

# FINAL BILL REPORT

## SHB 2889

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Synopsis as Enacted

**Brief Description:** Concerning utility tax disclosures.

**Sponsors:** House Committee on Local Government (originally sponsored by Representative Griffey).

**House Committee on Local Government**  
**Senate Committee on Local Government**

**Background:**

Cities and towns may operate municipal utilities, including utilities providing water, sewage, and stormwater services.

Cities and towns may impose license or excise taxes on business activities, including the provision of services by utilities. These taxes may be imposed by a city or town on the operation of its own utility.

**Summary:**

Any city or town that operates its own water, sewer or wastewater, or stormwater utility, and imposes a tax or fee on the gross revenue of the utility, must disclose the tax or fee to its utility customers. This disclosure can occur on a regular billing statement (either electronic or paper); on the city or town's website, if written notice is provided to customers or taxpayers that this information is available; or through an insert, mailer, or other communication provided to customers or taxpayers either annually or within 30 days of the effective date of any subsequent tax rate change.

**Votes on Final Passage:**

House	97	1	
Senate	48	0	(Senate amended)
House	94	2	(House concurred)

**Effective:** June 11, 2020

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*