

CERTIFICATION OF ENROLLMENT  
**SUBSTITUTE SENATE BILL 5357**

Chapter 18, Laws of 1991

52nd Legislature  
1991 Regular Session

PUBLIC WATER SYSTEMS--QUALIFIED SATELLITE SYSTEM MANAGEMENT  
AGENCIES

EFFECTIVE DATE: 7/28/91

Passed by the Senate March 13, 1991  
Yeas 46 Nays 0

ELLEN CRASWELL  
**President of the Senate**

Passed by the House April 9, 1991  
Yeas 98 Nays 0

JOE KING  
**Speaker of the  
House of Representatives**

Approved April 17, 1991

CERTIFICATE

I, Gordon Golob, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SUBSTITUTE SENATE BILL 5357** as passed by the Senate and the House of Representatives on the dates hereon set forth.

GORDON A. GOLOB  
**Secretary**

FILED

April 17, 1991 - 3:18 p.m.

BOOTH GARDNER  
**Governor of the State of Washington**

**Secretary of State  
State of Washington**



---

**SUBSTITUTE SENATE BILL 5357**

---

Passed Legislature - 1991 Regular Session

**State of Washington**

**52nd Legislature**

**1991 Regular Session**

**By** Senate Committee on Energy & Utilities (originally sponsored by Senators Barr and Madsen; by request of Jnt Sel Com on Water Resource Policy). Read first time February 11, 1991.

1       AN ACT Relating to individuals or water purveyors identified as  
2 qualified satellite system management agencies; and adding a new  
3 section to chapter 70.116 RCW.

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

5       NEW SECTION. **Sec. 1.** A new section is added to chapter 70.116 RCW  
6 to read as follows:

7       (1) The secretary shall adopt rules pursuant to chapter 34.05 RCW  
8 establishing criteria for designating individuals or water purveyors as  
9 qualified satellite system management agencies. The criteria shall set  
10 forth minimum standards for designation as a satellite system  
11 management agency qualified to assume ownership, operation, or both, of  
12 an existing or proposed public water system. The criteria shall  
13 include demonstration of financial integrity and operational  
14 capability, and may require demonstration of previous experience in  
15 successful operation and management of a public water system.

1 (2) Each county shall identify potential satellite system  
2 management agencies to the secretary for areas where: (a) No purveyor  
3 has been designated a future service area pursuant to this chapter, or  
4 (b) an existing purveyor is unable or unwilling to provide service.  
5 Preference shall be given to public utilities or utility districts or  
6 to investor-owned utilities under the jurisdiction of the utilities and  
7 transportation commission.

8 (3) The secretary shall approve satellite system management  
9 agencies meeting the established criteria and shall maintain and make  
10 available to counties a list of approved agencies. Prior to the  
11 construction of a new public water system, the individual(s) proposing  
12 the new system or requesting service shall first be directed by the  
13 local agency responsible for issuing the construction or building  
14 permit to one or more qualified satellite system management agencies  
15 designated for the service area where the new system is proposed for  
16 the purpose of exploring the possibility of a satellite agency either  
17 owning or operating the proposed new water system.

18 (4) Approved satellite system management agencies shall be reviewed  
19 periodically by the secretary for continued compliance with established  
20 criteria. The secretary may require status reports and other  
21 information necessary for such review. Satellite system management  
22 agencies shall be subject to reapproval at the discretion of the  
23 secretary but not less than once every five years.

24 (5) The secretary may assess reasonable fees to process  
25 applications for initial approval and for periodic review of satellite  
26 system management agencies. A satellite system management account is  
27 hereby created in the custody of the state treasurer. All receipts  
28 from satellite system management agencies or applicants under  
29 subsection (4) of this section shall be deposited into the account.  
30 Funds in this account may be used only for administration of the

1 satellite system management program. Expenditures from the account  
2 shall be authorized by the secretary or the secretary's designee. The  
3 account is subject to allotment procedures under chapter 43.88 RCW, but  
4 no appropriation is required for expenditures.

5 (6) For purposes of this section, "satellite system management  
6 agency" and "satellite agency" shall mean a person or entity that is  
7 certified by the secretary to own or operate more than one public water  
8 system on a regional or county-wide basis, without the necessity for a  
9 physical connection between such systems.

Passed the Senate March 13, 1991.

Passed the House April 9, 1991.

Approved by the Governor April 17, 1991.

Filed in Office of Secretary of State April 17, 1991.