

SENATE BILL REPORT

SB 5825

As of February 19, 1997

Title: An act relating to withdrawing from a public utility district.

Brief Description: Allowing withdrawal from a public utility district through city council vote.

Sponsors: Senators McCaslin and Oke.

Brief History:

Committee Activity: Government Operations: 2/28/97.

SENATE COMMITTEE ON GOVERNMENT OPERATIONS

Staff: Eugene Green (786-7405)

Background: A public utility district may be countywide or comprise only a portion of the county. The powers of a public utility district are exercised through a commission consisting of either three or five commissioners. A district may make surveys, plans, investigations or studies for generating electric energy by water power, steam, or other methods, and for systems and facilities for the generation, transmission or distribution of the energy, and for domestic and industrial water supply and irrigation, within or without the district. A public utility district may also assist customers in the acquisition of water conservation equipment, assist the owners of structures or equipment in financing energy conservation projects, and acquire, construct, operate, maintain, and add to sewage systems.

A public utility district may raise revenue by the levy of an annual tax on all taxable property within the district, not exceeding 45 cents per \$1,000 of assessed value in any one year. Article VII, Section 2 of the Washington State Constitution exempts this levy from the aggregate 1 percent constitutional limit.

Summary of Bill: A city with a population of 20,000 that provides water utility service to its residents, which is included in whole or in part within a public utility district operating only a water utility may withdraw from the public utility district by a majority vote of the city council. Areas later annexed into the city are automatically withdrawn from the public utility district. When a portion of the district is annexed by or incorporated into the aforementioned city, any outstanding indebtedness remains an obligation of the taxable property annexed or incorporated.

Appropriation: None.

Fiscal Note: Not requested.

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