
SENATE BILL 6046

State of Washington

64th Legislature

2015 Regular Session

By Senators Rolfes and Hasegawa

Read first time 02/23/15. Referred to Committee on Energy,
Environment & Telecommunications.

1 AN ACT Relating to providing for a vote of the public to
2 authorize public utility districts to provide telecommunications
3 services; amending RCW 54.16.005 and 54.16.330; adding a new section
4 to chapter 54.16 RCW; and creating a new section.

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

6 NEW SECTION. **Sec. 1.** The legislature finds that there are areas
7 of the state that are not being served with telecommunications or
8 broadband services. The legislature further finds that many public
9 utility districts in the state maintain telecommunications facilities
10 in these underserved or unserved areas but are restricted from
11 providing telecommunications services directly to retail, end-use
12 customers. In an effort to reach those areas of the state that are
13 unserved or underserved, it is the intent of the legislature to grant
14 public utility districts the authority to provide retail
15 telecommunications services.

16 **Sec. 2.** RCW 54.16.005 and 2000 c 81 s 2 are each amended to read
17 as follows:

18 The definitions in this section apply throughout this chapter
19 unless the context clearly requires otherwise.

1 (1) "Commission" means the Washington utilities and
2 transportation commission.

3 (2) "Public agency" has the same meaning as defined in RCW
4 39.34.020.

5 (3) "Retail telecommunications services" means the sale or lease
6 of telecommunications services or facilities directly to public
7 agencies, individuals, nonprofit organizations, libraries, schools,
8 institutions of higher education, or other public or private
9 entities.

10 (4) "Telecommunications" has the same meaning as that contained
11 in RCW 80.04.010.

12 (~~(3)~~) (5) "Telecommunications facilities" means lines,
13 conduits, ducts, poles, wires, cables, crossarms, receivers,
14 transmitters, instruments, machines, appliances, instrumentalities
15 and all devices, real estate, easements, apparatus, property, and
16 routes used, operated, owned, or controlled by any entity to
17 facilitate the provision of telecommunications services.

18 (~~(4)~~) (6) "Wholesale telecommunications services" means the
19 provision of telecommunications services or facilities for resale by
20 an entity authorized to provide telecommunications services to the
21 general public and internet service providers.

22 **Sec. 3.** RCW 54.16.330 and 2004 c 158 s 1 are each amended to
23 read as follows:

24 (1) A public utility district in existence on June 8, 2000, may
25 construct, purchase, acquire, develop, finance, lease, license,
26 handle, provide, add to, contract for, interconnect, alter, improve,
27 repair, operate, and maintain any telecommunications facilities
28 within or (~~without~~) outside of the district's limits for the
29 following purposes:

30 (a) For the district's internal telecommunications needs; (~~and~~)

31 (b) For the provision of wholesale telecommunications services
32 within or outside of the district and by contract with another public
33 utility district; and

34 (c) For the provision of retail telecommunications services
35 within or adjacent to the district.

36 (~~Nothing in this subsection shall be construed to authorize~~
37 ~~public utility districts to provide telecommunications services to~~
38 ~~end users.))~~

1 (2) A public utility district providing wholesale or retail
2 telecommunications services shall ensure that rates, terms, and
3 conditions for such services are not unduly or unreasonably
4 discriminatory or preferential. Rates, terms, and conditions are
5 discriminatory or preferential when a public utility district
6 offering rates, terms, and conditions to an entity for wholesale or
7 retail telecommunications services does not offer substantially
8 similar rates, terms, and conditions to all other entities seeking
9 substantially similar services.

10 (3) A public utility district providing wholesale or retail
11 telecommunications services shall not be required to but may
12 establish a separate utility system or function for such purpose. In
13 either case, a public utility district providing wholesale or retail
14 telecommunications services shall separately account for any revenues
15 and expenditures for those services according to standards
16 established by the state auditor pursuant to its authority in chapter
17 43.09 RCW and consistent with the provisions of this title. Any
18 revenues received from the provision of wholesale or retail
19 telecommunications services must be dedicated to costs incurred to
20 build and maintain any telecommunications facilities constructed,
21 installed, or acquired to provide such services, including payments
22 on debt issued to finance such services, until such time as any bonds
23 or other financing instruments executed after June 8, 2000, and used
24 to finance such telecommunications facilities are discharged or
25 retired.

26 (4) When a public utility district provides wholesale or retail
27 telecommunications services, all telecommunications services rendered
28 to the district for the district's internal telecommunications needs
29 shall be allocated or charged at its true and full value. A public
30 utility district may not charge its nontelecommunications operations
31 rates that are preferential or discriminatory compared to those it
32 charges entities purchasing wholesale or retail telecommunications
33 services.

34 (5) If a person or entity receiving retail telecommunications
35 services from a public utility district under this chapter has a
36 complaint regarding the reasonableness of the rates, terms,
37 conditions, or service provided, the person or entity may file a
38 complaint with the governing body of the public utility district.

39 (6) A public utility district shall not exercise powers of
40 eminent domain to acquire telecommunications facilities or

1 contractual rights held by any other person or entity to
2 telecommunications facilities.

3 ~~((6))~~ (7) Except as otherwise specifically provided, a public
4 utility district may exercise any of the powers granted to it under
5 this title and other applicable laws in carrying out the powers
6 authorized under this section. Nothing in chapter 81, Laws of 2000
7 limits any existing authority of a public utility district under this
8 title.

9 NEW SECTION. **Sec. 4.** A new section is added to chapter 54.16
10 RCW to read as follows:

11 (1) Prior to constructing, purchasing, acquiring, developing,
12 financing, leasing, licensing, handling, providing, adding to,
13 contracting for, interconnecting, altering, improving, repairing,
14 operating, or maintaining telecommunications facilities for the
15 provision of retail telecommunications services, a public utility
16 district must develop a written implementation plan describing how
17 the district intends to provide retail telecommunications services
18 under RCW 54.16.330.

19 (2)(a) The public utility district commission may adopt, alter,
20 or reject the implementation plan by resolution. Any resolution to
21 provide retail telecommunications services must be put to a vote of
22 the people in the district at the next general election. The
23 resolution must be expressed in substantially the following terms:

24 Shall Public Utility District No. of County
25 be authorized to provide retail telecommunications services
26 within or adjacent to the district?

27 Yes . . .
28 No . . .

29 (b) Within ten days after an election, the election board of the
30 county must canvass the returns, and if a majority of voters voting
31 on the proposition vote in favor of the authority, the district has
32 the authority to provide retail telecommunications services as set
33 forth in the resolution.

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