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**BILL REQUEST - CODE REVISER'S OFFICE**

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BILL REQ. #: H-4833.1/00

ATTY/TYPIST: KB:seg

BRIEF DESCRIPTION:

2 SHB 2880 - H AMD TO H AMD (H-4781.3/00)  
3 By Representative Thomas

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5 On page 3, after line 6 of the amendment, insert the following:

6 "(6)(a) If a qualified provider of telecommunications services  
7 gives written notice of a desire to acquire all of the facilities and  
8 services of a rural public utility district, the rural public utility  
9 district must place the facilities and services up for auction to the  
10 highest qualified bidder within one year of receipt of such written  
11 notice, provided:

12 (i) The bidder has at least as much capability as the rural public  
13 utility district or its contractor to construct, operate, and maintain  
14 the facilities and services;

15 (ii) The bidder offers a price that will allow the rural public  
16 utility district to recover all of its investments, including interest  
17 on capital that the bidder would have paid as a nongovernmental entity  
18 at the time of investment; and

19 (iii) The successful bidder must reserve sufficient capacity for  
20 the rural public utility district to allow for needs twenty years from  
21 the date of the sale at no more than the embedded cost of the facility  
22 or services, or as mutually agreed.

23 (b) The rural public utility district and successful bidder may  
24 enter into noncompete agreements or mutually agree on other conditions  
25 of the sale."

26 Renumber the remaining subsection consecutively and correct any  
27 internal references accordingly.

28 On page 6, after line 6 of the amendment, insert the following:

29 "(6)(a) If a qualified provider of telecommunications services  
30 gives written notice of a desire to acquire all of the facilities and  
31 services of a rural port district, the rural port district must place  
32 the facilities and services up for auction to the highest qualified  
33 bidder within one year of receipt of such written notice, provided:

1 (i) The bidder has at least as much capability as the rural port  
2 district or its contractor to construct, operate, and maintain the  
3 facilities and services;

4 (ii) The bidder offers a price that will allow the rural port  
5 district to recover all of its investments, including interest on  
6 capital that the bidder would have paid as a nongovernmental entity at  
7 the time of investment; and

8 (iii) The successful bidder must reserve sufficient capacity for  
9 the rural port district to allow for needs twenty years from the date  
10 of the sale at no more than the embedded cost of the facility or  
11 services, or as mutually agreed.

12 (b) The rural port district and a successful bidder may enter into  
13 noncompete agreements or mutually agree on other conditions of the  
14 sale."

15 Renumber the remaining subsection consecutively and correct any  
16 internal references accordingly.

EFFECT: A new process is added to require that public utility districts and rural port districts must sell off their wholesale telecommunications facilities and services if a qualified buyer exists that meets certain criteria. Within one year of notice of a desire to purchase such facilities, the public utility district or rural port district must put their wholesale telecommunications services and facilities up for auction to the highest bidder.

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