

SENATE BILL REPORT

ESHB 1031

AS REPORTED BY COMMITTEE ON ENERGY & UTILITIES, APRIL 4, 1991

**Brief Description:** Making various changes in sewer and water district law.

**SPONSORS:** House Committee on Local Government (originally sponsored by Representatives Wood, Haugen, Ferguson, Nelson, Horn, Roland, Paris and Nealey).

**HOUSE COMMITTEE ON LOCAL GOVERNMENT**

**SENATE COMMITTEE ON ENERGY & UTILITIES**

**Majority Report:** Do pass as amended.

Signed by Senators Thorsness, Chairman; Saling, Vice Chairman; Jesernig, Nelson, Stratton, Sutherland, and Williams.

**Staff:** Dave Monthie (786-7198)

**Hearing Dates:** March 28, 1991; April 4, 1991

**BACKGROUND:**

Special districts, such as water and sewer, are only able to do what is specifically authorized in their enabling statutes.

Sewer district and water district commissioners are permitted by statute to receive compensation at a rate of up to \$50 per day, not to exceed \$4,800 per year. In addition, the commissioner who is the secretary of the board may receive a reasonable amount for clerical services. Nothing in state law specifically addresses the provision of insurance benefits for sewer district or water district commissioners. Sewer districts and water districts are authorized to hire staff and provide staff with compensation, as well as health care services, group insurance, and term life insurance.

A sewer district or water district may lease out land not necessary for its immediate use, but must secure such leases by performance bonds, which are not readily available.

In 1989, a statute relating to the general powers of water districts was amended twice in separate legislation, which has created small technical problems that need correction.

Water districts are authorized to adopt water conservation plans, but they are not expressly authorized to impose monetary penalties on persons violating such plans or water use restrictions.

A ballot proposition to increase the size of the board of commissioners in a sewer district or water district from three to five members may be presented to voters for their approval or rejection, if requested by petition of a certain percentage of district voters or by unanimous vote of the board of commissioners. Where the district has 10,000 or more customers, the size of the board is increased without voter approval upon adoption of such a resolution by a unanimous vote of the board. However, a ballot proposition on the increase must be submitted to district voters upon the filing of a petition requesting the vote, if signed by a certain percentage of district voters.

Sewer districts and other local governments may impose utility charges for the availability of service, while water districts may only impose utility charges for the actual use of the service provided.

**SUMMARY:**

A sewer district, or water district, with 5,000 or more customers providing health, group, or life insurance benefits to its employees may provide its commissioners with the same coverage.

The board of commissioners of a sewer district or water district can require a reasonable security deposit, in lieu of a performance bond, whenever district property is leased.

The water district statute that was amended twice in 1989 is reenacted to remove any ambiguity about the effect of both of the changes that were made.

Water districts are authorized to adopt water conservation plans and emergency water use restrictions that are enforceable by the imposition of fines. The commissioners may provide by resolution that if the fines are not paid for a specified period of time, the fines become a lien on the property of the party failing to comply with the plan or restrictions.

Water districts may fix rates or charges for the availability of water, as well as its use, which may be enforced by lien against the property, or by foreclosure.

The vote of a board of commissioners of a water district or sewer district is reduced from a unanimous vote to a simple majority vote for placing on a ballot a proposition authorizing an increase in the size of the board from three to five members.

**Appropriation:** none

**Revenue:** none

**Fiscal Note:** none requested

**Effective Date:** The bill contains an emergency clause and takes effect immediately.

**SUMMARY OF PROPOSED SENATE AMENDMENT:**

A water district or sewer district providing benefits to its board of commissioners may not pay more for benefits for any board member than the per person amounts paid by it for its employees. Water districts may not collect penalties for violations by customers of conservation plans or emergency use restrictions by placing liens against, or foreclosing on, the property. Water districts may not fix rates or charges for availability of water. The changes to procedures for increasing the size of a district board are deleted. The emergency clause is eliminated. Water districts are given express authority to operate and maintain a park or recreational facility on real property that is not immediately necessary for its purposes.

**TESTIMONY FOR:**

The bill contains a number of provisions to address concerns identified by water and wastewater districts. Only 18 out of more than 400 districts statewide would be able to provide benefits to their board members, and only after a public hearing and adoption of a resolution. The new authority regarding water conservation is necessary to meet the goal of conserving this resource.

**TESTIMONY AGAINST:** None

**TESTIFIED:** PRO: Representative Jeannette Wood, prime sponsor; Joe Daniels, Gary Cline, Bruce McKnight, Ron Ricker, Washington State Association of Water/Wastewater Districts