
SUBSTITUTE HOUSE BILL 2925

State of Washington 61st Legislature 2010 Regular Session

By House Ways & Means (originally sponsored by Representatives Kretz, Short, and Condotta)

READ FIRST TIME 02/09/10.

1 AN ACT Relating to impact payments of a municipally owned
2 hydroelectric facility; amending RCW 35.21.420 and 35.21.425; and
3 declaring an emergency.

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

5 **Sec. 1.** RCW 35.21.420 and 1965 c 7 s 35.21.420 are each amended to
6 read as follows:

7 (1) Any city owning and operating a public utility and having
8 facilities for the generation of electricity located in a county other
9 than that in which the city is located, may provide for the public
10 peace, health, safety and welfare of such county as concerns the
11 facilities and the personnel employed in connection therewith, by
12 contributing to the support of the county government of any such county
13 and enter into contracts with any such county therefor.

14 (2)(a) Any city with a population greater than five hundred
15 thousand people owning and operating a public utility and having
16 facilities for the generation of electricity located in a county other
17 than that in which the city is located, must provide for the impacts of
18 lost revenue and the public peace, health, safety, and welfare of such
19 county as concerns the facilities and the personnel employed in

1 connection therewith, by contributing to the support of the county,
2 city, or town government and school district of any such county and
3 enter into contracts with any such county therefor as specified in RCW
4 35.21.425.

5 (b)(i) In the event the contract between a county and the governing
6 body of a city authorized or required under this section expires prior
7 to the adoption of a new contract between the parties, the city must
8 continue to make compensatory payments to the affected county pursuant
9 to the terms of the most recent expired contract until such time as a
10 new contract is entered into by the parties.

11 (ii) In the event a contract entered into under subsection (1) of
12 this section between a county and the governing body of a city with a
13 population greater than five hundred thousand people expired prior to
14 the effective date of this act, the city shall be indebted to the
15 county for any resulting arrearage accruing from the time of the
16 expiration of the contract until such time as a new contract is entered
17 into by the parties. The dollar amount of such arrearage shall be
18 calculated retroactively by reference to the payment terms set forth in
19 the most recent expired compensation contract between the city and the
20 county.

21 **Sec. 2.** RCW 35.21.425 and 1965 c 7 s 35.21.425 are each amended to
22 read as follows:

23 (1) Except as provided in subsection (2) of this section, whenever
24 after March 17, 1955, any city shall construct hydroelectric generating
25 facilities or acquire land for the purpose of constructing the same in
26 a county other than the county in which such city is located, and by
27 reason of such construction or acquisition shall (1) cause loss of
28 revenue and/or place a financial burden in providing for the public
29 peace, health, safety, welfare, and added road maintenance in such
30 county, in addition to road construction or relocation as set forth in
31 RCW 90.28.010 and/or (2) shall cause any loss of revenues and/or
32 increase the financial burden of any school district affected by the
33 construction because of an increase in the number of pupils by reason
34 of the construction or the operation of said generating facilities, the
35 city shall enter into an agreement with said county and/or the
36 particular school district or districts affected for the payment of
37 moneys to recompense such losses or to provide for such increased

1 financial burden, upon such terms and conditions as may be mutually
2 agreeable to the city and the county and/or school district or
3 districts.

4 (2)(a) Whenever after March 17, 1955, a municipal owned utility
5 located in a city with a population greater than five hundred thousand
6 people constructs or operates hydroelectric generating facilities or
7 acquires land for the purpose of constructing or operating the same in
8 a county other than the county in which the city is located must enter
9 into an agreement with the county affected for the annual payment of
10 moneys to recompense such losses or to provide for such increased
11 financial burden equivalent to seven percent of the annual utility
12 taxes paid by the municipal owned utility.

13 (b)(i) In the event the agreement between a county and the
14 governing body of either a city or a municipal owned utility, as
15 required under this section, expires prior to the adoption of a new
16 agreement between the parties, the city or utility must continue to
17 make compensatory payments to the affected county pursuant to the terms
18 of the most recent expired agreement until such time as a new agreement
19 is entered into by the parties.

20 (ii) In the event an agreement entered into under subsection (1) of
21 this section between a county and the governing body of a city with a
22 population greater than five hundred thousand people expired prior to
23 the effective date of this act, the city shall be indebted to the
24 county for any resulting arrearage accruing from the time of the
25 expiration of the agreement until such time as a new agreement is
26 entered into by the parties. The dollar amount of such arrearage shall
27 be calculated retroactively by reference to the payment terms set forth
28 in the most recent expired compensation agreement between the city and
29 the county.

30 NEW SECTION. Sec. 3. This act is necessary for the immediate
31 preservation of the public peace, health, or safety, or support of the
32 state government and its existing public institutions, and takes effect
33 immediately.

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