S-0229.1

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**SENATE BILL 5024**

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**State of Washington 66th Legislature 2019 Regular Session**

**By** Senators Hasegawa and Fortunato

AN ACT Relating to the transparency of local taxing districts; amending RCW 19.29A.030; adding a new section to chapter 35.58 RCW; adding a new section to chapter 54.04 RCW; adding a new section to chapter 85.08 RCW; adding a new section to chapter 36.58A RCW; adding a new section to chapter 36.58 RCW; adding a new section to chapter 57.02 RCW; adding a new section to chapter 35.92 RCW; and providing an effective date.

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

NEW SECTION. **Sec.**  A new section is added to chapter 35.58 RCW to read as follows:

(1) Any metropolitan municipal corporation serving ten thousand or more customers or taxpayers must disclose on each billing statement the rates of state and local taxes imposed on the corporation with respect to the billed services, if any. The corporation must also disclose the amount of any such taxes to be paid directly by the customer or taxpayer through the billing statement.

(2) A metropolitan municipal corporation serving less than ten thousand but more than five thousand customers or taxpayers must disclose the state and local tax information required in subsection (1) of this section upon the next update to its billing system or by January 1, 2023, whichever is earlier.

(3) Metropolitan municipal corporations serving five thousand or less customers or taxpayers are encouraged, but not required, to provide the state and local tax information as described in subsection (1) of this section.

(4) If a metropolitan municipal corporation does not issue billing statements for any of the services it provides, it must make the state and local tax information in this section for each such service available upon the request of any taxpayer within its service boundaries.

NEW SECTION. **Sec.**  A new section is added to chapter 54.04 RCW to read as follows:

(1) Any public utility district serving ten thousand or more customers or taxpayers must disclose on each billing statement the rates of state and local taxes imposed on the corporation with respect to the billed services, if any. The district must also disclose the amount of any such taxes to be paid directly by the customer or taxpayer through the billing statement.

(2) A public utility district serving less than ten thousand but more than five thousand customers or taxpayers must disclose the state and local tax information required in subsection (1) of this section upon the next update to its billing system or by January 1, 2023, whichever is earlier.

(3) Public utility districts serving five thousand or less customers or taxpayers are encouraged, but not required, to provide the state and local tax information as described in subsection (1) of this section.

(4) If a public utility district does not issue billing statements for any of the services it provides, it must make the state and local tax information in this section for each such service available upon the request of any taxpayer within its service boundaries.

NEW SECTION. **Sec.**  A new section is added to chapter 85.08 RCW to read as follows:

(1) Any diking, drainage, and sewerage improvement districts serving ten thousand or more customers or taxpayers must disclose on each billing statement the rates of state and local taxes imposed on the corporation with respect to the billed services, if any. The districts must also disclose the amount of any such taxes to be paid directly by the customer or taxpayer through the billing statement.

(2) A diking, drainage, and sewerage improvement district serving less than ten thousand but more than five thousand customers or taxpayers must disclose the state and local tax information required in subsection (1) of this section upon the next update to its billing system or by January 1, 2023, whichever is earlier.

(3) Diking, drainage, and sewerage improvement districts serving five thousand or less customers or taxpayers are encouraged, but not required, to provide the state and local tax information as described in subsection (1) of this section.

(4) If a diking, drainage, and sewerage improvement district does not issue billing statements for any of the services it provides, it must make the state and local tax information in this section for each such service available upon the request of any taxpayer within its service boundaries.

NEW SECTION. **Sec.**  A new section is added to chapter 36.58A RCW to read as follows:

(1) Any solid waste collection districts serving ten thousand or more customers or taxpayers must disclose on each billing statement the rates of state and local taxes imposed on the corporation with respect to the billed services, if any. The districts must also disclose the amount of any such taxes to be paid directly by the customer or taxpayer through the billing statement.

(2) A solid waste collection district serving less than ten thousand but more than five thousand customers or taxpayers must disclose the state and local tax information required in subsection (1) of this section upon the next update to its billing system or by January 1, 2023, whichever is earlier.

(3) Solid waste collection districts serving five thousand or less customers or taxpayers are encouraged, but not required, to provide the state and local tax information as described in subsection (1) of this section.

(4) If a solid waste collection district does not issue billing statements for any of the services it provides, it must make the state and local tax information in this section for each such service available upon the request of any taxpayer within its service boundaries.

NEW SECTION. **Sec.**  A new section is added to chapter 36.58 RCW to read as follows:

(1) Any solid waste disposal districts serving ten thousand or more customers or taxpayers must disclose on each billing statement the rates of state and local taxes imposed on the corporation with respect to the billed services, if any. The districts must also disclose the amount of any such taxes to be paid directly by the customer or taxpayer through the billing statement.

(2) A solid waste disposal district serving less than ten thousand but more than five thousand customers or taxpayers must disclose the state and local tax information required in subsection (1) of this section upon the next update to its billing system or by January 1, 2023, whichever is earlier.

(3) Solid waste disposal districts serving five thousand or less customers or taxpayers are encouraged, but not required, to provide the state and local tax information as described in subsection (1) of this section.

(4) If a solid waste disposal district does not issue billing statements for any of the services it provides, it must make the state and local tax information in this section for each such service available upon the request of any taxpayer within its service boundaries.

NEW SECTION. **Sec.**  A new section is added to chapter 57.02 RCW to read as follows:

(1) Any water-sewer districts serving ten thousand or more customers or taxpayers must disclose on each billing statement the rates of state and local taxes imposed on the corporation with respect to the billed services, if any. The districts must also disclose the amount of any such taxes to be paid directly by the customer or taxpayer through the billing statement.

(2) A water-sewer district serving less than ten thousand but more than five thousand customers or taxpayers must disclose the state and local tax information required in subsection (1) of this section upon the next update to its billing system or by January 1, 2023, whichever is earlier.

(3) Water-sewer districts serving five thousand or less customers or taxpayers are encouraged, but not required, to provide the state and local tax information as described in subsection (1) of this section.

(4) If a water-sewer district does not issue billing statements for any of the services it provides, it must make the state and local tax information in this section for each such service available upon the request of any taxpayer within its service boundaries.

(5) Any water-sewer district collecting a tax on behalf of another political subdivision is authorized to collect reimbursement from that political subdivision for the cost of collection.

NEW SECTION. **Sec.**  A new section is added to chapter 35.92 RCW to read as follows:

(1) Any city or town operating as a municipal utility under this chapter serving ten thousand or more customers or taxpayers must disclose on each billing statement the rates of state and local taxes imposed on the corporation with respect to the billed services, if any. The municipal utility must also disclose the amount of any such taxes to be paid directly by the customer or taxpayer through the billing statement.

(2) A city or town operating as a municipal utility under this chapter serving less than ten thousand but more than five thousand customers or taxpayers must disclose the state and local tax information required in subsection (1) of this section upon the next update to its billing system or by January 1, 2023, whichever is earlier.

(3) A city or town operating as a municipal utility under this chapter serving five thousand or less customers or taxpayers is encouraged, but not required, to provide the state and local tax information as described in subsection (1) of this section.

(4) If a city or town operating as a municipal utility under this chapter does not issue billing statements for any of the services it provides, it must make the state and local tax information in this section for each such service available upon the request of any taxpayer within its service boundaries.

**Sec.**  RCW 19.29A.030 and 1998 c 300 s 4 are each amended to read as follows:

Except as otherwise provided in RCW 19.29A.040, an electric utility ((~~shall~~)) must:

(1) Provide notice to all of its retail electric customers that the disclosures required in RCW 19.29A.020 are available without charge upon request. Such notice ((~~shall~~)) must be provided at the time service is established and either included as a prominent part of each customer's bill or in a written notice mailed to each customer at least once a year thereafter. Required disclosures ((~~shall~~)) must be provided without charge, in writing using plain language that is understandable to an ordinary customer, and presented in a form that is clear and conspicuous((~~.~~));

(2) Provide written or electronic notice of public hearings where changes in electricity rates will be considered or approved by the commission or governing body, in a form and manner as may be required by the commission or governing body;

(3) Disclose on each billing statement the rate of tax imposed upon the electric utility under RCW 35.21.870, if any, and the amount of such tax to be paid directly by the retail electric customer through the billing statement;

(4) Disclose the following information in a prominent manner on all billing statements sent to retail electric customers, or by a separate written notice mailed to all retail electric customers at least quarterly and at the same time as a billing statement: "YOUR BILL INCLUDES CHARGES FOR ELECTRICITY, DELIVERY SERVICES, GENERAL ADMINISTRATION AND OVERHEAD, METERING, TAXES, CONSERVATION EXPENSES, AND OTHER ITEMS."

NEW SECTION. **Sec.**  This act takes effect September 1, 2019.

**--- END ---**