

HOUSE BILL REPORT

HB 2193

As Reported by House Committee On:
Technology, Telecommunications & Energy

Title: An act relating to utility relocation costs caused by regional transit authority activities.

Brief Description: Clarifying the cost burden for utility relocation.

Sponsors: Representatives DeBolt (co-prime sponsor), Morris (co-prime sponsor), Ruderman, Mielke, Crouse, Poulsen, Kessler, Mastin, Casada, Delvin, Pflug, Wood, Esser, B. Chandler, Linville and Berkey.

Brief History:

Committee Activity:

Technology, Telecommunications & Energy: 2/26/01 [DPS].

Brief Summary of Substitute Bill

- Requires that the cost of relocating a utility's facilities resulting from the construction, repair, or improvement of a regional transit authority's system must be paid by the regional transit authority and such cost must be considered part of the costs of the system.

HOUSE COMMITTEE ON TECHNOLOGY, TELECOMMUNICATIONS & ENERGY

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 18 members: Representatives Crouse, Republican Co-Chair; Poulsen, Democratic Co-Chair; Casada, Republican Vice Chair; Ruderman, Democratic Vice Chair; Anderson, Berkey, Bush, B. Chandler, DeBolt, Delvin, Esser, Linville, Mielke, Morris, Pflug, Reardon, Simpson and Wood.

Minority Report: Do not pass. Signed by 1 member: Representative Cooper.

Staff: Pam Madson (786-7166).

Background:

In 1992 the Legislature authorized the creation of a regional transit authority for contiguous counties with a population of over 400,000. In 1993 the county councils of

King, Pierce and Snohomish counties voted to form a regional transit authority. The authority is charged with implementing a high capacity transportation system and developing revenues to support the system. This central Puget Sound regional transit authority is known as Sound Transit.

In 1996 voters within the boundaries of Sound Transit approved a plan and local option taxes to support the plan. Implementation of the plan includes construction of a light rail system. This construction will require the removal and relocation of various utility facilities located along the rail line. Sound Transit is currently in negotiations with various utilities on the issue of relocation of facilities.

Historically, when improvements to a public right-of-way required the displacement of telecommunications equipment, telecommunications companies paid the expense of relocation. A county, in granting a franchise for use by a utility of a county road right-of-way, may require that any relocation reasonably necessary for construction, alteration or improvement must be paid by the utility. In 2000 the Legislature allowed cities and towns to require utilities to be relocated if reasonably necessary for construction, alteration, repair or improvement of the right of way. Utilities may seek reimbursement from the city when aerial facilities are being relocated underground, when the utility has paid for relocation of the same facilities within the last five years or when the city was seeking relocation for aesthetic reasons. The Department of Transportation may reimburse a utility for relocation costs under certain circumstances.

Summary of Substitute Bill:

In the case of a regional transit authority, the costs of removing or relocating utility facilities that result from construction, alteration, repair or improvement of the transit authority's system must be included in the cost of the system and must be paid by the authority. Owners, lessees, or occupants of a utility facility may not be responsible for the costs. Utility facilities— subject to relocation are defined to specifically include cable television, gas, electric and telecommunications facilities.

Substitute Bill Compared to Original Bill:

The substitute bill clarifies that the owner, lessee, or occupant of a utility facility is not responsible for the costs of relocation. Utility facilities— subject to relocation are defined to specifically include cable, television, gas, electric and telecommunications facilities.

Appropriation: None.

Fiscal Note: Not Requested.

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

Testimony For: (On HB 1253) Costs of utility relocation should be a legitimate cost of the Sound Transit project and should be paid by Sound Transit. By forcing utilities to pay relocation costs, customers of these utilities will pay twice for this project, once through taxes that were voted on to pay for the project, and again as customers of the utility through higher rates for electricity. The cost born by the utility will be spread across its customer base and will result in people outside the transit authority area, paying for this project. Some municipal utilities' relocation costs are being paid for by Sound Transit. Sound Transit wants private utilities to pay for their costs. This is an issue of fairness. These are complex issues. Utility facilities should be defined to include wire rearrangement of cable companies. All parties should attempt to negotiate. If that can't happen, this bill would clarify the issues.

(With concerns) (On HB 1253) Sound Transit is building interrelated transportation systems in the urbanized portions of King, Pierce, and Snohomish counties. For impacts on private property owners, Sound Transit is complying with all real estate acquisition policies and procedures required by law. As to impacts on the utility networks of public and private utilities, for private utility facilities on private property, they will be fully compensated. For public and private utilities on public rights of way, Sound Transit will continue to negotiate for the costs. Sound Transit has not agreed to pay all the costs of Seattle City Light. They are close to agreement and the city will provide a portion of the costs as a contribution to the light rail project. Sound Transit has not demanded that private utilities pay for relocation costs. They have chosen to negotiate and are close to agreement with another major private utility. The experience so far has been to reduce the costs of relocation when the technical people and engineers are able to evaluate the costs. If this bill passes, the incentive to negotiate will be lost and with it the opportunity to reduce costs for both parties.

Testimony Against: (On HB 1253) Passing this bill could result in delaying the construction of the transit system. It would also give utilities no reason to negotiate. The authority is willing to look at negotiation of these costs. Negotiation can result in lower costs to the parties. This bill could also impact contracts and agreements that were entered into some time ago.

Testified: (In support on HB 1253) Representative DeBolt (Prime Sponsor); Terry Oxley, Puget Sound Energy; Elaine Davis, Fair Competition Alliance; Tom Walker, Quest; and Vic Kucera, AT&T.

(With Concerns on HB 1253) Paul Matsuoka, Sound Transit.

(Opposed on HB 1253) Dick King, International Brotherhood of Electrical Workers.

