

SENATE BILL REPORT

HB 2338

AS PASSED SENATE, MARCH 2, 1994

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

HOUSE COMMITTEE ON ENERGY & UTILITIES

HOUSE COMMITTEE ON REVENUE

SENATE COMMITTEE ON ENERGY & UTILITIES

Majority Report: Do pass.

Signed by Senators Sutherland, Chairman; Ludwig, Vice Chairman; Amondson, Hochstatter, McCaslin, Roach, A. Smith and Williams.

Staff: David Danner (786-7784)

Hearing Dates: February 23, 1994

BACKGROUND:

State law requires the Utilities and Transportation Commission to recover its operating costs by assessing fees on the companies it regulates. The fee is based on a percentage of the annual gross revenue of the company. The commission establishes the fee annually based on estimates of the revenue necessary to support the commission's appropriation level. Surpluses are carried over and reduce the amount of fees necessary in the following year.

The number of companies the commission regulates has steadily increased in recent years. In 1993, the Legislature changed the method used to assess fees for motor carriers. This change has dramatically increased the number of such companies billed for fees by the commission.

In recent years, the number of companies which have not paid the fees in a timely manner has also increased. In 1993, 262 companies missed the May 1 deadline. As of August 1 of last year, about 100 companies had still not paid the required fees. The commission expects the delinquency problem to increase with the addition of nearly 4,000 new fee-paying motor carriers.

Unlike other state agencies which bill companies, such as Employment Security and Labor and Industries, the commission

does not have statutory authority to assess late penalties or collect interest on delinquent payments.

SUMMARY:

Payments of required fees to the commission which are made after the date due will include a late fee of 2 percent of the amount due. Delinquent fees will accrue interest at the rate of 1 percent per month.

Appropriation: none

Revenue: yes

Fiscal Note: available

TESTIMONY FOR:

Because the WUTC is without statutory authority to assess late fees to regulated companies, its only means to enforce payment schedules is through costly administrative proceedings. This bill would allow the WUTC to avoid such proceedings and to collect additional monies through assessment of late fees and interest.

TESTIMONY AGAINST: None

TESTIFIED: Tim Sweeney, WUTC (pro)