

CERTIFICATION OF ENROLLMENT

**SUBSTITUTE HOUSE BILL 2711**

Chapter 316, Laws of 1998

55th Legislature  
1998 Regular Session

SMALL IRRIGATION DISTRICTS--TAX EXEMPTIONS

EFFECTIVE DATE: 7/1/98

Passed by the House February 25, 1998  
Yeas 96 Nays 0

CLYDE BALLARD  
**Speaker of the  
House of Representatives**

Passed by the Senate March 11, 1998  
Yeas 45 Nays 3

BRAD OWEN  
**President of the Senate**

Approved April 3, 1998

GARY LOCKE  
**Governor of the State of Washington**

CERTIFICATE

I, Timothy A. Martin, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SUBSTITUTE HOUSE BILL 2711** as passed by the House of Representatives and the Senate on the dates hereon set forth.

TIMOTHY A. MARTIN  
**Chief Clerk**

FILED

April 3, 1998 - 2:18 p.m.

**Secretary of State  
State of Washington**

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**SUBSTITUTE HOUSE BILL 2711**

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Passed Legislature - 1998 Regular Session

**State of Washington                      55th Legislature                      1998 Regular Session**

**By** House Committee on Finance (originally sponsored by Representatives Parlette, Chandler, Mulliken and Sump)

Read first time 02/09/98. Referred to Committee on .

1            AN ACT Relating to tax exemptions for small irrigation districts;  
2 amending RCW 82.04.312 and 82.16.042; providing an effective date; and  
3 providing expiration dates.

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

5            **Sec. 1.** RCW 82.04.312 and 1997 c 407 s 2 are each amended to read  
6 as follows:

7            (1) This chapter does not apply to amounts received for water  
8 services supplied by a water-sewer district established under Title 57  
9 RCW or by an irrigation district established under Title 87 RCW that  
10 ~~((has been certified by the department of health as))~~:

11            (a) ~~((Having))~~ Has less than one thousand five hundred connections;  
12 and

13            (b) ~~((Charging))~~ Charges residential water rates that exceed one  
14 hundred twenty-five percent of the state-wide average residential water  
15 rate published on or before July 1st of each year by the department of  
16 health.

17            (2) This chapter does not apply to amounts received for water  
18 services supplied by a water system that ~~((has been certified by the~~  
19 ~~department of health as))~~:

1 (a) (~~Being~~) Is operated or owned by a qualified satellite  
2 management agency under RCW 70.116.134;

3 (b) (~~Having~~) Has less than two hundred connections; and

4 (c) (~~Charging~~) Charges residential water rates that exceed one  
5 hundred twenty-five percent of the state-wide average residential water  
6 rate published on or before July 1st of each year by the department of  
7 health.

8 (3) To receive an exemption under this section, the water system or  
9 irrigation district shall supply to the department of (~~health~~)  
10 revenue proof that an amount equal to at least ninety percent of the  
11 value of the exemption shall be expended to repair, equip, maintain,  
12 and upgrade the water system.

13 (4) The department of health (~~shall certify to the department of~~  
14 ~~revenue the eligibility of water districts and water systems under this~~  
15 ~~section. In order to determine eligibility, the department of health~~  
16 ~~may use rate information provided in surveys and reports produced by~~  
17 ~~the association of Washington cities, an association of elected~~  
18 ~~officials, or other municipal association to estimate a state-wide~~  
19 ~~average residential water rate. The department of health shall update~~  
20 ~~the estimated state-wide average residential water rate by July 1 of~~  
21 ~~each year that this section remains in effect~~) may use rate  
22 information provided in surveys and reports produced by the association  
23 of Washington cities, an association of elected officials, or other  
24 municipal association to estimate a state-wide average residential  
25 water rate.

26 (5) This section expires July 1, (~~2003~~) 2004.

27 **Sec. 2.** RCW 82.16.042 and 1997 c 407 s 3 are each amended to read  
28 as follows:

29 (1) This chapter does not apply to amounts received for water  
30 services supplied by a water-sewer district established under Title 57  
31 RCW or by an irrigation district established under Title 87 RCW that  
32 (~~has been certified by the department of health as~~):

33 (a) (~~Having~~) Has less than one thousand five hundred connections;  
34 and

35 (b) (~~Charging~~) Charges residential water rates that exceed one  
36 hundred twenty-five percent of the state-wide average residential water  
37 rate published on or before July 1st of each year by the department of  
38 health.

1 (2) This chapter does not apply to amounts received for water  
2 services supplied by a water system that (~~has been certified by the~~  
3 ~~department of health as~~):

4 (a) (~~Being~~) Is operated or owned by a qualified satellite  
5 management agency under RCW 70.116.134;

6 (b) (~~Having~~) Has less than two hundred connections; and

7 (c) (~~Charging~~) Charges residential water rates that exceed one  
8 hundred twenty-five percent of the state-wide average residential water  
9 rate.

10 (3) To receive an exemption under this section, the water system or  
11 irrigation district shall supply to the department of (~~health~~)  
12 revenue proof that an amount equal to at least ninety percent of the  
13 value of the exemption shall be expended to repair, equip, maintain,  
14 and upgrade the water system.

15 (~~The department of health shall certify to the department of~~  
16 ~~revenue the eligibility of water districts and water systems under this~~  
17 ~~section. In order to determine eligibility, the department of health~~  
18 ~~may use rate information provided in surveys and reports produced by~~  
19 ~~the association of Washington cities, an association of elected~~  
20 ~~officials, or other municipal association to estimate a state wide~~  
21 ~~average residential water rate. The department of health shall update~~  
22 ~~the estimated state wide average residential water rate by July 1 of~~  
23 ~~each year that this section remains in effect.)) For the purposes of  
24 this section, "state-wide average residential water rate" means the  
25 state-wide average residential water rate published under RCW  
26 82.04.312.~~

27 (5) This section expires July 1, (~~2003~~) 2004.

28 NEW SECTION. Sec. 3. This act takes effect July 1, 1998.

Passed the House February 25, 1998.

Passed the Senate March 11, 1998.

Approved by the Governor April 3, 1998.

Filed in Office of Secretary of State April 3, 1998.