

FINAL BILL REPORT

SHB 2528

C 161 L 00

Synopsis as Enacted

Brief Description: Regulating capacity charges for sewage facilities by metropolitan municipal corporations.

Sponsors: By House Committee on Local Government (originally sponsored by Representatives Cairnes, Cooper, G. Chandler, Dunshee, Tokuda, Linville, Stensen, Lovick, Esser, Kenney, Barlean, Constantine, Murray and Keiser).

House Committee on Local Government
Senate Committee on State & Local Government

Background:

A metropolitan municipal corporation that is engaged in the transmission, treatment, and disposal of sewage may impose a capacity charge on the users of the facility when the customer connects, reconnects or establishes new service. The capacity charge is based upon the cost of the sewer facility's excess capacity, and may be collected over a 15 year period.

Sewer capacity charges for a metropolitan municipal corporation are subject to a statutory maximum monthly rate and to annual review and approval by the legislative authority. Sewer capacity charges for a building other than a single family residence are based on the projected number of residential customer equivalents to be represented by the building.

A metropolitan municipal corporation as a municipal corporation organized in an area containing two or more cities, of which at least one has a population of 10,000 or more, to perform certain functions, or a county that has, by ordinance or resolution, assumed the rights, powers and functions of a metropolitan municipal corporation.

Summary of Bill:

The maximum monthly rates, the residential customer equivalent provisions, and the 15 year duration for sewer capacity charges are eliminated.

The sewer capacity charge is to be set by the legislative body based on a property owners' equitable share of the system's cost. The capacity charge is imposed monthly, approved annually, and considered revenue of the sewage facility.

The equitable share may include interest charges that are either applied from the date of construction of the sewage facility until the connection, or for a period not to exceed ten years.

The interest charges are set at a rate that is commensurate with the rate of interest applicable to the metropolitan municipal corporation, either (1) at the time of construction or major rehabilitation of the sewage facilities, or (2) at the time of installation of the sewer lines to which the property owner is seeking to connect. At no time may the interest charges exceed ten percent per year, provided that the aggregate amount of interest may not exceed the equitable share of the cost of the sewage facilities allocated to such property owners.

Votes on Final Passage:

House 88 8

Senate 41 3

Effective: June 8, 2000