

SENATE BILL REPORT

ESB 5514

As Passed Senate, February 18, 2014

Title: An act relating to utility rates and charges for vacant mobile home lots in manufactured housing communities.

Brief Description: Concerning utility rates and charges for vacant mobile home lots in manufactured housing communities.

Sponsors: Senators Roach and Benton.

Brief History:

Committee Activity: Governmental Operations: 2/12/13, 2/18/13 [DP, DNP].
Passed Senate: 2/18/14, 44-3.

SENATE COMMITTEE ON GOVERNMENTAL OPERATIONS

Majority Report: Do pass.

Signed by Senators Roach, Chair; Benton, Vice Chair; Braun, Conway and Rivers.

Minority Report: Do not pass.

Signed by Senators Hasegawa, Ranking Member; Fraser.

Staff: Karen Epps (786-7424)

Background: General purpose and selected special purpose local governments are authorized to provide water-related utility services. This includes, for example, cities, towns, metropolitan municipal corporations, counties, water-sewer districts (Districts), and public utility districts (PUDs).

Cities and towns may provide for the sewerage, drainage, and water supply of the city or town, and may establish, construct, and maintain water supply systems and systems of sewers and drains within or outside their incorporated limits. Cities and towns are also authorized to establish rates and charges for providing water and sewer services.

Any area of the state containing two or more cities, of which at least one has a population of 10,000 or more, may create a metropolitan municipal corporation to perform one or more of the following functions: metropolitan water pollution abatement, metropolitan water supply, metropolitan public transportation, metropolitan garbage disposal, metropolitan parks and

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parkways, and metropolitan comprehensive planning. The legislative body of a corporation is a metropolitan council.

Similarly, counties may provide for the sewerage, drainage, and water supply within all or a portion of a county. Counties may control, regulate, operate, and manage these systems. Counties are also authorized to establish rates and charges for providing water and sewer services.

Districts provide water and sewer services to incorporated and unincorporated areas. Districts are established through a petition, public hearing, and voter approval process and are each managed by a board of elected commissioners. Districts may purchase, construct, maintain, and supply waterworks to furnish water to inhabitants within and outside of the district, and may develop and operate systems of sewers and drainage. Districts are authorized to establish rates and charges for providing water and sewer services.

A PUD is a type of special purpose district authorized for the purpose of generating and distributing electricity, providing water and sewer services, and providing telecommunications services. PUDs are authorized to establish rates and charges for providing water and sewer services.

Summary of Engrossed Bill: A city, town, or metropolitan municipal corporation may not charge rates, charges, noncapital fees, or other costs for any vacant lot in a manufactured housing community while the lot is vacant unless the lot is receiving individually water, light, power, or heat services or the landlord voluntarily elects to continue the rates, charges, noncapital fees, or other costs during the period the lot is vacant.

A county, District, or PUD may not charge rates, charges, noncapital fees, or other costs for any vacant lot in a manufactured housing community while the lot is vacant unless the lot is receiving individually water, light, power, or heat services or the landlord voluntarily elects to continue the rates, charges, noncapital fees, or other costs during the period the lot is vacant.

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: This bill is a simple bill to provide that, for vacant lots in a manufactured housing community, they will not be charged for water, light, power, or heat while the lots are vacant. For a mobile home park with 63 water connections, the owner has been charged \$2,205 per month, but there has not been a mobile home in the park for two years. If the owner gives up the water connections, the owner would have to reapply and that would cost approximately \$10,000 per connection. At a mobile home with 35 spaces, the meters are locked on the two vacant spaces and no water is being used and the water bill is about \$120 per space per month. This bill does not include non-capital fees.

OTHER: This bill should not include capitalization costs in which the water-sewer districts have installed capacity and are paying for that with a bond or paying back a loan. The manufactured housing community or a new subdivision are receiving the capacity and they should pay their share. If they are not paying their share, that brings a cost shift to the other rate payers.

Persons Testifying: PRO: Chester Baldwin, Manufactured Housing Communities of WA; Debra Goethals, Park Owner; Peter Gerritsen, Woodside Manor Mobile Home Park.

OTHER: Steve Lindstrom, Sno-King Water District Coalition.