

SENATE BILL REPORT

SB 6378

As of January 24, 1996

Title: An act relating to limiting the receivership responsibility of a county for public water systems.

Brief Description: Placing public water systems in receivership.

Sponsors: Senators Rasmussen, Swecker, Goings, Morton and Haugen.

Brief History:

Committee Activity: Energy, Telecommunications & Utilities: 1/24/96.

SENATE COMMITTEE ON ENERGY, TELECOMMUNICATIONS & UTILITIES

Staff: Susan Ridgley (786-7444)

Background: A "public" water system is one that serves a certain number of users, and may be either publicly or privately owned.

If a public water system falls into disrepair, the local or state Health Department may petition the court to put the system into receivership. If no qualified party steps forward to accept the responsibility for this water system, then the court may appoint as receiver the county in which the system is located.

To pay for necessary repairs, the court may authorize the county (or contractor) to impose fees on the system's customers. If the system is in such disrepair that health and safety standards are being violated, the county can apply for a low interest or interest-free loan from the Public Works Board to make emergency repairs.

Within one year, the county and the petitioning agency will present to the court its recommendations for the system's future operation. Based on its recommendations and subsequent hearings, the court will devise a plan and order its implementation, and the receivership will be terminated. The county cannot be forced against its will to permanently accept the failed water system.

Summary of Bill: The length of time that a county is held responsible to act as a receiver for a defunct public water system is limited to no longer than three years.

Public water systems that were originally privately owned, but which now are under county receivership, are eligible for loans through the Public Works Board's emergency public works program.

Appropriation: None.

Fiscal Note: Not requested.

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