

HOUSE BILL REPORT

HB 2338

As Passed Legislature

Title: An act relating to interest on delinquent payment of regulatory fees imposed by the utilities and transportation commission.

Brief Description: Authorizing late fees and interest for delinquent payment of fees to the Utilities and Transportation Commission.

Sponsors: Representatives Bray and Long; by request of Utilities & Transportation Commission.

Brief History:

Reported by House Committee on:
Energy & Utilities, February 1, 1994, DP;
Revenue, February 8, 1994, DP;
Passed House, February 14, 1994, 95-0;
Passed Legislature.

HOUSE COMMITTEE ON ENERGY & UTILITIES

Majority Report: Do pass. Signed by 9 members:
Representatives Bray, Chair; Finkbeiner, Vice Chair; Casada, Ranking Minority Member; Chandler, Assistant Ranking Minority Member; Caver; Johanson; Kessler; Kremen and Long.

Staff: Harry Reinert (786-7110).

HOUSE COMMITTEE ON REVENUE

Majority Report: Do pass. Signed by 15 members:
Representatives G. Fisher, Chair; Holm, Vice Chair; Foreman, Ranking Minority Member; Fuhrman, Assistant Ranking Minority Member; Anderson; Brown; Caver; Cothorn; Leonard; Romero; Rust; Talcott; Thibaudeau; Van Luven and Wang.

Staff: Bob Longman (786-7139).

Background: The Utilities and Transportation Commission (UTC) regulates transportation, garbage disposal, electric, telecommunications, gas, water and low-level radioactive waste disposal companies. By statute, the UTC imposes a percentage assessment on the gross operating income of the companies that it regulates to cover the commission's

expenses. The UTC does not have statutory authority to impose a late fee or interest for delinquent payments.

Some other state agencies do have such authority. For example, the state fruit commission may impose interest penalties of 10 percent on delinquent assessments that the commission imposes on fruit growers. A number of licensing boards also have authority to impose fees for licensees who are delinquent in renewing certificates. The Department of Licensing has authority to impose a 10 percent late fee on assessments for proportionally registered vehicles. The Department of Labor and Industries may impose a 1 percent per month penalty on delinquent unemployment compensation contributions from employers.

Summary of Bill: The Utilities and Transportation Commission shall impose a 2 percent late fee on delinquent payments of regulatory fees. Delinquent payments of regulatory fees shall accrue interest at the rate of 1 percent per month.

Fiscal Note: Available.

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

Testimony For: (Energy & Utilities) The Utilities and Transportation Commission receives all of its operating expenses from the regulatory fees it assesses. There has been a great increase in the number of companies the commission regulates. If a company fails to pay its regulatory fees on time, it means the commission must spend additional money to collect the fees. This results in higher costs to all of the companies the commission regulates.

(Revenue) None.

Testimony Against: (Energy & Utilities) None.

(Revenue) None.

Witnesses: (Energy & Utilities) Tim Sweeney and Kim Elliott, Utilities and Transportation Commission (pro).

(Revenue) None.