

SENATE BILL REPORT

SB 5454

As Passed Senate, April 2, 2007

Title: An act relating to rural public utility districts.

Brief Description: Addressing special needs transportation services provided by rural public utility districts.

Sponsors: Senators Morton and Rasmussen.

Brief History:

Committee Activity: Water, Energy & Telecommunications: 2/02/07, 2/13/07 [DP-WM].
Ways & Means: 3/05/07 [DP, DNP].
Passed Senate: 4/02/07, 46-0.

SENATE COMMITTEE ON WATER, ENERGY & TELECOMMUNICATIONS

Majority Report: Do pass and be referred to Committee on Ways & Means.

Signed by Senators Poulsen, Chair; Rockefeller, Vice Chair; Honeyford, Ranking Minority Member; Delvin, Fraser, Holmquist, Marr, Morton, Oemig, Pridemore and Regala.

Staff: William Bridges (786-7424)

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass.

Signed by Senators Prentice, Chair; Fraser, Vice Chair, Capital Budget Chair; Pridemore, Vice Chair, Operating Budget; Zarelli, Ranking Minority Member; Brandland, Hatfield, Hobbs, Honeyford, Keiser, Kohl-Welles, Oemig, Parlette, Rasmussen, Regala, Roach, Rockefeller, Schoesler and Tom.

Minority Report: Do not pass.

Signed by Senator Carrell.

Staff: Dean Carlson (786-7305)

Background: Public Utility Tax (PUT): Gross income derived from the operation of public and privately owned utilities is subject to the state PUT. The rate for electric utilities is 3.873 percent.

Public Utility Districts (PUD): PUDs are municipal corporations authorized to provide electricity, water, wholesale telecommunications, and sewer service. There are currently 28

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PUDs in Washington, four of which supply electricity to counties with less than nine persons per square mile: Ferry, Okanogan, Pend Oreille, and Skamania.

American with Disabilities Act (ADA): The ADA is a federal law that, among other things, prohibits discrimination on the basis of disability in public accommodations and transportation. Under the ADA, an individual with a disability is a person who, among other things, has a physical or mental impairment that substantially limits one or more major life activities.

Summary of Bill: Authorizing Rural PUDs to Offer Limited Transportation Services: A PUD, serving a county with a population density of less than nine persons per square mile, may establish a demand responsive transportation system, such as taxi, van, or shuttle bus service, for qualified seniors and persons with disabilities. The transportation service may not include ambulance service.

Creating a PUT Credit for ADA-Compliant Transportation Services: An eligible PUD that establishes a "special needs transportation fund" may claim a credit against the state PUT. The credit is equal to the amount of contributions to the transportation fund and is limited to \$25,000 per fiscal year per eligible PUD.

An eligible PUD is one that supplies electricity and primarily serves a county with a population density of less than nine persons per square mile. A "special needs transportation fund" is one that is exclusively used to acquire or provide ADA-compliant transportation, such as taxis, vans, or shuttle buses, for "qualified recipients." A "qualified recipient" is a person with a disability or who is at least 60 years old, resides in a rural area, and is unable to obtain transportation because of age or disability.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: The bill contains an emergency clause and takes effect on July 1, 2007.

Staff Summary of Public Testimony (Water, Energy & Telecommunications): PRO: This bill is designed to help provide seniors and persons with disabilities in very rural counties the transportation they need for medical visits and grocery shopping. For example, Ferry County has a population of around 7000 people, and the city of Republic has one drug store, one hospital, and two nursing homes, but no reliable transportation system to help eligible people get to and from these facilities.

Persons Testifying (Water, Energy & Telecommunications): Senator Morton, prime sponsor; Dave Warren, Washington Public Utility Districts Association.

Staff Summary of Public Testimony (Ways & Means): None.

Persons Testifying (Ways & Means): No one.