

SSB 5881 - H COMM AMD  
By Committee on Appropriations

ADOPTED 04/10/2007

1 Strike everything after the enacting clause and insert the  
2 following:

3 "Sec. 1. RCW 90.16.050 and 1929 c 105 s 1 are each amended to read  
4 as follows:

5 (1) Every person, firm, private or municipal corporation, or  
6 association hereinafter called "claimant", claiming the right to the  
7 use of water within or bordering upon the state of Washington for power  
8 development, shall on or before the first day of (~~July, 1929, and on~~  
9 ~~or before the first day of~~) January of each year (~~thereafter~~) pay to  
10 the state of Washington in advance an annual license fee, based upon  
11 the theoretical water power claimed under each and every separate claim  
12 to water according to the following schedule:

13 (a) For projects in operation: For each and every theoretical  
14 horsepower claimed up to and including one thousand horsepower, at the  
15 rate of (~~ten~~) eighteen cents per horsepower; for each and every  
16 theoretical horsepower in excess of one thousand horsepower, up to and  
17 including ten thousand horsepower, at the rate of (~~two~~) three and  
18 six-tenths cents per horsepower; for each and every theoretical  
19 horsepower in excess of ten thousand horsepower, at the rate of one and  
20 eight-tenths cents per horsepower.

21 (b) For federal energy regulatory commission projects in operation,  
22 the following fee schedule applies in addition to the fees in (a) of  
23 this subsection: For each theoretical horsepower of capacity up to and  
24 including one thousand horsepower, at the rate of thirty-two cents per  
25 horsepower; for each theoretical horsepower in excess of one thousand  
26 horsepower, up to and including ten thousand horsepower, at the rate of  
27 six and four-tenths cents per horsepower; for each theoretical  
28 horsepower in excess of ten thousand horsepower, at the rate of three  
29 and two-tenths cents per horsepower.

1 (c) To justify the appropriate use of fees collected under (b) of  
2 this subsection, the department of ecology shall submit a progress  
3 report to the appropriate committees of the legislature prior to  
4 December 31, 2009, and biennially thereafter until December 31, 2017.

5 (i) The progress report will: (A) Describe how license fees were  
6 expended in the federal energy regulatory commission licensing process  
7 during the current biennium, and expected workload and full-time  
8 equivalent employees for federal energy regulatory commission licensing  
9 in the next biennium; (B) include any recommendations based on  
10 consultation with the departments of ecology and fish and wildlife,  
11 hydropower project operators, and other interested parties; and (C)  
12 recognize hydropower operators that exceed their environmental  
13 regulatory requirements.

14 (ii) The fees required in (b) of this subsection expire June 30,  
15 2017. The biennial progress reports submitted by the department of  
16 ecology will serve as a record for considering the extension of the fee  
17 structure in (b) of this subsection.

18 (2) The following are exceptions to the fee schedule in subsection  
19 (1) of this section:

20 (a) For undeveloped projects, the fee shall be at one-half the  
21 rates specified for projects in operation; for projects partly  
22 developed and in operation the fees paid on that portion of any project  
23 that shall have been developed and in operation shall be the full  
24 annual license fee ((above)) specified in subsection (1) of this  
25 section for projects in operation, and for the remainder of the power  
26 claimed under such project the fees shall be the same as for  
27 undeveloped projects. ((PROVIDED, That upon the filing of statement,  
28 as hereinafter required, by the United States or the state claiming the  
29 right to the use of water to any extent for the generation of power, or  
30 any other claimant to the use of water for the generation of fifty  
31 horsepower, or less, shall be exempted from the payment of all fees  
32 hereinafter required; and PROVIDED FURTHER, That))

33 (b) The fees required in subsection (1) of this section do not  
34 apply to any hydropower project owned by the United States.

35 (c) The fees required in subsection (1) of this section do not  
36 apply to the use of water for the generation of fifty horsepower or  
37 less.

1 (d) The fees required in subsection (1) of this section for  
2 projects developed by an irrigation district in conjunction with the  
3 irrigation district's water conveyance system shall be reduced by fifty  
4 percent to reflect the portion of the year when the project is not  
5 operable.

6 (e) Any irrigation district or other municipal subdivision of the  
7 state, developing power chiefly for use in pumping of water for  
8 irrigation, (~~may~~) upon the filing of a statement(~~(7)~~) showing the  
9 amount of power used for irrigation pumping, (~~be exempted~~) is exempt  
10 from the fees in subsection (1) of this section to the extent of the  
11 power (~~so~~) used (~~from the payment of the annual license fee herein~~  
12 provided)) for irrigation pumping.

13 **Sec. 2.** RCW 90.16.090 and 1988 c 127 s 79 are each amended to read  
14 as follows:

15 (1) All fees paid under provisions of this chapter, shall be  
16 credited by the state treasurer to the reclamation (~~revolving~~)  
17 account created in RCW 89.16.020 and subject to legislative  
18 appropriation, be allocated and expended by the director of ecology  
19 for:

20 (a) Investigations and surveys of natural resources in cooperation  
21 with the federal government, or independently thereof, including stream  
22 gaging, hydrographic, topographic, river, underground water, mineral  
23 and geological surveys(~~(: PROVIDED, That in any one biennium all said~~  
24 expenditures shall not exceed total receipts from said power license  
25 fees collected during said biennium: AND PROVIDED FURTHER, That the  
26 portion of money allocated by said director to be expended in  
27 cooperation with the federal government shall be contingent upon the  
28 federal government making available equal amounts for such  
29 investigations and surveys)); and

30 (b) Expenses associated with staff at the departments of ecology  
31 and fish and wildlife working on federal energy regulatory commission  
32 relicensing and license implementation.

33 (2) Unless otherwise required by the omnibus biennial  
34 appropriations acts, the expenditures for these purposes must be  
35 proportional to the revenues collected under RCW 90.16.050(1)."

36 Correct the title.

EFFECT: Eliminates the requirement for the Department of Ecology to adjust the license fee rates in accordance with the fiscal growth factor as provided by the Office of Financial Management.

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