

SENATE BILL REPORT

SB 5401

AS REPORTED BY COMMITTEE ON ENERGY & UTILITIES, MARCH 5, 1991

Brief Description: Revising provisions relating to the privilege tax imposed on public utility districts.

SPONSORS: Senator Hansen.

SENATE COMMITTEE ON ENERGY & UTILITIES

Majority Report: Do pass.

Signed by Senators Thorsness, Chairman; Saling, Vice Chairman; Nelson, Patterson, Stratton, Sutherland, and Williams.

Staff: Dave Monthie (786-7198)

Hearing Dates: March 5, 1991

BACKGROUND:

The amount and distribution of the privilege tax imposed on public utility districts' electrical generating facilities was modified in 1977 with respect to the Washington Public Power Supply System's nuclear plant on the Hanford Reservation. The 1977 legislation specified that some of the privilege tax receipts were to be distributed to counties, cities, and fire and library districts within an "impacted area." "Impacted area" was defined as the area lying within 35 miles of the most commonly used entrance to the reservation (the Wye Barricade) and south of the southern Township 15 boundary (essentially State Route 24 east of Mattawa and the Adams/Franklin County border). There is now interest in expanding the "impacted area" to include the entire area within the 35-mile radius from the entrance to the reservation, which would include areas north of the southern Township 15 line.

SUMMARY:

The definition of "impacted area" for purposes of local distribution of the privilege tax imposed on electricity from the generating plant on the Hanford Reservation is modified to include the area north of the southern Township 15 line and within 35 miles of the main entrance to the reservation.

Appropriation: none

Revenue: none

Fiscal Note: available

TESTIMONY FOR:

At the time the tax was enacted, there was little impact on Grant County from the WNP-2 plant. Now there is an impact within Grant County, and the small amount of revenue this would bring would be welcome.

TESTIMONY AGAINST: None

TESTIFIED: Robert Maestre, City of Othello (pro)