
SUBSTITUTE SENATE BILL 6034

State of Washington

65th Legislature

2018 Regular Session

By Senate Energy, Environment & Technology (originally sponsored by Senators Rolfes, Sheldon, Angel, Hunt, Chase, Kuderer, and Hasegawa)

READ FIRST TIME 02/02/18.

1 AN ACT Relating to authorizing limited retail telecommunications
2 services for public utility districts that provide only sewer, water,
3 and telecommunications on the effective date of this act; adding a
4 new section to chapter 54.16 RCW; and adding a new section to chapter
5 34.12 RCW.

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

7 NEW SECTION. **Sec. 1.** A new section is added to chapter 54.16
8 RCW to read as follows:

9 (1) The definitions in this subsection apply throughout this
10 section unless the context clearly requires otherwise.

11 (a) "Broadband" means networks of deployed telecommunications
12 equipment and technologies necessary to provide high-speed internet
13 access and other advanced telecommunications services.

14 (b) "Inadequate" means internet retail service that does not meet
15 one hundred percent of the standards detailed in the service level
16 agreement.

17 (c) "Partnership payment structure" means a group of or
18 individual property owners who agree to pay a term payment structure
19 for infrastructure improvements to their property.

1 (d) "Petition" means a formal written request for retail internet
2 service by property owners on the public utility district broadband
3 network.

4 (e) "Service level agreement" means a standard agreement, adopted
5 during an open public meeting, between the retail internet service
6 provider and the public utility that describes the required
7 percentage of broadband download and upload speed and system
8 availability, customer service, and transmission time.

9 (2) Any public utility district that, as of the effective date of
10 this section, provides only water, sewer, and wholesale
11 telecommunications services in a county with an area less than five
12 hundred square miles and is located west of the Puget Sound may
13 provide end-user internet services to end users on the public utility
14 district's broadband network located within the public utility
15 district boundaries only when all of the existing providers of end-
16 user internet service on the public utility district's broadband
17 network cease to provide end-user service or provide inadequate end-
18 user service as determined in the manner prescribed by this section.

19 (3) Upon receiving a petition meeting the requirements of
20 subsection (4) of this section, a public utility district board of
21 commissioners may hold up to three meetings to:

22 (a) Verify the signature or signatures of the property owners on
23 the petition and certify the petition;

24 (b) Determine and submit findings that the retail internet
25 service available to the petitioners served by the public utility
26 district's broadband network is either nonexistent or inadequate as
27 defined in the service level agreement adopted by the commissioners
28 for all existing internet service providers on the public utility
29 district's broadband network; and

30 (c) By resolution, authorize the public utility district to
31 provide retail internet service to end users on the public utility
32 district's broadband network.

33 (4) A petition meets the requirements of subsection (3) of this
34 section if it is delivered to a public utility district board of
35 commissioners, declares that the signatories on the public utility
36 district's broadband network have no or inadequate retail internet
37 service providers, requests the public utility district to provide
38 the retail internet service, and is signed by one of the following:

39 (a) A majority of a group, including homeowners' associations, of
40 any geographical area within the public utility district, who have

1 developed a partnership payment structure to finance broadband
2 deployment with the public utility district; or

3 (b) Any individual who has developed a partnership payment
4 structure to finance broadband deployment with the public utility
5 district.

6 (5) For the purposes of this section, the adequacy of retail
7 internet service is determined by measuring retail internet service
8 to end users on the public utility district's broadband network and
9 comparing it with service standards in the public utility district
10 service level agreement used for all public utility district network
11 providers. Measurement of the existing retail internet service
12 provider's service must be quantified by measuring the service with
13 speed and capacity devices and software. Additionally, a retail
14 internet service provider may submit its own assessment of its
15 service level for consideration by the commission within thirty days
16 of the first meeting conducted under subsection (3) of this section.

17 (6) The commissioners of a public utility district may by
18 resolution authorize the public utility district to provide or
19 contract for provision of internet services to end users on the
20 public utility district's broadband network when it is determined
21 that no service or inadequate service exists for the individual or
22 petitioners identified in subsection (4) of this section.

23 (7)(a) In case of failure to reach an agreement on the adequacy
24 of retail internet service, the commissioners must request an
25 appointment of an administrative law judge under Title 34 RCW to hear
26 the dispute.

27 (b) The commissioners must provide a written notice, together
28 with a copy of the dispute, and may require the disputing parties to
29 attend a hearing before the administrative law judge, at a time and
30 place to be specified in the written notice.

31 (c) The place of any such hearing may be the office of the
32 commissioners or another place designated by the commissioners. The
33 disputed information must be presented at the hearing.

34 (d) Upon review and consideration of all of the evidence, the
35 administrative law judge must determine if the retail internet
36 service is inadequate or nonexistent as defined in this section. Upon
37 making a determination, the administrative law judge must state
38 findings of fact and must issue and file a determination with the
39 commissioners.

1 (8) Any public utility district providing cable television
2 service under this section must secure a cable television franchise,
3 pay franchise fees, and any applicable taxes to the local cable
4 franchise authority as required by federal law.

5 (9) Nothing in this section may be construed or is intended to
6 confer upon the utilities and transportation commission any authority
7 to exercise jurisdiction over locally regulated utilities.

8 (10) All rates for retail internet services offered by a public
9 utility district under this section must be fair and
10 nondiscriminatory, except the public utility district may set tiers
11 of service charges based on service demands of the end user,
12 including commercial and residential rates.

13 NEW SECTION. **Sec. 2.** A new section is added to chapter 34.12
14 RCW to read as follows:

15 When requested by the public utility district commissioners, the
16 chief administrative law judge shall assign an administrative law
17 judge to conduct proceedings under section 1 of this act.

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