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SENATE BILL 5662

State of Washington 69th Legislature 2025 Regular Session

By Senators Riccelli, Nobles, and Slatter

Read first time 02/05/25. Referred to Committee on Local Government.

- AN ACT Relating to the waiver of municipal utility connection charges for certain properties; and amending RCW 35.92.385.

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

- 4 **Sec. 1.** RCW 35.92.385 and 2023 c 249 s 1 are each amended to 5 read as follows:
 - (1) Municipal utilities formed under this chapter may waive connection charges for properties owned or developed by, or on the behalf of, a nonprofit organization, public development authority, housing authority, or local agency that provides emergency shelter, transitional housing, permanent supportive housing, or affordable housing, including a limited partnership as described in RCW 84.36.560(7)(f)(ii) and a limited liability company as described in RCW 84.36.560(7)(f)(iii).
- (2) (a) Connection charges waived under this chapter shall be funded using general funds, grant dollars, or other identified revenue stream, unless the waiver of charges allowed under this chapter is conditioned upon requiring the developer to record a covenant that prohibits using the property for any purpose other than provided under this chapter.
- 20 <u>(b) At a minimum, the covenant described in (a) of this</u>
 21 <u>subsection must address price restrictions and household income</u>

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- limits and that if the property is converted to a use other than described in subsection (1) of this section, the property owner must pay the applicable connection charges in effect at the time of conversion. Covenants required by this subsection must be recorded with the applicable county auditor or recording officer.
 - (3) At such time as a property receiving a waiver under subsection (1) of this section is no longer operating under the eligibility requirements under subsection (1) of this section:
- 9 (a) The waiver of connection charges required under subsection 10 (1) of this section is no longer required; and
 - (b) Any connection charges waived under subsection (1) of this section are immediately due and payable to the utility as a condition of continued service.
 - (4) For the purposes of this section:

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- 15 (a) "Affordable housing" has the same meaning as in RCW 16 36.70A.030.
 - (b) "Connection charges" means the one-time capital and administrative charges, as authorized in RCW 35.92.025, that are imposed by a utility on a building or facility owner for a new utility service and 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.
- (c) "Emergency shelter" means any facility that has, as its sole purpose, the provision of a temporary shelter for the homeless and that does not require occupants to sign a lease or occupancy agreement.
- 27 (d) "Permanent supportive housing" has the same meaning as in RCW 36.70A.030.
- 29 (e) "Transitional housing" has the same meaning as in RCW 30 84.36.043.

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