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SENATE BILL 5832

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State of Washington

52nd Legislature

1991 Regular Session

By Senator Madsen.

Read first time February 25, 1991. Referred to Committee on Energy & Utilities.

1 AN ACT Relating to imposing a privilege tax on certain city-owned  
2 hydropower facilities located in other counties; adding a new section  
3 to chapter 82.16 RCW; and providing an effective date.

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

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 82.16 RCW  
6 to read as follows:

7 (1) For purposes of this section, "remote hydroelectric generating  
8 facility" means a facility originally licenced on or before January 1,  
9 1935, by the federal energy regulatory commission or predecessor agency  
10 for the generation and distribution of electricity from hydropower that  
11 is owned and operated by a city or town located within a class 2 or 3  
12 county west of the Cascades and that facility is located in a county  
13 other than the one where the city or town is located.

14 (2) In addition to any other tax imposed under this chapter, there  
15 is levied and collected from every person a tax for the act or

1 privilege of engaging, within this state, in the business of operating  
2 a remote hydroelectric generating facility for the generation,  
3 distribution, and sale of electrical energy. With respect to each  
4 facility, the tax is equal to one and one-half percent of the wholesale  
5 value of energy produced for use or sale.

6 (3) The tax imposed in this section is due as provided in RCW  
7 82.32.045. Moneys received under this section are deposited in the  
8 general fund as provided in RCW 82.32.380 and used as follows:

9 (a) Fifty percent is for the support of the schools;

10 (b) Twenty-two percent is distributed to the county where the  
11 hydroelectric generating facilities are located;

12 (c) Twenty-three percent is distributed to the cities and towns in  
13 the county where the hydroelectric generating facilities are located;

14 (d) Three percent is distributed to the fire protection districts  
15 in the county where the hydroelectric generating facilities are  
16 located; and

17 (e) Two percent is distributed to the library districts in the  
18 county where the hydroelectric generating facilities are located.

19 Distributions under this subsection are made monthly based on the  
20 ratio that the population of the appropriate district bears to the  
21 total population of the county. The distribution made to the county is  
22 based on the ratio that the population of the unincorporated area bears  
23 to the total population of the county.

24 (4) A credit against the tax imposed in this section is allowed to  
25 a city or town operating a remote hydroelectric generating facility, in  
26 the amount of a payment in the reporting period that is made under RCW  
27 35.21.420, to the county where the remote hydroelectric generating  
28 facility is located. A credit in excess of the tax imposed in this  
29 section may be carried over to the subsequent reporting periods.

1        NEW SECTION.    **Sec. 2.**        This act shall take effect August 1,  
2 1991.