
SUBSTITUTE SENATE BILL 5756

State of Washington

52nd Legislature

1991 Regular Session

By Senate Committee on Energy & Utilities (originally sponsored by Senators Hayner, Jesernig and Thorsness; by request of Utilities & Transportation Commission).

Read first time March 6, 1991.

1 AN ACT Relating to low-level waste sites; amending RCW 81.04.010,
2 82.16.010, 82.04.260, and 43.145.020; adding a new chapter to Title 81
3 RCW; adding new sections to chapter 43.31 RCW; providing an effective
4 date; and declaring an emergency.

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

6 NEW SECTION. **Sec. 1.** State and national policy directs that
7 the management of low-level radioactive waste be accomplished by a
8 system of interstate compacts and the development of regional disposal
9 sites. The Northwest regional compact, comprised of the states of
10 Alaska, Hawaii, Idaho, Montana, Oregon, Utah, and Washington, has as
11 its disposal facility the low-level radioactive waste disposal site
12 located near Richland, Washington. This site is expected to be the
13 sole site for disposal of low-level radioactive waste for compact
14 members effective January 1, 1993. Future closure of this site will
15 require significant financial resources.

1 Low-level radioactive waste is generated by essential activities
2 and services that benefit the citizens of the state. Washington
3 state's low-level radioactive waste disposal site has been used by the
4 nation and the Northwest compact as a disposal site since 1965. The
5 public has come to rely on access to this site for disposal of low-
6 level radioactive waste, which requires separate handling from other
7 solid and hazardous wastes. The price of disposing of low-level
8 radioactive waste at the Washington state low-level radioactive waste
9 disposal site is anticipated to increase when the federal low-level
10 radioactive waste policy amendments act of 1985 is implemented and
11 waste generated outside the Northwest compact states is excluded.

12 When these events occur, to protect Washington and other Northwest
13 compact states' businesses and services, such as electrical production,
14 medical and university research, and private industries, upon which the
15 public relies, there will be a need to regulate the rates charged by
16 the operator of Washington's low-level radioactive waste disposal site.
17 This chapter is adopted pursuant to section 8, chapter 21, Laws of
18 1990.

19 NEW SECTION. **Sec. 2.** Definitions in this section apply
20 throughout this chapter unless the context clearly requires otherwise.

21 (1) "Commission" means the Washington utilities and transportation
22 commission.

23 (2) "Effective rate" means the highest permissible rate, calculated
24 as the lowest contract rate plus an administrative fee, if applicable,
25 determined pursuant to section 5 of this act.

26 (3) "Extraordinary volume" means volumes of low-level radioactive
27 waste delivered to a site caused by nonrecurring events, outside normal
28 operations of a generator, that are in excess of twenty thousand cubic

1 feet or twenty percent of the preceding year's total volume at such
2 site, whichever is less.

3 (4) "Extraordinary volume adjustment" means a mechanism that
4 allocates the potential rate reduction benefits of an extraordinary
5 volume between all generators and the generator responsible for such
6 extraordinary volume as described in section 8 of this act.

7 (5) "Generator" means a person, partnership, association,
8 corporation, or any other entity whatsoever that, as a part of its
9 activities, produces low-level radioactive waste.

10 (6) "Inflation adjustment" means a mechanism that adjusts the
11 maximum disposal rate by a percentage equal to the change in price
12 levels in the preceding period, as measured by a common, verifiable
13 price index as determined in section 5 of this act.

14 (7) "Initial rate proceeding" means the proceeding described in
15 section 5 of this act.

16 (8) "Maximum disposal rate" means the rate described in section 6
17 of this act.

18 (9) "Site" means a location, structure, or property used or to be
19 used for the storage, treatment, or disposal of low-level radioactive
20 waste for compensation within the state of Washington.

21 (10) "Site operator" means a low-level radioactive waste site
22 operating company as defined in RCW 81.04.010.

23 (11) "Volume adjustment" means a mechanism that adjusts the maximum
24 disposal rate in response to material changes in volumes of waste
25 deposited at the site during the preceding period so as to provide a
26 level of total revenues sufficient to recover the costs to operate and
27 maintain the site.

28 **Sec. 3.** RCW 81.04.010 and 1981 c 13 s 2 are each amended to read
29 as follows:

1 As used in this title, unless specially defined otherwise or unless
2 the context indicates otherwise:

3 "Commission" means the utilities and transportation commission.

4 "Commissioner" means one of the members of such commission.

5 "Corporation" includes a corporation, company, association or joint
6 stock association.

7 "Low-level radioactive waste site operating company" includes every
8 corporation, company, association, joint stock association,
9 partnership, and person, their lessees, trustees, or receivers
10 appointed by any court whatsoever, owning, operating, controlling, or
11 managing a low-level radioactive waste disposal site or sites located
12 within the state of Washington.

13 "Low-level radioactive waste" means low-level waste as defined by
14 RCW 43.145.010.

15 "Person" includes an individual, a firm or copartnership.

16 "Street railroad" includes every railroad by whatsoever power
17 operated, or any extension or extensions, branch or branches thereof,
18 for public use in the conveyance of persons or property for hire, being
19 mainly upon, along, above or below any street, avenue, road, highway,
20 bridge or public place within any one city or town, and includes all
21 equipment, switches, spurs, tracks, bridges, right of trackage,
22 subways, tunnels, stations, terminals and terminal facilities of every
23 kind used, operated, controlled or owned by or in connection with any
24 such street railroad, within this state.

25 "Street railroad company" includes every corporation, company,
26 association, joint stock association, partnership and person, their
27 lessees, trustees or receivers appointed by any court whatsoever, and
28 every city or town, owning, controlling, operating or managing any
29 street railroad or any cars or other equipment used thereon or in
30 connection therewith within this state.

1 "Railroad" includes every railroad, other than street railroad, by
2 whatsoever power operated for public use in the conveyance of persons
3 or property for hire, with all bridges, ferries, tunnels, equipment,
4 switches, spurs, tracks, stations and terminal facilities of every kind
5 used, operated, controlled or owned by or in connection with any such
6 railroad.

7 "Railroad company" includes every corporation, company,
8 association, joint stock association, partnership or person, their
9 lessees, trustees or receivers appointed by any court whatsoever,
10 owning, operating, controlling or managing any railroad or any cars or
11 other equipment used thereon or in connection therewith within this
12 state.

13 "Express company" includes every corporation, company, association,
14 joint stock association, partnership and person, their lessees,
15 trustees or receivers appointed by any court whatsoever, who shall
16 engage in or transact the business of carrying any freight, merchandise
17 or property for hire on the line of any common carrier operated in this
18 state.

19 "Common carrier" includes all railroads, railroad companies, street
20 railroads, street railroad companies, steamboat companies, express
21 companies, car companies, sleeping car companies, freight companies,
22 freight line companies, and every corporation, company, association,
23 joint stock association, partnership and person, their lessees,
24 trustees or receivers appointed by any court whatsoever, and every city
25 or town, owning, operating, managing or controlling any such agency for
26 public use in the conveyance of persons or property for hire within
27 this state.

28 "Vessel" includes every species of watercraft, by whatsoever power
29 operated, for public use in the conveyance of persons or property for
30 hire over and upon the waters within this state, excepting all

1 towboats, tugs, scows, barges, and lighters, and excepting rowboats and
2 sailing boats under twenty gross tons burden, open steam launches of
3 five tons gross and under, and vessels under five tons gross propelled
4 by gas, fluid, naphtha or electric motors.

5 "Steamboat company" includes every corporation, company,
6 association, joint stock association, partnership and person, their
7 lessees, trustees or receivers, appointed by any court whatsoever,
8 owning, controlling, leasing, operating or managing any vessel over and
9 upon the waters of this state.

10 "Transportation of property" includes any service in connection
11 with the receiving, delivery, elevation, transfer in transit,
12 ventilation, refrigeration, icing, storage and handling of the property
13 transported, and the transmission of credit.

14 "Transportation of persons" includes any service in connection with
15 the receiving, carriage and delivery of the person transported and his
16 baggage and all facilities used, or necessary to be used in connection
17 with the safety, comfort and convenience of the person transported.

18 "Public service company" includes every common carrier.

19 The term "service" is used in this title in its broadest and most
20 inclusive sense.

21 NEW SECTION. **Sec. 4.** (1) The commission shall have
22 jurisdiction over the sites and site operators as set forth in this
23 chapter.

24 (2)(a) The commission shall establish rates to be charged by site
25 operators. In establishing the rates, the commission shall assure that
26 they are fair, just, reasonable, and sufficient considering the value
27 of the site operator's leasehold and license interests, the unique
28 nature of its business operations, the site operator's liability
29 associated with the site, its investment incurred over the term of its

1 operations, and the rate of return equivalent to that earned by
2 comparable enterprises. Such rates shall only take effect following a
3 finding that the site operator is a monopoly pursuant to section 11 of
4 this act.

5 (b) In exercising the power in this subsection the commission may
6 use any standard, formula, method, or theory of valuation reasonably
7 calculated to arrive at the objective of prescribing and authorizing
8 fair, just, reasonable, and sufficient rates. The relation of site
9 operator expenses to site operator revenues may be deemed the proper
10 test of a reasonable return.

11 (3) In all respects in which the commission has power and authority
12 under this chapter, applications and complaints may be made and filed
13 with it, process issued, hearings held, opinions, orders, and decisions
14 made and filed, petitions for rehearing filed and acted upon, and
15 petitions for review to the superior court filed therewith, appeals
16 filed with the appellate courts of this state, considered and disposed
17 of by said courts in the manner, under the conditions, and subject to
18 the limitations, and with the effect specified in this title for public
19 service companies generally.

20 (4) At any time after January 1, 1992, the commission may: (a)
21 Prescribe a system of accounts for site operators using as a starting
22 point the existing system used by site operators; (b) audit the books
23 of site operators; (c) obtain books and records from site operators;
24 (d) assess penalties; and (e) require semiannual reports regarding the
25 results of operations for the site.

26 (5) The commission may adopt rules necessary to carry out its
27 functions under this chapter.

28 NEW SECTION. **Sec. 5.** (1) On or before March 1, 1992, site
29 operators shall file a request with the commission to establish an

1 initial maximum disposal rate. The filing shall include at a minimum
2 testimony, exhibits, workpapers, summaries, annual reports, cost
3 studies, proposed tariffs, and other documents as required by the
4 commission in rate cases generally under its jurisdiction.

5 (2) After receipt of a request, the commission shall set the
6 request for a hearing and require the site operator to provide for
7 notice to all known customers that ship or deliver waste to the site.
8 The proceedings before the commission shall be conducted in accordance
9 with chapter 34.05 RCW and rules of procedure established by the
10 commission.

11 (3) No later than January 1, 1993, the commission shall establish
12 the initial maximum disposal rates that may be charged by site
13 operators.

14 (4) In the initial rate proceeding the commission also shall
15 determine the factors necessary to calculate the inflation, volume, and
16 extraordinary volume adjustments.

17 (5) The commission also shall determine the administrative fee,
18 which shall be a percentage or an amount that represents increased
19 administrative costs associated with acceptance of small volumes of
20 waste by a site operator. The administrative fee may be revised by the
21 commission from time to time upon its own motion or upon the petition
22 of an interested person.

23 (6) The rates specified in this section shall only take effect
24 following a finding that the site operator is a monopoly pursuant to
25 section 11 of this act.

26 NEW SECTION. **Sec. 6.** (1) The maximum disposal rates that a
27 site operator may charge generators shall be determined in accordance
28 with this section. The rates shall include all charges for disposal
29 services at the site.

1 (2) Initially, the maximum disposal rates shall be the initial
2 rates established pursuant to section 5 of this act.

3 (3) Subsequently, the maximum disposal rates shall be adjusted
4 semiannually in January and July of each year to incorporate inflation
5 and volume adjustments. Such adjustments shall take effect thirty days
6 after filing with the commission unless the commission authorizes that
7 the adjustments take effect earlier, or the commission contests the
8 calculation of the adjustments, in which case the commission may
9 suspend the filing. A site operator shall provide notice to its
10 customers concurrent with the filing.

11 (4)(a) Subsequently, a site operator may also file for revisions to
12 the maximum disposal rates due to:

13 (i) Changes in any governmentally imposed fee, surcharge, or tax
14 assessed on a volume or a gross revenue basis against or collected by
15 the site operator, including site closure fees, perpetual care and
16 maintenance fees, business and occupation taxes, site surveillance
17 fees, leasehold excise taxes, commission regulatory fees, municipal
18 taxes, and a tax or payment in lieu of taxes authorized by the state to
19 compensate the county in which a site is located for that county's
20 legitimate costs arising out of the presence of that site within that
21 county; or

22 (ii) Factors outside the control of the site operator such as a
23 material change in regulatory requirements regarding the physical
24 operation of the site.

25 (b) Revisions to the maximum disposal rate shall take effect thirty
26 days after filing with the commission unless the commission suspends
27 the filing or authorizes the proposed adjustments to take effect
28 earlier.

29 (5) Upon establishment of a contract rate pursuant to section 7 of
30 this act for a disposal fee, the site operator may not collect a

1 disposal fee that is greater than the effective rate. The effective
2 rate shall be in effect so long as such contract rate remains in
3 effect. Adjustments to the maximum disposal rates may be made during
4 the time an effective rate is in place. Contracts for disposal of
5 extraordinary volumes pursuant to section 8 of this act shall not be
6 considered in determining the effective rate.

7 (6) The site operator may petition the commission for new maximum
8 disposal rates at any time. Upon receipt of such a petition, the
9 commission shall set the matter for hearing and shall issue an order
10 within seven months of the filing of the petition. The petition shall
11 be accompanied by the documents required to accompany the filing for
12 initial rates. The hearing on the petition shall be conducted in
13 accordance with the commission's rules of practice and procedure.

14 (7) This section shall only take effect following a finding that
15 the site operator is a monopoly pursuant to section 11 of this act.

16 NEW SECTION. **Sec. 7.** (1) At any time, a site operator may
17 contract with any person to provide a contract disposal rate lower than
18 the maximum disposal rate.

19 (2) A contract or contract amendment shall be submitted to the
20 commission for approval at least thirty days before its effective date.
21 The commission may approve the contract or suspend the contract and set
22 it for hearing. If the commission takes no action within thirty days
23 of filing, the contract or amendment shall go into effect according to
24 its terms. Each contract filing shall be accompanied with
25 documentation to show that the contract does not result in
26 discrimination between generators receiving like and contemporaneous
27 service under substantially similar circumstances and provides for the
28 recovery of all costs associated with the provision of the service.

1 (3) This section shall only take effect following a finding that
2 the site operator is a monopoly pursuant to section 11 of this act.

3 NEW SECTION. **Sec. 8.** (1) In establishing the extraordinary
4 volume adjustment, unless the parties agree to a contract disposal
5 rate, one-half of the extraordinary volume delivery shall be priced at
6 the maximum disposal rate and one-half shall be priced at the site
7 operator's incremental cost to receive the delivery. Such incremental
8 cost shall be determined in the initial rate proceeding.

9 (2) For purposes of the subsequent calculation of the volume
10 adjustment, one-half of the total extraordinary volume shall be
11 included in the calculation.

12 (3) This section shall only take effect following a finding that
13 the site operator is a monopoly pursuant to section 11 of this act.

14 NEW SECTION. **Sec. 9.** (1) At any time, the commission or an
15 interested person may file a complaint against a site operator alleging
16 that the rates established pursuant to section 5 or 6 of this act are
17 not in conformity with the standards set forth in section 4 of this act
18 or that the site operator is otherwise not acting in conformity with
19 the requirements of this chapter. Upon filing of the complaint, the
20 commission shall cause a copy thereof to be served upon the site
21 operator. The complaining party shall have the burden of proving that
22 the maximum disposal rates determined pursuant to section 6 of this act
23 are not just, fair, reasonable, or sufficient. The hearing shall
24 conform to the rules of practice and procedure of the commission for
25 other complaint cases.

26 (2) The commission shall encourage alternate forms of dispute
27 resolution to resolve disputes between a site operator and any other
28 person regarding matters covered by this chapter.

1 NEW SECTION. **Sec. 10.** (1) A site operator shall, on or before
2 May 1, 1992, and each year thereafter, file with the commission a
3 statement showing its gross operating revenue from intrastate
4 operations for the preceding calendar year, or portion thereof, and pay
5 to the commission a fee equal to one percent of the amount of the gross
6 operating revenue, exclusive of site surveillance fees, perpetual care
7 and maintenance fees, site closure fees, and state or federally imposed
8 out-of-region surcharges.

9 (2) Fees collected under this chapter shall reasonably approximate
10 the cost of supervising and regulating site operators. The commission
11 may order a decrease in fees by March 1st of any year in which it
12 determines that the moneys then in the radioactive waste disposal
13 companies account of the public service revolving fund and the fees
14 currently to be paid will exceed the reasonable cost of supervising and
15 regulating site operators.

16 (3) Fees collected under this section or under any other provision
17 of this chapter shall be paid to the commission and shall be
18 transmitted to the state treasurer within thirty days to be deposited
19 to the credit of the public service revolving fund.

20 NEW SECTION. **Sec. 11.** (1) A low-level waste disposal site
21 operator is exempt as specified in sections 4(2)(a), 5(6), 6(7), 7(3),
22 and 8(3) of this act unless a monopoly situation exists with respect to
23 particular types of waste accepted at the site operated by such site
24 operator. A monopoly situation exists if either of the following is
25 present:

26 (a) No disposal facility is available to Northwest compact
27 generators of the particular type of low-level radioactive waste other
28 than the site or sites operated by such site operator or its
29 affiliates; or

1 (b) Disposal rates at other sites for a particular type of waste
2 are not reasonable alternatives for Northwest compact generators,
3 considering: Disposal rates at other facilities; current disposal
4 rates charged by the site operator; historic relationships between the
5 site operator's rates and rates at other facilities; and changes in the
6 operator's rates considering changes in waste volumes, taxes, and fees;
7 provided, however, that a monopoly situation does not exist if either
8 of the following facilities operates or is projected to operate after
9 December 31, 1992:

10 (i) Any existing low-level radioactive waste disposal site outside
11 the state of Washington, other than facilities operated by affiliates
12 of a site operator, provided that such site or sites do not charge
13 disposal rates that discriminate against Northwest compact generators
14 except to the extent such discrimination is required by federal law; or

15 (ii) An existing facility within the Northwest compact not
16 receiving a particular type of low-level radioactive waste receives or
17 offers to receive such waste under substantially similar circumstances.

18 (2) Such exemption shall be in effect until such time as the
19 commission finds, after notice and hearing, upon motion by the
20 commission or upon petition by any interested party, that a monopoly
21 situation exists or will exist as of January 1, 1993. Such finding
22 shall be based upon application of the criteria set forth in this
23 section. The commission may assess a site operator for all of the
24 commission's costs of supervision and regulation prior to and relative
25 to determining whether such exemption applies to the site operator. If
26 the commission determines that a site operator is not subject to such
27 exemption, it shall collect its costs of supervision and regulation
28 under section 10 of this act.

1 NEW SECTION. **Sec. 12.** (1) At any time after this chapter has
2 been implemented with respect to a site operator, such site operator
3 may petition the commission to be classified as competitive as to any
4 or all services. The commission may initiate classification
5 proceedings on its own motion. The commission shall enter its final
6 order with respect to classification within seven months from the date
7 of filing of a company's petition or the commission's motion.

8 (2) The commission shall classify a site operator as competitive as
9 to a particular type of waste if the commission finds, after notice and
10 hearing, that the disposal services offered are subject to competition
11 because the company's customers have reasonably available alternatives.
12 In determining whether a particular type of waste is competitive, the
13 commission's consideration shall include, but not be limited to:

14 (a) Whether the system of interstate compacts and regional disposal
15 sites established by federal law has been implemented so that the
16 Northwest compact site located near Richland, Washington is the
17 exclusive site option for disposal by customers within the Northwest
18 compact states;

19 (b) Whether waste generated outside the Northwest compact states is
20 excluded; and

21 (c) The ability of alternative disposal sites to make functionally
22 equivalent services readily available at competitive rates, terms, and
23 conditions.

24 (3) The commission may reclassify a competitive site operator if
25 reclassification would protect the public interest as set forth in this
26 section.

27 (4) Competitive low-level radioactive waste disposal companies
28 shall be exempt from commission regulation and fees during the time
29 they are so classified.

1 NEW SECTION. **Sec. 13.** Nothing in this chapter shall be
2 construed to affect the jurisdiction of another state agency.

3 **Sec. 14.** RCW 82.16.010 and 1989 c 302 s 203 are each amended to
4 read as follows:

5 For the purposes of this chapter, unless otherwise required by the
6 context:

7 (1) "Railroad business" means the business of operating any
8 railroad, by whatever power operated, for public use in the conveyance
9 of persons or property for hire. It shall not, however, include any
10 business herein defined as an urban transportation business.

11 (2) "Express business" means the business of carrying property for
12 public hire on the line of any common carrier operated in this state,
13 when such common carrier is not owned or leased by the person engaging
14 in such business.

15 (3) "Railroad car business" means the business of renting, leasing
16 or operating stock cars, furniture cars, refrigerator cars, fruit cars,
17 poultry cars, tank cars, sleeping cars, parlor cars, buffet cars,
18 tourist cars, or any other kinds of cars used for transportation of
19 property or persons upon the line of any railroad operated in this
20 state when such railroad is not owned or leased by the person engaging
21 in such business.

22 (4) "Water distribution business" means the business of operating
23 a plant or system for the distribution of water for hire or sale.

24 (5) "Light and power business" means the business of operating a
25 plant or system for the generation, production or distribution of
26 electrical energy for hire or sale and/or for the wheeling of
27 electricity for others.

28 (6) "Telegraph business" means the business of affording
29 telegraphic communication for hire.

1 (7) "Gas distribution business" means the business of operating a
2 plant or system for the production or distribution for hire or sale of
3 gas, whether manufactured or natural.

4 (8) "Motor transportation business" means the business (except
5 urban transportation business) of operating any motor propelled vehicle
6 by which persons or property of others are conveyed for hire, and
7 includes, but is not limited to, the operation of any motor propelled
8 vehicle as an auto transportation company (except urban transportation
9 business), common carrier or contract carrier as defined by RCW
10 81.68.010 and 81.80.010: PROVIDED, That "motor transportation
11 business" shall not mean or include the transportation of logs or other
12 forest products exclusively upon private roads or private highways.

13 (9) "Urban transportation business" means the business of operating
14 any vehicle for public use in the conveyance of persons or property for
15 hire, insofar as (a) operating entirely within the corporate limits of
16 any city or town, or within five miles of the corporate limits thereof,
17 or (b) operating entirely within and between cities and towns whose
18 corporate limits are not more than five miles apart or within five
19 miles of the corporate limits of either thereof. Included herein, but
20 without limiting the scope hereof, is the business of operating
21 passenger vehicles of every type and also the business of operating
22 cartage, pickup, or delivery services, including in such services the
23 collection and distribution of property arriving from or destined to a
24 point within or without the state, whether or not such collection or
25 distribution be made by the person performing a local or interstate
26 line-haul of such property.

27 (10) "Public service business" means any of the businesses defined
28 in subdivisions (1), (2), (3), (4), (5), (6), (7), (8), and (9) or any
29 business subject to control by the state, or having the powers of
30 eminent domain and the duties incident thereto, or any business

1 hereafter declared by the legislature to be of a public service nature,
2 except telephone business as defined in RCW 82.04.065 and low-level
3 radioactive waste site operating companies as defined in RCW 81.04.010.
4 It includes, among others, without limiting the scope hereof: Airplane
5 transportation, boom, dock, ferry, log patrol, pipe line, toll bridge,
6 toll logging road, water transportation and wharf businesses.

7 (11) "Tugboat business" means the business of operating tugboats,
8 towboats, wharf boats or similar vessels in the towing or pushing of
9 vessels, barges or rafts for hire.

10 (12) "Gross income" means the value proceeding or accruing from the
11 performance of the particular public service or transportation business
12 involved, including operations incidental thereto, but without any
13 deduction on account of the cost of the commodity furnished or sold,
14 the cost of materials used, labor costs, interest, discount, delivery
15 costs, taxes, or any other expense whatsoever paid or accrued and
16 without any deduction on account of losses.

17 (13) The meaning attributed, in chapter 82.04 RCW, to the term "tax
18 year," "person," "value proceeding or accruing," "business," "engaging
19 in business," "in this state," "within this state," "cash discount" and
20 "successor" shall apply equally in the provisions of this chapter.

21 **Sec. 15.** RCW 82.04.260 and 1990 c 21 s 2 are each amended to read
22 as follows:

23 (1) Upon every person engaging within this state in the business of
24 buying wheat, oats, dry peas, dry beans, lentils, triticale, corn, rye
25 and barley, but not including any manufactured or processed products
26 thereof, and selling the same at wholesale; the tax imposed shall be
27 equal to the gross proceeds derived from such sales multiplied by the
28 rate of one-hundredth of one percent.

1 (2) Upon every person engaging within this state in the business of
2 manufacturing wheat into flour, barley into pearl barley, soybeans into
3 soybean oil, or sunflower seeds into sunflower oil; as to such persons
4 the amount of tax with respect to such business shall be equal to the
5 value of the flour, pearl barley, or oil manufactured, multiplied by
6 the rate of one-eighth of one percent.

7 (3) Upon every person engaging within this state in the business of
8 splitting or processing dried peas; as to such persons the amount of
9 tax with respect to such business shall be equal to the value of the
10 peas split or processed, multiplied by the rate of one-quarter of one
11 percent.

12 (4) Upon every person engaging within this state in the business of
13 manufacturing seafood products which remain in a raw, raw frozen, or
14 raw salted state at the completion of the manufacturing by that person;
15 as to such persons the amount of tax with respect to such business
16 shall be equal to the value of the products manufactured, multiplied by
17 the rate of one-eighth of one percent.

18 (5) Upon every person engaging within this state in the business of
19 manufacturing by canning, preserving, freezing or dehydrating fresh
20 fruits and vegetables; as to such persons the amount of tax with
21 respect to such business shall be equal to the value of the products
22 canned, preserved, frozen or dehydrated multiplied by the rate of
23 three-tenths of one percent.

24 (6) Upon every nonprofit corporation and nonprofit association
25 engaging within this state in research and development, as to such
26 corporations and associations, the amount of tax with respect to such
27 activities shall be equal to the gross income derived from such
28 activities multiplied by the rate of forty-four one-hundredths of one
29 percent.

1 (7) Upon every person engaging within this state in the business
2 of slaughtering, breaking and/or processing perishable meat products
3 and/or selling the same at wholesale only and not at retail; as to such
4 persons the tax imposed shall be equal to the gross proceeds derived
5 from such sales multiplied by the rate of twenty-five one-hundredths of
6 one percent through June 30, 1986, and one-eighth of one percent
7 thereafter.

8 (8) Upon every person engaging within this state in the business
9 of making sales, at retail or wholesale, of nuclear fuel assemblies
10 manufactured by that person, as to such persons the amount of tax with
11 respect to such business shall be equal to the gross proceeds of sales
12 of the assemblies multiplied by the rate of twenty-five one-hundredths
13 of one percent.

14 (9) Upon every person engaging within this state in the business
15 of manufacturing nuclear fuel assemblies, as to such persons the amount
16 of tax with respect to such business shall be equal to the value of the
17 products manufactured multiplied by the rate of twenty-five one-
18 hundredths of one percent.

19 (10) Upon every person engaging within this state in the business
20 of acting as a travel agent; as to such persons the amount of the tax
21 with respect to such activities shall be equal to the gross income
22 derived from such activities multiplied by the rate of twenty-five one-
23 hundredths of one percent.

24 (11) Upon every person engaging within this state in business as
25 an international steamship agent, international customs house broker,
26 international freight forwarder, vessel and/or cargo charter broker in
27 foreign commerce, and/or international air cargo agent; as to such
28 persons the amount of the tax with respect to only international
29 activities shall be equal to the gross income derived from such

1 activities multiplied by the rate of thirty-three one-hundredths of one
2 percent.

3 (12) Upon every person engaging within this state in the business
4 of stevedoring and associated activities pertinent to the movement of
5 goods and commodities in waterborne interstate or foreign commerce; as
6 to such persons the amount of tax with respect to such business shall
7 be equal to the gross proceeds derived from such activities multiplied
8 by the rate of thirty-three one hundredths of one percent. Persons
9 subject to taxation under this subsection shall be exempt from payment
10 of taxes imposed by chapter 82.16 RCW for that portion of their
11 business subject to taxation under this subsection. Stevedoring and
12 associated activities pertinent to the conduct of goods and commodities
13 in waterborne interstate or foreign commerce are defined as all
14 activities of a labor, service or transportation nature whereby cargo
15 may be loaded or unloaded to or from vessels or barges, passing over,
16 onto or under a wharf, pier, or similar structure; cargo may be moved
17 to a warehouse or similar holding or storage yard or area to await
18 further movement in import or export or may move to a consolidation
19 freight station and be stuffed, unstuffed, containerized, separated or
20 otherwise segregated or aggregated for delivery or loaded on any mode
21 of transportation for delivery to its consignee. Specific activities
22 included in this definition are: Wharfage, handling, loading,
23 unloading, moving of cargo to a convenient place of delivery to the
24 consignee or a convenient place for further movement to export mode;
25 documentation services in connection with the receipt, delivery,
26 checking, care, custody and control of cargo required in the transfer
27 of cargo; imported automobile handling prior to delivery to consignee;
28 terminal stevedoring and incidental vessel services, including but not
29 limited to plugging and unplugging refrigerator service to containers,

1 trailers, and other refrigerated cargo receptacles, and securing ship
2 hatch covers.

3 (13) Upon every person engaging within this state in the business
4 of disposing of low-level waste, as defined in RCW 43.145.010; as to
5 such persons the amount of the tax with respect to such business shall
6 be equal to the gross income of the business, excluding any fees
7 imposed under chapter 43.200 RCW, multiplied by the rate of fifteen
8 percent.

9 (a) The rate specified in this subsection shall be reduced to ten
10 percent (~~((upon the effective date of legislation adopted pursuant to
11 RCW 81.04.520 governing regulation of the business of low level
12 radioactive waste disposal))~~ on the effective date of this section.

13 (b) The rate specified in this subsection shall be further reduced
14 to five percent on January 1, 1992(~~(, if (a) of this subsection has
15 taken effect))~~).

16 If the gross income of the taxpayer is attributable to activities
17 both within and without this state, the gross income attributable to
18 this state shall be determined in accordance with the methods of
19 apportionment required under RCW 82.04.460.

20 (14) Upon every person engaging within this state as an insurance
21 agent, insurance broker, or insurance solicitor licensed under chapter
22 48.17 RCW; as to such persons, the amount of the tax with respect to
23 such licensed activities shall be equal to the gross income of such
24 business multiplied by the rate of one percent.

25 **Sec. 16.** RCW 43.145.020 and 1990 c 21 s 5 are each amended to read
26 as follows:

27 (1) The person designated as the Washington representative to the
28 committee as specified in Article V shall adhere to all provisions of
29 the low-level radioactive waste compact. In considering special

1 conditions or arrangements for access to the state's facilities from
2 wastes generated outside of the region, the committee member shall
3 ensure at a minimum, that the provisions of Article IV, Section 3 are
4 complied with. After 1992 the Washington representative may approve
5 access to the state's facility only for the states currently members of
6 the Rocky Mountain compact or states which generate less than one
7 thousand cubic feet of waste annually and are contiguous with a state
8 which is a member of the Northwest compact.

9 (2) The Washington representative shall require, as condition for
10 approving access to any low-level radioactive waste disposal facility
11 in the state, that generators of waste make an ongoing payment to the
12 state of Washington for each foot of waste disposed at any facility in
13 the state a surcharge of three dollars and fifty cents. The surcharge
14 shall be made specifically on the generator of the waste and shall not
15 be considered applicable in any way to the low-level site operator's
16 disposal activities. Two dollars of the surcharge on each cubic foot
17 of waste shall be deposited in the fund created in section 17 of this
18 act and one dollar and fifty cents of the surcharge shall be remitted
19 on a monthly basis to a county in which a low-level radioactive waste
20 disposal facility is located.

21 NEW SECTION. Sec. 17. A new section is added to chapter 43.31 RCW
22 to read as follows:

23 The Hanford area economic investment fund is hereby established in
24 the state treasury. Moneys may be placed in the fund from the proceeds
25 of bonds when authorized by the legislature or from any other lawful
26 source. Money in the fund shall be used to make loans or grants, or
27 give financial guarantees to local governments, ports, and nonprofit
28 organizations within the Hanford area for economic development
29 projects. All loan payments of principal and interest shall be

1 deposited into the account. Moneys in the account may be spent without
2 legislative appropriation for loans, grants, or financial guarantees
3 under this chapter. Up to twenty percent of the fund may be used for
4 program administration and technical assistance to eligible recipients.
5 For the purpose of this act, "Hanford area" means Benton and Franklin
6 counties.

7 NEW SECTION. **Sec. 18.** A new section is added to chapter 43.31 RCW
8 to read as follows:

9 The Hanford area economic investment fund committee is hereby
10 established.

11 (1) The committee shall have seven members. The director shall
12 appoint the members, subject to the following requirements:

13 (a) All members shall either reside or be employed within the
14 Hanford area;

15 (b) The committee shall have a balanced membership representing
16 local government, port districts, nonprofit organizations, business,
17 labor, and investment finance; and

18 (c) Careful consideration shall be given to assure minority
19 representation on the committee.

20 (2) Each member appointed by the director shall serve a term of
21 three years, except that of the members first appointed, two shall
22 serve two-year terms and two shall serve one-year terms. A person
23 appointed to fill a vacancy of a member shall be appointed in a like
24 manner and shall serve for only the unexpired term. A member is
25 eligible for reappointment. A member may be removed by the director
26 for cause.

27 (3) The director shall designate a member of the committee as its
28 chairperson. The committee may elect such other officers as it deems
29 appropriate. Four members of the committee constitute a quorum and

1 four affirmative votes are necessary for the transaction of business or
2 the exercise of any power or function of the committee.

3 (4) The members shall serve without compensation, but are entitled
4 to reimbursement for actual and necessary expenses incurred in the
5 performance of official duties in accordance with RCW 43.03.050 and
6 43.03.060.

7 (5) Members shall not be liable to the state, to the fund, or to
8 any other person as a result of their activities, whether ministerial
9 or discretionary, as members except for willful dishonesty or
10 intentional violations of law. The department may purchase liability
11 insurance for members and may indemnify these persons against the
12 claims of others.

13 NEW SECTION. **Sec. 19.** A new section is added to chapter 43.31 RCW
14 to read as follows:

15 The Hanford area economic investment fund committee created under
16 section 18 of this act may:

17 (1) Adopt bylaws for the regulation of its affairs and the conduct
18 of its business;

19 (2) Utilize the services of other governmental agencies;

20 (3) Accept from any federal or state agency loans or grants for the
21 purposes of funding economic development projects;

22 (4) Recommend to the director rules for the administration of the
23 program, including the terms and rates pertaining to its loans, and
24 criteria for awarding loans, grants, and financial guarantees; and

25 (5) Recommend to the director any economic development projects
26 eligible for funding.

27 NEW SECTION. **Sec. 20.** Sections 1, 2, and 4 through 13 of this
28 act shall constitute a new chapter in Title 81 RCW.

1 NEW SECTION. **Sec. 21.** This act is necessary for the immediate
2 preservation of the public peace, health, or safety, or support of the
3 state government and its existing public institutions, and shall take
4 effect July 1, 1991, except for section 15 of this act which shall take
5 effect immediately.