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SUBSTITUTE HOUSE BILL 2711

State of Washington 55th Legislature 1998 Regular Session

By House Committee on Finance (originally sponsored by Representatives Parlette, Chandler, Mulliken and Sump)

Read first time 02/09/98. Referred to Committee on .

- AN ACT Relating to tax exemptions for small irrigation districts;
- 2 amending RCW 82.04.312 and 82.16.042; providing an effective date; and
- 3 providing expiration dates.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 82.04.312 and 1997 c 407 s 2 are each amended to read 6 as follows:
- 7 (1) This chapter does not apply to amounts received for water
- 8 services supplied by a water-sewer district established under Title 57
- 9 RCW or by an irrigation district established under Title 87 RCW that
- 10 ((has been certified by the department of health as)):
- (a) ((Having)) Has less than one thousand five hundred connections;
- 12 and
- (b) ((Charging)) Charges residential water rates that exceed one
- 14 hundred twenty-five percent of the state-wide average residential water
- 15 rate published on or before July 1st of each year by the department of
- 16 <u>health</u>.
- 17 (2) This chapter does not apply to amounts received for water
- 18 services supplied by a water system that ((has been certified by the
- 19 department of health as)):

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- 1 (a) ((Being)) <u>Is</u> operated or owned by a qualified satellite 2 management agency under RCW 70.116.134;
 - (b) ((Having)) Has less than two hundred connections; and

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- 4 (c) ((Charging)) Charges residential water rates that exceed one 5 hundred twenty-five percent of the state-wide average <u>residential</u> water 6 rate <u>published</u> on or <u>before July 1st of each year by the department of</u> 7 health.
- 8 (3) To receive an exemption under this section, the water system <u>or</u>
 9 <u>irrigation district</u> shall supply to the department of ((health))
 10 <u>revenue</u> proof that an amount equal to at least ninety percent of the
 11 value of the exemption shall be expended to repair, equip, maintain,
 12 and upgrade the water system.
 - (4) The department of health ((shall certify to the department of revenue the eligibility of water districts and water systems under this section. In order to determine eligibility, the department of health may use rate information provided in surveys and reports produced by the association of Washington cities, an association of elected officials, or other municipal association to estimate a state-wide average residential water rate. The department of health shall update the estimated state-wide average residential water rate by July 1 of each year that this section remains in effect)) may use rate information provided in surveys and reports produced by the association of Washington cities, an association of elected officials, or other municipal association to estimate a state-wide average residential water rate.
- 26 (5) This section expires July 1, $((\frac{2003}{2004}))$ 2004.
- 27 **Sec. 2.** RCW 82.16.042 and 1997 c 407 s 3 are each amended to read 28 as follows:
- (1) This chapter does not apply to amounts received for water services supplied by a water-sewer district established under Title 57 RCW or by an irrigation district established under Title 87 RCW that ((has been certified by the department of health as)):
- (a) ((Having)) Has less than one thousand five hundred connections; and
- 35 (b) ((Charging)) Charges residential water rates that exceed one 36 hundred twenty-five percent of the state-wide average <u>residential</u> water 37 rate <u>published on or before July 1st of each year by the department of</u> 38 <u>health</u>.

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- 1 (2) This chapter does not apply to amounts received for water 2 services supplied by a water system that ((has been certified by the 3 department of health as)):
- 4 (a) ((Being)) <u>Is</u> operated or owned by a qualified satellite 5 management agency under RCW 70.116.134;
 - (b) ((Having)) Has less than two hundred connections; and

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- 7 (c) ((Charging)) Charges residential water rates that exceed one 8 hundred twenty-five percent of the state-wide average <u>residential</u> water 9 rate.
- (3) To receive an exemption under this section, the water system <u>or</u> irrigation <u>district</u> shall supply to the department of ((health)) revenue proof that an amount equal to at least ninety percent of the value of the exemption shall be expended to repair, equip, maintain, and upgrade the water system.
 - (4) ((The department of health shall certify to the department of revenue the eligibility of water districts and water systems under this section. In order to determine eligibility, the department of health may use rate information provided in surveys and reports produced by the association of Washington cities, an association of elected officials, or other municipal association to estimate a state-wide average residential water rate. The department of health shall update the estimated state-wide average residential water rate by July 1 of each year that this section remains in effect.)) For the purposes of this section, "state-wide average residential water rate" means the state-wide average residential water rate published under RCW 82.04.312.
- 27 (5) This section expires July 1, ((2003)) 2004.
- NEW SECTION. Sec. 3. This act takes effect July 1, 1998.

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