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HOUSE BILL 1532

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State of Washington

56th Legislature

1999 Regular Session

By Representatives Mastin, Poulsen, Pennington, Mitchell, Crouse, Kessler, Morris and Grant

Read first time 01/27/1999. Referred to Committee on Technology, Telecommunications & Energy.

1 AN ACT Relating to public utility tax credits for energy assistance  
2 programs; adding a new section to chapter 82.16 RCW; providing an  
3 effective date; and declaring an emergency.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 82.16 RCW  
6 to read as follows:

7 (1) Unless the context clearly requires otherwise, the definitions  
8 in this subsection apply throughout this section.

9 (a) "Qualifying grant" means a grant provided directly, or through  
10 the department of community, trade, and economic development, to an  
11 organization that has a contractual agreement with the department of  
12 community, trade, and economic development to provide low-income energy  
13 assistance programs for a specified service area.

14 (b) "Low-income energy assistance programs" means energy assistance  
15 programs for low-income households as defined on the effective date of  
16 this act by the federal department of health and human services.

17 (c) "Specified service area" means a service area designated by the  
18 department of community, trade, and economic development in the state  
19 plan for the low-income home energy assistance program.

1 (2) Subject to the limits set forth in this section, a light and  
2 power business or a gas distribution business whose application has  
3 been approved by the department under this section may take a credit  
4 against tax imposed by this chapter for qualifying grants made by the  
5 business. The organization shall apply qualifying grants to the low-  
6 income energy related program that best meets a community's needs as  
7 determined by the organization.

8 (3) The department shall approve an application to the extent all  
9 qualifying grants in a state fiscal year for the specified service area  
10 do not exceed five percent of the amount of moneys allotted to  
11 nonprofit or governmental organizations within the specified service  
12 area in federal fiscal year 1995 under the United States department of  
13 health and human services low-income home energy assistance program.  
14 The department shall keep a running total of all credits approved in  
15 each service area for each state fiscal year. The businesses, the  
16 organizations, and the department shall work together to develop a  
17 method to track the credit within service areas.

18 (4) Applications for credits under this section shall be made to  
19 the department in a form and manner as required by the department. The  
20 department shall approve or deny application for credits using the  
21 criteria under this section.

22 (5) The credit allowed under this section is limited to the amount  
23 of tax imposed by this chapter for the calendar year. Approved credit  
24 may not be carried over to subsequent calendar years. The credit must  
25 be claimed by the due date of the last tax return for the calendar year  
26 in which the payment is made. Any unused credit expires. Refunds  
27 shall not be given in place of credits.

28 (6) A person receiving approval must keep records necessary for the  
29 department to verify eligibility under this section.

30 (7) In the case of account closures by recipients of low-income  
31 energy assistance, the unused portion of energy assistance from  
32 qualifying grants to low-income utility customers shall either: (a) To  
33 the extent reasonable and cost-effective, be transferred by the utility  
34 or organization to the customer's next utility account; or (b) returned  
35 to the organization's low-income energy assistance programs.  
36 Organizations administering qualifying grants shall notify recipients  
37 of the requirements of this subsection.

38 (8) No credit shall be approved for grants made before the  
39 effective date of this act.

1        NEW SECTION.    **Sec. 2.**    This act is necessary for the immediate  
2    preservation of the public peace, health, or safety, or support of the  
3    state government and its existing public institutions, and takes effect  
4    July 1, 1999.

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