

SENATE BILL REPORT

ESHB 2629

As Reported by Senate Committee On:
Local Government, February 27, 2020

Title: An act relating to waiving utility connection charges for certain properties.

Brief Description: Waiving utility connection charges for certain properties.

Sponsors: House Committee on Housing, Community Development & Veterans (originally sponsored by Representatives Walen, Goodman, Springer, Macri, Slatter, Duerr, Kloba and Graham).

Brief History: Passed House: 2/16/20, 70-26.

Committee Activity: Local Government: 2/25/20, 2/27/20 [DPA, DNP].

Brief Summary of Amended Bill

- Requires electric, water, gas, and sewer utilities, if located in a county with a population of 1.5 million or greater, and cities within that county in which a state of emergency has been declared related to homelessness, to waive certain utility charges for properties used to provide emergency shelter for homeless persons or victims of domestic violence and allows, but does not require, such waivers when the utility is located in a county with a population of 1.5 million or greater, and cities within that county in which a state of emergency related to homelessness has not been declared.

SENATE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: Do pass as amended.

Signed by Senators Takko, Chair; Salomon, Vice Chair; Short, Ranking Member; Lovelett.

Minority Report: Do not pass.

Signed by Senator Honeyford.

Staff: Bonnie Kim (786-7316)

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Background: Cooperative Associations. Any number of persons may associate themselves together as a cooperative association, society, company, or exchange, with or without capital stock, for the transaction of any lawful business on the cooperative plan. A "locally regulated utility" is an electric service cooperative not subject to rate or service regulation by the Utilities and Transportation Commission. All rates, terms, and conditions made, demanded or received by a locally regulated utility for attachments to its poles must be just, reasonable, nondiscriminatory, and sufficient.

A locally regulated utility must levy attachment space rental rates that are uniform for the same class of service within the locally regulated utility service area. "Attachment" means the affixation or installation of any wire, cable or other physical material capable of carrying electronic impulses or light waves for the carrying of intelligence for telecommunications or television, including, but not limited to cable, and any related device, apparatus, or auxiliary equipment upon any pole owned or controlled in whole or in part by one or more locally regulated utilities where the installation has been made with the necessary consent.

Nonprofit and Mutual Corporations. A mutual corporation is any corporation organized for a purpose or in a manner not provided for by the Washington Business Corporation Act or by the Washington Nonprofit Corporation Act, and which is not required to be organized under other laws of the state.

Municipal Utilities. Any city or town may offer a variety of utility services to its residents, including waterworks, sewerage and solid waste handling systems. Counties may also provide certain utility services, including a system of sewerage and/or water.

Public Utility Districts. Public utility districts (PUDs) are a type of special purpose district authorized for the purpose of generating and distributing electricity, providing water and sewer services, and providing telecommunications services.

Summary of Amended Bill: The following providers of utilities, if located in whole or in part within a county with a population of 1.5 million or greater, and cities within that county in which a state of emergency has been declared related to homelessness, must waive connection charges for properties used to provide emergency shelter for homeless persons or victims of domestic violence who are homeless for personal safety reasons:

- cooperatives organized for the purpose of providing electric service;
- mutual corporations organized for the purpose of providing utility service;
- municipal and county utilities; and
- gas, electrical, and water companies, which are required to waive service line charges rather than connection charges.

Mandatory waivers of connection charges or service line charges are no longer required when the property receiving the waiver is no longer operating under the eligibility requirements for such waivers. Charges that have been waived under a mandatory waiver are due at the time the waiver is no longer required. The above-mentioned utilities, if not located within a county with a population of 1.5 million or greater, and cities within that county in which a state of emergency has been declared related to homelessness, may waive connection charges, or service line charges in the case of gas, electrical and water companies, for

properties used to provide emergency shelter for homeless persons or victims of domestic violence who are homeless for personal safety reasons.

"Connections charges" means one-time capital and administrative charges imposed by a utility on a building or facility owner for a new utility service, but does not include costs borne or assessed by a utility for the labor, materials, and services necessary to physically connect a designated facility to the respective utility service.

"Domestic violence" means the infliction or threat of physical harm against an intimate partner, and includes physical, sexual, and psychological abuse against the partner, and is a part of a pattern of assaultive, coercive, and controlling behaviors directed at achieving compliance from or control over that intimate partner.

"Homeless person" means an individual living outside or in a building not meant for human habitation or which they have no legal right to occupy, in an emergency shelter, or in a temporary housing program which may include a transitional and supportive housing program if habitation time limits exist.

"Emergency shelter" means any facility: (1) whose sole purpose is to provide a temporary shelter for the homeless and that does not require occupants to sign a lease or occupancy agreement; and (2) that is funded in whole or in part from the state omnibus capital appropriations act, state omnibus operating appropriations act, housing finance commission programs, housing authorities, or local government housing funds.

The provisions of the bill expire on July 1, 2027.

EFFECT OF LOCAL GOVERNMENT COMMITTEE AMENDMENT(S):

- Limits applicability of the utility waiver to counties with a population of 1.5 million or greater, and cities within that county.
- Removes section 6, which included PUDs in the required waiver.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony on Engrossed Substitute House Bill: *The committee recommended a different version of the bill than what was heard.* PRO: Kirkland supports this bill as part of the solution to homelessness. This bill allows extending supportive services to those without income.

CON: We have limited service in an unincorporated area, but this bill allows a city or county to determine whether there is a homeless emergency for us. This bill will shift the cost to future connection sites.

OTHER: This bill needs to be narrowed even further by removing section 6 of the bill.

Persons Testifying: PRO: Penny Sweet, Mayor, City of Kirkland.

CON: Jeff Johnson, Spanaway Water company.

OTHER: Bill Clarke, WA PUD Association.

Persons Signed In To Testify But Not Testifying: No one.