operators; (c) obtain books and records from site operators;  
24 (d) assess penalties; and (e) require semiannual reports regarding the  
25 results of operations for the site.

26 (5) The commission may adopt rules necessary to carry out its  
27 functions under this chapter.

28 NEW SECTION. **Sec. 5.** (1) On or before March 1, 1992, site  
29 operators shall file a request with the commission to establish an

1 initial maximum disposal rate. The filing shall include at a minimum  
2 testimony, exhibits, workpapers, summaries, annual reports, cost  
3 studies, proposed tariffs, and other documents as required by the  
4 commission in rate cases generally under its jurisdiction.

5 (2) After receipt of a request, the commission shall set the  
6 request for a hearing and require the site operator to provide for  
7 notice to all known customers that ship or deliver waste to the site.  
8 The proceedings before the commission shall be conducted in accordance  
9 with chapter 34.05 RCW and rules of procedure established by the  
10 commission.

11 (3) No later than January 1, 1993, the commission shall establish  
12 the initial maximum disposal rates that may be charged by site  
13 operators.

14 (4) In the initial rate proceeding the commission also shall  
15 determine the factors necessary to calculate the inflation, volume, and  
16 extraordinary volume adjustments.

17 (5) The commission also shall determine the administrative fee,  
18 which shall be a percentage or an amount that represents increased  
19 administrative costs associated with acceptance of small volumes of  
20 waste by a site operator. The administrative fee may be revised by the  
21 commission from time to time upon its own motion or upon the petition  
22 of an interested person.

23 (6) The rates specified in this section shall only take effect  
24 following a finding that the site operator is a monopoly pursuant to  
25 section 11 of this act.

26 NEW SECTION. **Sec. 6.** (1) The maximum disposal rates that a  
27 site operator may charge generators shall be determined in accordance  
28 with this section. The rates shall include all charges for disposal  
29 services at the site.

1 (2) Initially, the maximum disposal rates shall be the initial  
2 rates established pursuant to section 5 of this act.

3 (3) Subsequently, the maximum disposal rates shall be adjusted  
4 semiannually in January and July of each year to incorporate inflation  
5 and volume adjustments. Such adjustments shall take effect thirty days  
6 after filing with the commission unless the commission authorizes that  
7 the adjustments take effect earlier, or the commission contests the  
8 calculation of the adjustments, in which case the commission may  
9 suspend the filing. A site operator shall provide notice to its  
10 customers concurrent with the filing.

11 (4)(a) Subsequently, a site operator may also file for revisions to  
12 the maximum disposal rates due to:

13 (i) Changes in any governmentally imposed fee, surcharge, or tax  
14 assessed on a volume or a gross revenue basis against or collected by  
15 the site operator, including site closure fees, perpetual care and  
16 maintenance fees, business and occupation taxes, site surveillance  
17 fees, leasehold excise taxes, commission regulatory fees, municipal  
18 taxes, and a tax or payment in lieu of taxes authorized by the state to  
19 compensate the county in which a site is located for that county's  
20 legitimate costs arising out of the presence of that site within that  
21 county; or

22 (ii) Factors outside the control of the site operator such as a  
23 material change in regulatory requirements regarding the physical  
24 operation of the site.

25 (b) Revisions to the maximum disposal rate shall take effect thirty  
26 days after filing with the commission unless the commission suspends  
27 the filing or authorizes the proposed adjustments to take effect  
28 earlier.

29 (5) Upon establishment of a contract rate pursuant to section 7 of  
30 this act for a disposal fee, the site operator may not collect a

1 disposal fee that is greater than the effective rate. The effective  
2 rate shall be in effect so long as such contract rate remains in  
3 effect. Adjustments to the maximum disposal rates may be made during  
4 the time an effective rate is in place. Contracts for disposal of  
5 extraordinary volumes pursuant to section 8 of this act shall not be  
6 considered in determining the effective rate.

7 (6) The site operator may petition the commission for new maximum  
8 disposal rates at any time. Upon receipt of such a petition, the  
9 commission shall set the matter for hearing and shall issue an order  
10 within seven months of the filing of the petition. The petition shall  
11 be accompanied by the documents required to accompany the filing for  
12 initial rates. The hearing on the petition shall be conducted in  
13 accordance with the commission's rules of practice and procedure.

14 (7) This section shall only take effect following a finding that  
15 the site operator is a monopoly pursuant to section 11 of this act.

16 NEW SECTION. **Sec. 7.** (1) At any time, a site operator may  
17 contract with any person to provide a contract disposal rate lower than  
18 the maximum disposal rate.

19 (2) A contract or contract amendment shall be submitted to the  
20 commission for approval at least thirty days before its effective date.  
21 The commission may approve the contract or suspend the contract and set  
22 it for hearing. If the commission takes no action within thirty days  
23 of filing, the contract or amendment shall go into effect according to  
24 its terms. Each contract filing shall be accompanied with  
25 documentation to show that the contract does not result in  
26 discrimination between generators receiving like and contemporaneous  
27 service under substantially similar circumstances and provides for the  
28 recovery of all costs associated with the provision of the service.

1 (3) This section shall only take effect following a finding that  
2 the site operator is a monopoly pursuant to section 11 of this act.

3 NEW SECTION. **Sec. 8.** (1) In establishing the extraordinary  
4 volume adjustment, unless the site operator and generator of the  
5 extraordinary volume agree to a contract disposal rate, one-half of the  
6 extraordinary volume delivery shall be priced at the maximum disposal  
7 rate and one-half shall be priced at the site operator's incremental  
8 cost to receive the delivery. Such incremental cost shall be  
9 determined in the initial rate proceeding.

10 (2) For purposes of the subsequent calculation of the volume  
11 adjustment, one-half of the total extraordinary volume shall be  
12 included in the calculation.

13 (3) This section shall only take effect following a finding that  
14 the site operator is a monopoly pursuant to section 11 of this act.

15 NEW SECTION. **Sec. 9.** (1) At any time, the commission or an  
16 interested person may file a complaint against a site operator alleging  
17 that the rates established pursuant to section 5 or 6 of this act are  
18 not in conformity with the standards set forth in section 4 of this act  
19 or that the site operator is otherwise not acting in conformity with  
20 the requirements of this chapter. Upon filing of the complaint, the  
21 commission shall cause a copy thereof to be served upon the site  
22 operator. The complaining party shall have the burden of proving that  
23 the maximum disposal rates determined pursuant to section 6 of this act  
24 are not just, fair, reasonable, or sufficient. The hearing shall  
25 conform to the rules of practice and procedure of the commission for  
26 other complaint cases.

1 (2) The commission shall encourage alternate forms of dispute  
2 resolution to resolve disputes between a site operator and any other  
3 person regarding matters covered by this chapter.

4 NEW SECTION. **Sec. 10.** (1) A site operator shall, on or before  
5 May 1, 1992, and each year thereafter, file with the commission a  
6 statement showing its gross operating revenue from intrastate  
7 operations for the preceding calendar year, or portion thereof, and pay  
8 to the commission a fee equal to one percent of the amount of the gross  
9 operating revenue, exclusive of site surveillance fees, perpetual care  
10 and maintenance fees, site closure fees, and state or federally imposed  
11 out-of-region surcharges.

12 (2) Fees collected under this chapter shall reasonably approximate  
13 the cost of supervising and regulating site operators. The commission  
14 may order a decrease in fees by March 1st of any year in which it  
15 determines that the moneys then in the radioactive waste disposal  
16 companies account of the public service revolving fund and the fees  
17 currently to be paid will exceed the reasonable cost of supervising and  
18 regulating site operators.

19 (3) Fees collected under this section or under any other provision  
20 of this chapter shall be paid to the commission and shall be  
21 transmitted to the state treasurer within thirty days to be deposited  
22 to the credit of the public service revolving fund.

23 NEW SECTION. **Sec. 11.** (1) A low-level waste disposal site  
24 operator is exempt as specified in sections 4(2)(a), 5(6), 6(7), 7(3),  
25 and 8(3) of this act unless a monopoly situation exists with respect to  
26 particular types of waste accepted at the site operated by such site  
27 operator. A monopoly situation exists if either of the following is  
28 present:

1 (a) No disposal facility is available to Northwest compact  
2 generators of a particular type of low-level radioactive waste other  
3 than the site or sites operated by such site operator or its  
4 affiliates; or

5 (b) Disposal rates at other sites for a particular type of waste  
6 are not reasonable alternatives for Northwest compact generators,  
7 considering: Disposal rates at other facilities; current disposal  
8 rates charged by the site operator; historic relationships between the  
9 site operator's rates and rates at other facilities; and changes in the  
10 operator's rates considering changes in waste volumes, taxes, and fees;  
11 provided, however, that a monopoly situation does not exist if either  
12 of the following facilities operates or is projected to operate after  
13 December 31, 1992:

14 (i) Any existing low-level radioactive waste disposal site outside  
15 the state of Washington, other than facilities operated by affiliates  
16 of a site operator, provided that such site or sites do not charge  
17 disposal rates that discriminate against Northwest compact generators  
18 except to the extent such discrimination is required by federal law; or

19 (ii) An existing facility within the Northwest compact not  
20 receiving a particular type of low-level radioactive waste receives or  
21 offers to receive such waste under substantially similar circumstances.

22 (2) Such exemption shall be in effect until such time as the  
23 commission finds, after notice and hearing, upon motion by the  
24 commission or upon petition by any interested party, that a monopoly  
25 situation exists or will exist as of January 1, 1993. Such finding  
26 shall be based upon application of the criteria set forth in this  
27 section. The commission may assess a site operator for all of the  
28 commission's costs of supervision and regulation prior to and relative  
29 to determining whether such exemption applies to the site operator. If  
30 the commission determines that a site operator is not subject to such

1 exemption, it shall collect its costs of supervision and regulation  
2 under section 10 of this act.

3 NEW SECTION. **Sec. 12.** At any time after this chapter has been  
4 implemented with respect to a site operator, such site operator may  
5 petition the commission to be classified as competitive as to any or  
6 all services. The commission may initiate classification proceedings  
7 on its own motion. The commission shall enter its final order with  
8 respect to classification within seven months from the date of filing  
9 of a company's petition or the commission's motion.

10 (2) The commission shall classify a site operator as competitive as  
11 to a particular type of waste if the commission finds, after notice and  
12 hearing, that the disposal services offered are subject to competition  
13 because the company's customers have reasonably available alternatives.  
14 In determining whether a particular type of waste disposal operation is  
15 competitive, the commission's consideration shall include, but not be  
16 limited to:

17 (a) Whether the system of interstate compacts and regional disposal  
18 sites established by federal law has been implemented so that the  
19 Northwest compact site located near Richland, Washington is the  
20 exclusive site option for disposal by customers within the Northwest  
21 compact states;

22 (b) Whether waste generated outside the Northwest compact states is  
23 excluded; and

24 (c) The ability of alternative disposal sites to make functionally  
25 equivalent services readily available at competitive rates, terms, and  
26 conditions.

27 (3) The commission may reclassify a competitive site operator if  
28 reclassification would protect the public interest as set forth in this  
29 section.

1 (4) Competitive low-level radioactive waste disposal companies  
2 shall be exempt from commission regulation and fees during the time  
3 they are so classified.

4 NEW SECTION. **Sec. 13.** Nothing in this chapter shall be  
5 construed to affect the jurisdiction of another state agency.

6 **Sec. 14.** RCW 82.16.010 and 1989 c 302 s 203 are each amended to  
7 read as follows:

8 For the purposes of this chapter, unless otherwise required by the  
9 context:

10 (1) "Railroad business" means the business of operating any  
11 railroad, by whatever power operated, for public use in the conveyance  
12 of persons or property for hire. It shall not, however, include any  
13 business herein defined as an urban transportation business.

14 (2) "Express business" means the business of carrying property for  
15 public hire on the line of any common carrier operated in this state,  
16 when such common carrier is not owned or leased by the person engaging  
17 in such business.

18 (3) "Railroad car business" means the business of renting, leasing  
19 or operating stock cars, furniture cars, refrigerator cars, fruit cars,  
20 poultry cars, tank cars, sleeping cars, parlor cars, buffet cars,  
21 tourist cars, or any other kinds of cars used for transportation of  
22 property or persons upon the line of any railroad operated in this  
23 state when such railroad is not owned or leased by the person engaging  
24 in such business.

25 (4) "Water distribution business" means the business of operating  
26 a plant or system for the distribution of water for hire or sale.

27 (5) "Light and power business" means the business of operating a  
28 plant or system for the generation, production or distribution of

1 electrical energy for hire or sale and/or for the wheeling of  
2 electricity for others.

3 (6) "Telegraph business" means the business of affording  
4 telegraphic communication for hire.

5 (7) "Gas distribution business" means the business of operating a  
6 plant or system for the production or distribution for hire or sale of  
7 gas, whether manufactured or natural.

8 (8) "Motor transportation business" means the business (except  
9 urban transportation business) of operating any motor propelled vehicle  
10 by which persons or property of others are conveyed for hire, and  
11 includes, but is not limited to, the operation of any motor propelled  
12 vehicle as an auto transportation company (except urban transportation  
13 business), common carrier or contract carrier as defined by RCW  
14 81.68.010 and 81.80.010: PROVIDED, That "motor transportation  
15 business" shall not mean or include the transportation of logs or other  
16 forest products exclusively upon private roads or private highways.

17 (9) "Urban transportation business" means the business of operating  
18 any vehicle for public use in the conveyance of persons or property for  
19 hire, insofar as (a) operating entirely within the corporate limits of  
20 any city or town, or within five miles of the corporate limits thereof,  
21 or (b) operating entirely within and between cities and towns whose  
22 corporate limits are not more than five miles apart or within five  
23 miles of the corporate limits of either thereof. Included herein, but  
24 without limiting the scope hereof, is the business of operating  
25 passenger vehicles of every type and also the business of operating  
26 cartage, pickup, or delivery services, including in such services the  
27 collection and distribution of property arriving from or destined to a  
28 point within or without the state, whether or not such collection or  
29 distribution be made by the person performing a local or interstate  
30 line-haul of such property.

1           (10) "Public service business" means any of the businesses defined  
2 in subdivisions (1), (2), (3), (4), (5), (6), (7), (8), and (9) or any  
3 business subject to control by the state, or having the powers of  
4 eminent domain and the duties incident thereto, or any business  
5 hereafter declared by the legislature to be of a public service nature,  
6 except telephone business as defined in RCW 82.04.065 and low-level  
7 radioactive waste site operating companies as defined in RCW 81.04.010.  
8 It includes, among others, without limiting the scope hereof: Airplane  
9 transportation, boom, dock, ferry, log patrol, pipe line, toll bridge,  
10 toll logging road, water transportation and wharf businesses.

11           (11) "Tugboat business" means the business of operating tugboats,  
12 towboats, wharf boats or similar vessels in the towing or pushing of  
13 vessels, barges or rafts for hire.

14           (12) "Gross income" means the value proceeding or accruing from the  
15 performance of the particular public service or transportation business  
16 involved, including operations incidental thereto, but without any  
17 deduction on account of the cost of the commodity furnished or sold,  
18 the cost of materials used, labor costs, interest, discount, delivery  
19 costs, taxes, or any other expense whatsoever paid or accrued and  
20 without any deduction on account of losses.

21           (13) The meaning attributed, in chapter 82.04 RCW, to the term "tax  
22 year," "person," "value proceeding or accruing," "business," "engaging  
23 in business," "in this state," "within this state," "cash discount" and  
24 "successor" shall apply equally in the provisions of this chapter.

25           **Sec. 15.** RCW 82.04.260 and 1990 c 21 s 2 are each amended to read  
26 as follows:

27           (1) Upon every person engaging within this state in the business of  
28 buying wheat, oats, dry peas, dry beans, lentils, triticale, corn, rye  
29 and barley, but not including any manufactured or processed products

1 thereof, and selling the same at wholesale; the tax imposed shall be  
2 equal to the gross proceeds derived from such sales multiplied by the  
3 rate of one-hundredth of one percent.

4 (2) Upon every person engaging within this state in the business of  
5 manufacturing wheat into flour, barley into pearl barley, soybeans into  
6 soybean oil, or sunflower seeds into sunflower oil; as to such persons  
7 the amount of tax with respect to such business shall be equal to the  
8 value of the flour, pearl barley, or oil manufactured, multiplied by  
9 the rate of one-eighth of one percent.

10 (3) Upon every person engaging within this state in the business of  
11 splitting or processing dried peas; as to such persons the amount of  
12 tax with respect to such business shall be equal to the value of the  
13 peas split or processed, multiplied by the rate of one-quarter of one  
14 percent.

15 (4) Upon every person engaging within this state in the business of  
16 manufacturing seafood products which remain in a raw, raw frozen, or  
17 raw salted state at the completion of the manufacturing by that person;  
18 as to such persons the amount of tax with respect to such business  
19 shall be equal to the value of the products manufactured, multiplied by  
20 the rate of one-eighth of one percent.

21 (5) Upon every person engaging within this state in the business of  
22 manufacturing by canning, preserving, freezing or dehydrating fresh  
23 fruits and vegetables; as to such persons the amount of tax with  
24 respect to such business shall be equal to the value of the products  
25 canned, preserved, frozen or dehydrated multiplied by the rate of  
26 three-tenths of one percent.

27 (6) Upon every nonprofit corporation and nonprofit association  
28 engaging within this state in research and development, as to such  
29 corporations and associations, the amount of tax with respect to such  
30 activities shall be equal to the gross income derived from such

1 activities multiplied by the rate of forty-four one-hundredths of one  
2 percent.

3 (7) Upon every person engaging within this state in the business  
4 of slaughtering, breaking and/or processing perishable meat products  
5 and/or selling the same at wholesale only and not at retail; as to such  
6 persons the tax imposed shall be equal to the gross proceeds derived  
7 from such sales multiplied by the rate of twenty-five one-hundredths of  
8 one percent through June 30, 1986, and one-eighth of one percent  
9 thereafter.

10 (8) Upon every person engaging within this state in the business  
11 of making sales, at retail or wholesale, of nuclear fuel assemblies  
12 manufactured by that person, as to such persons the amount of tax with  
13 respect to such business shall be equal to the gross proceeds of sales  
14 of the assemblies multiplied by the rate of twenty-five one-hundredths  
15 of one percent.

16 (9) Upon every person engaging within this state in the business  
17 of manufacturing nuclear fuel assemblies, as to such persons the amount  
18 of tax with respect to such business shall be equal to the value of the  
19 products manufactured multiplied by the rate of twenty-five one-  
20 hundredths of one percent.

21 (10) Upon every person engaging within this state in the business  
22 of acting as a travel agent; as to such persons the amount of the tax  
23 with respect to such activities shall be equal to the gross income  
24 derived from such activities multiplied by the rate of twenty-five one-  
25 hundredths of one percent.

26 (11) Upon every person engaging within this state in business as  
27 an international steamship agent, international customs house broker,  
28 international freight forwarder, vessel and/or cargo charter broker in  
29 foreign commerce, and/or international air cargo agent; as to such  
30 persons the amount of the tax with respect to only international

1 activities shall be equal to the gross income derived from such  
2 activities multiplied by the rate of thirty-three one-hundredths of one  
3 percent.

4 (12) Upon every person engaging within this state in the business  
5 of stevedoring and associated activities pertinent to the movement of  
6 goods and commodities in waterborne interstate or foreign commerce; as  
7 to such persons the amount of tax with respect to such business shall  
8 be equal to the gross proceeds derived from such activities multiplied  
9 by the rate of thirty-three one hundredths of one percent. Persons  
10 subject to taxation under this subsection shall be exempt from payment  
11 of taxes imposed by chapter 82.16 RCW for that portion of their  
12 business subject to taxation under this subsection. Stevedoring and  
13 associated activities pertinent to the conduct of goods and commodities  
14 in waterborne interstate or foreign commerce are defined as all  
15 activities of a labor, service or transportation nature whereby cargo  
16 may be loaded or unloaded to or from vessels or barges, passing over,  
17 onto or under a wharf, pier, or similar structure; cargo may be moved  
18 to a warehouse or similar holding or storage yard or area to await  
19 further movement in import or export or may move to a consolidation  
20 freight station and be stuffed, unstuffed, containerized, separated or  
21 otherwise segregated or aggregated for delivery or loaded on any mode  
22 of transportation for delivery to its consignee. Specific activities  
23 included in this definition are: Wharfage, handling, loading,  
24 unloading, moving of cargo to a convenient place of delivery to the  
25 consignee or a convenient place for further movement to export mode;  
26 documentation services in connection with the receipt, delivery,  
27 checking, care, custody and control of cargo required in the transfer  
28 of cargo; imported automobile handling prior to delivery to consignee;  
29 terminal stevedoring and incidental vessel services, including but not  
30 limited to plugging and unplugging refrigerator service to containers,

1 trailers, and other refrigerated cargo receptacles, and securing ship  
2 hatch covers.

3 (13) Upon every person engaging within this state in the business  
4 of disposing of low-level waste, as defined in RCW 43.145.010; as to  
5 such persons the amount of the tax with respect to such business shall  
6 be equal to the gross income of the business, excluding any fees  
7 imposed under chapter 43.200 RCW, multiplied by the rate of fifteen  
8 percent.

9 (a) The rate specified in this subsection shall be reduced to ten  
10 percent (~~((upon the effective date of legislation adopted pursuant to  
11 RCW 81.04.520 governing regulation of the business of low level  
12 radioactive waste disposal))~~ on the effective date of this act.

13 (b) The rate specified in this subsection shall be further reduced  
14 to five percent on January 1, 1992(~~(, if (a) of this subsection has  
15 taken effect))~~).

16 If the gross income of the taxpayer is attributable to activities  
17 both within and without this state, the gross income attributable to  
18 this state shall be determined in accordance with the methods of  
19 apportionment required under RCW 82.04.460.

20 (14) Upon every person engaging within this state as an insurance  
21 agent, insurance broker, or insurance solicitor licensed under chapter  
22 48.17 RCW; as to such persons, the amount of the tax with respect to  
23 such licensed activities shall be equal to the gross income of such  
24 business multiplied by the rate of one percent.

25 **Sec. 16.** RCW 43.145.020 and 1990 c 21 s 5 are each amended to read  
26 as follows:

27 (1) The person designated as the Washington representative to the  
28 committee as specified in Article V shall adhere to all provisions of  
29 the low-level radioactive waste compact. In considering special

1 conditions or arrangements for access to the state's facilities from  
2 wastes generated outside of the region, the committee member shall  
3 ensure at a minimum, that the provisions of Article IV, Section 3 are  
4 complied with. After 1992 the Washington representative may approve  
5 access to the state's facility only for the states currently members of  
6 the Rocky Mountain compact or states which generate less than one  
7 thousand cubic feet of waste annually and are contiguous with a state  
8 which is a member of the Northwest compact.

9 (2) The Washington representative shall require, as condition for  
10 approving access to any low-level radioactive waste disposal facility  
11 in the state, that generators of waste make an ongoing payment to the  
12 state of Washington for each foot of waste disposed at any facility in  
13 the state a surcharge of seven dollars. The surcharge shall be made  
14 specifically on the generator of the waste and shall not be considered  
15 applicable in any way to the low-level site operator's disposal  
16 activities. Five dollars of the surcharge on each cubic foot of waste  
17 shall be deposited in the fund created in section 17 of this act and  
18 two dollars of the surcharge shall be remitted on a monthly basis to a  
19 county in which a low-level radioactive waste disposal facility is  
20 located.

21 NEW SECTION. Sec. 17. A new section is added to chapter 43.200  
22 RCW to read as follows:

23 There is established the radioactive waste disposal host area  
24 economic development account in the state treasury. All payments  
25 received under RCW 43.145.020 shall be deposited in the account.  
26 Moneys in the account shall be transferred monthly to a regional  
27 revolving loan fund of the local governmental conference authorized by  
28 RCW 36.64.080 that includes the county or city in which a low-level  
29 radioactive waste disposal area is located. Moneys in the account may

1 be spent without legislative appropriation. Expenditures of these  
2 moneys shall conform to applicable federal law.

3 NEW SECTION. **Sec. 18.** A new section is added to chapter 43.200  
4 RCW to read as follows:

5 The state auditor shall annually audit and report on the  
6 expenditures from the account created in section 17 of this act.  
7 Copies of the report shall be sent to the members of the commerce and  
8 labor committees and energy and utilities committees of the house of  
9 representatives and the senate.

10 NEW SECTION. **Sec. 19.** Sections 1, 2, and 4 through 13 of this  
11 act shall constitute a new chapter in Title 81 RCW.

12 NEW SECTION. **Sec. 20.** This act is necessary for the immediate  
13 preservation of the public peace, health, or safety, or support of the  
14 state government and its existing public institutions, and shall take  
15 effect immediately.