

FINAL BILL REPORT

SSB 5670

C 171 L 97

Synopsis as Enacted

Brief Description: Regulating solid waste collection certificates in effect within cities and towns.

Sponsors: Senate Committee on Government Operations (originally sponsored by Senators McCaslin, Haugen and Roach; by request of Utilities & Transportation Commission).

Senate Committee on Government Operations

House Committee on Government Administration

Background: When a city or town incorporates, or territory is annexed into a city or town, this action cancels any existing public franchise or permit to operate a public transportation, garbage collection, or other similar public service business or facility within the limits of the incorporation or annexation. The city or town shall grant the holder of the canceled franchise a franchise to continue the business within the new incorporation or annexation for five years or the remainder of the term of the original franchise or permit, whichever is shorter.

The city or town may not allow similar or competing services unless it can show that the holder of the canceled permit or franchise cannot or will not adequately service the area at a reasonable price. The city or town may purchase the business or facilities.

If any holder of a canceled franchise or permit suffers any measurable damages as a result of the incorporation or annexation, it shall have a right of action against the city or town.

Concern has been expressed that some ambiguities exist, raising questions such as whether the Washington Utilities and Transportation Commission (UTC) has authority to continue its regulation of solid waste companies if a city or town fails to act on these issues after an incorporation or annexation.

Summary: Upon incorporation or annexation of an area, UTC continues to regulate solid waste collection within the limits of the city or town. The regulation continues until the city or town notifies UTC, in writing, of its decision to contract for solid waste collection or provide such services itself.

The holder of the canceled franchise or permit must be granted a franchise to continue the business within the incorporated or annexed area for the remaining amount of the original franchise, or seven years, whichever is shorter. The city or town must not allow similar or competing service unless it can show the franchisee is unable or unwilling to adequately service the incorporated territory at a reasonable price. The city or town may purchase the business or facilities.

Any holder of a canceled franchise who suffers any measurable damages as a result of the incorporation or annexation has a right of action against the city or town causing such damages.

Provision is made for solid waste collection in the event that the city, town, or combined city-county elects to cease controlling such service itself. UTC issues a certificate to the last holder of a valid certificate for the area reverting back to UTC regulation. UTC considers new applications if there is no previous certificate issued or the previous holder received compensation for its certificate rights.

Clarifying amendments are made.

Votes on Final Passage:

Senate	49	0
House	98	0

Effective: July 27, 1997