

# SENATE BILL REPORT

## SB 5260

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As of February 10, 2003

**Title:** An act relating to private owners of public water systems not regulated as public utilities.

**Brief Description:** Concerning accountability by private owners of public water systems to provide required water service.

**Sponsors:** Senators Fraser, T. Sheldon, Oke, Regala, Prentice and Winsley.

**Brief History:**

**Committee Activity:** Natural Resources, Energy & Water: 2/13/03.

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### SENATE COMMITTEE ON NATURAL RESOURCES, ENERGY & WATER

**Staff:** Richard Rodger (786-7461)

**Background:** Studies in Washington and other states of regulatory strategies for small public water systems indicate that such systems generally do not generate sufficient revenue to cover the cost of either economic or public health regulatory programs. Alternative regulatory strategies include authority for customers to protect their interests through private action.

**Summary of Bill:** Public water systems that are privately owned, not subject to regulation by the Washington Utilities and Transportation Commission, and are not "pass-through" systems, must provide potable water to every connection as indicated in an approved subdivision, short subdivision, or other applicable land use action as meeting requirements to provide potable water.

Owners of property can sue for injunctive relief or damages, or both, together with costs and attorney fees, if the property is harmed by the failure of a public water system owner to provide water connections according to subdivision approval or other applicable land use regulation, or fails to comply with public health regulations.

Moneys paid to the owner of a public water system for service or for construction or maintenance must be kept in a trust account. The system owner can be the trustee. Expenditures must be for legitimate and reasonable system expenses, including compensation of the system owner. Records must be kept and be available for inspection.

Upon a showing that property is harmed as established by this act, the affected property owners may seek to acquire the system by private condemnation.

**Appropriation:** None.

**Fiscal Note:** Not requested.

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

