
SENATE BILL 6321

State of Washington 65th Legislature 2018 Regular Session

By Senators Rivers, Takko, and Palumbo

Read first time 01/12/18. Referred to Committee on Local Government.

1 AN ACT Relating to specifying that fire protection districts and
2 regional fire protection service authorities are taxing districts for
3 the purpose of distributing public utility revenues; and amending RCW
4 54.28.010, 54.28.055, and 54.28.090.

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

6 **Sec. 1.** RCW 54.28.010 and 1977 ex.s. c 366 s 1 are each amended
7 to read as follows:

8 As used in this chapter:

9 (1) "Operating property" means all of the property utilized by a
10 public utility district in the operation of a plant or system for the
11 generation, transmission, or distribution of electric energy for
12 sale;

13 (2) "Taxing districts" means counties, cities, towns, school
14 districts, ~~((and))~~ road districts, fire protection districts, and
15 regional fire protection service authorities;

16 (3) "Distributes to consumers" means the sale of electric energy
17 to ultimate consumers thereof, and does not include sales of electric
18 energy for resale by the purchaser;

19 (4) "Wholesale value" means all costs of a public utility
20 district associated with the generation and transmission of energy
21 from its own generation and transmission system to the point or

1 points of inter-connection with a distribution system owned and used
2 by a district to distribute such energy to consumers, or in the event
3 a distribution system owned by a district is not used to distribute
4 such energy, then the term means the gross revenues derived by a
5 district from the sale of such energy to consumers;

6 (5) "Thermal electric generating facility" means a steam-powered
7 electrical energy producing facility utilizing nuclear or fossil
8 fuels;

9 (6) "Placed in operation" means delivery of energy into a
10 transmission or distribution system for use or sale in such a manner
11 as to establish a value accruing to the power plant operator, except
12 operation incidental to testing or start-up adjustments;

13 (7) "Impacted area" for a thermal electric generating facility on
14 a federal reservation means that area in the state lying within
15 thirty-five statute miles of the most commonly used entrance of the
16 federal reservation and which is south of the southern boundary of
17 township fifteen north.

18 **Sec. 2.** RCW 54.28.055 and 2017 3rd sp.s. c 28 s 502 are each
19 amended to read as follows:

20 (1) Except as provided in subsection (3) of this section, the
21 department of revenue must instruct the state treasurer to distribute
22 the amount collected under RCW 54.28.025(1) on the first business day
23 of July as follows:

24 (a) Fifty percent to the state general fund for the support of
25 schools; and

26 (b) Twenty-two percent to the counties, twenty-three percent to
27 the cities, three percent to the fire protection districts/regional
28 fire authorities, and two percent to the library districts.

29 (2) Each county, city, fire protection district/regional fire
30 authority, and library district must receive a percentage of the
31 amount for distribution to counties, cities, fire protection
32 districts/regional fire authorities, and library districts,
33 respectively, in the proportion that the population of such district
34 residing within the impacted area bears to the total population of
35 all such districts residing within the impacted area. For the
36 purposes of this chapter, the term "library district" includes only
37 regional libraries, rural county library districts, intercounty rural
38 library districts, and island library districts as those terms are
39 defined in RCW 27.12.010. The population of a library district, for

1 purposes of such a distribution, does not include any population
2 within the library district and the impact area that also is located
3 within a city or town.

4 (3) Distributions under this section must be adjusted as follows:

5 (a) If any distribution pursuant to subsection (1)(b) of this
6 section cannot be made, then that share must be prorated among the
7 state and remaining local districts.

8 (b) The department of revenue must instruct the state treasurer
9 to adjust distributions under this section, in whole or in part, to
10 account for each county's, city's, fire protection district's/
11 regional fire authority's, and library district's proportionate share
12 of amounts previously distributed under this section and subsequently
13 refunded to a public utility district under RCW 82.32.060.

14 (4) All distributions directed by this section to be made on the
15 basis of population must be calculated in accordance with population
16 data as last determined by the office of financial management.

17 **Sec. 3.** RCW 54.28.090 and 2011 c 361 s 1 are each amended to
18 read as follows:

19 (1) The county legislative authority of each county must direct
20 the county treasurer to deposit funds to the credit of each taxing
21 district in the county, other than school districts, according to the
22 manner they deem most equitable; except not less than an amount equal
23 to three-fourths of one percent of the gross revenues obtained by a
24 district from the sale of electric energy within any incorporated
25 city or town must be remitted to such city or town and not less than
26 six percent of the amount distributed to the county under RCW
27 54.28.050 must be remitted to fire protection districts and regional
28 fire authorities within the county. Information furnished by the
29 district to the county legislative authority must be the basis for
30 the determination of the amount to be paid to such cities or towns
31 under this subsection. Each fire protection district and regional
32 fire authority within the county must receive a percentage of the
33 amount for distribution to fire districts and regional fire
34 authorities, respectively, in the proportion that the population of
35 such district residing within the impacted area bears the total
36 population of all such fire districts and regional fire authorities
37 in the county.

38 (2) In the event that a county receives tax proceeds under RCW
39 54.28.050 because a public utility district operated by another

1 county owns fee title to property in a city or town in the county
2 that receives such tax proceeds, and that city or town adjoins a
3 reservoir on the Columbia river wholly or partially created by such
4 district's hydroelectric facility which began commercial power
5 generation in 1967, but the district has no sales of electrical
6 energy in that city or town, the county may retain seventy percent of
7 such tax proceeds. The county must remit the remainder of the tax
8 proceeds to the city or town in which the district owns fee title to
9 property but has no sales of electrical energy. If the district owns
10 fee title to property in more than one city or town in the county
11 receiving such tax proceeds, and has no sales of electrical energy in
12 those cities or towns, the remainder of the tax must be divided
13 evenly among all such cities and towns.

14 (3) The provisions of this section do not apply to the
15 distribution of taxes collected under RCW 54.28.025.

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