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ENGROSSED SUBSTITUTE HOUSE BILL 2629

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State of Washington

66th Legislature

2020 Regular Session

By House Housing, Community Development & Veterans (originally sponsored by Representatives Walen, Goodman, Springer, Macri, Slatter, Duerr, Kloba, and Graham)

READ FIRST TIME 02/07/20.

1 AN ACT Relating to waiving utility connection charges for certain  
2 properties; amending RCW 23.86.400, 24.06.600, 35.92.380, 36.94.140,  
3 and 54.24.080; adding a new section to chapter 35.92 RCW; adding a  
4 new section to chapter 80.28 RCW; and providing expiration dates.

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

6 **Sec. 1.** RCW 23.86.400 and 1996 c 32 s 1 are each amended to read  
7 as follows:

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

11 (a) "Attachment" means the affixation or installation of any  
12 wire, cable or other physical material capable of carrying electronic  
13 impulses or light waves for the carrying of intelligence for  
14 telecommunications or television, including, but not limited to  
15 cable, and any related device, apparatus, or auxiliary equipment upon  
16 any pole owned or controlled in whole or in part by one or more  
17 locally regulated utilities where the installation has been made with  
18 the necessary consent.

19 (b) "Connection charges" means the one-time capital and  
20 administrative charges imposed by a utility on a building or facility  
21 owner for a new utility service, but does not include costs borne or

1 assessed by a utility for the labor, materials, and services  
2 necessary to physically connect a designated facility to the  
3 respective utility service.

4 (c) "Domestic violence" has the same meaning as defined in RCW  
5 70.123.020.

6 (d) "Emergency shelter" means any facility:

7 (i) Whose sole purpose is to provide a temporary shelter for the  
8 homeless and that does not require occupants to sign a lease or  
9 occupancy agreement; and

10 (ii) That is funded in whole or in part from the state omnibus  
11 capital appropriations act, state omnibus operating appropriations  
12 act, housing finance commission programs, housing authorities, or  
13 local government housing funds.

14 (e) "Homeless person" has the same meaning as defined in RCW  
15 43.185C.010.

16 (f) "Locally regulated utility" means an electric service  
17 cooperative organized under this chapter and not subject to rate or  
18 service regulation by the utilities and transportation commission.

19 ~~((e))~~ (g) "Nondiscriminatory" means that pole owners may not  
20 arbitrarily differentiate among or between similar classes of persons  
21 approved for attachments.

22 (2) All rates, terms, and conditions made, demanded or received  
23 by a locally regulated utility for attachments to its poles must be  
24 just, reasonable, nondiscriminatory and sufficient. A locally  
25 regulated utility shall levy attachment space rental rates that are  
26 uniform for the same class of service within the locally regulated  
27 utility service area.

28 (3) Nothing in this section shall be construed or is intended to  
29 confer upon the utilities and transportation commission any authority  
30 to exercise jurisdiction over locally regulated utilities.

31 (4) (a) A locally regulated utility located, in whole or in part,  
32 within a county or a city in which a state of emergency has been  
33 declared related to homelessness must waive connection charges for  
34 properties used by a nonprofit organization, local agency, or any  
35 other legal entity that provides emergency shelter for homeless  
36 persons or victims of domestic violence who are homeless for personal  
37 safety reasons.

38 (b) A locally regulated utility that is not located within a  
39 county or a city in which a state of emergency has been declared  
40 related to homelessness may waive connection charges for properties

1 used by a nonprofit organization, local agency, or any other legal  
2 entity that provides emergency shelter to homeless persons or victims  
3 of domestic violence who are homeless for personal safety reasons.

4 (5) At such time as a property receiving a waiver under  
5 subsection (4)(a) of this section is no longer operating under the  
6 eligibility requirements under subsection (4)(a) of this section:

7 (a) The waiver of connection charges required under subsection  
8 (4)(a) of this section is no longer required; and

9 (b) Any connection charges waived under subsection (4)(a) of this  
10 section are immediately due and payable to the utility as a condition  
11 of continued service.

12 **Sec. 2.** RCW 24.06.600 and 1996 c 32 s 2 are each amended to read  
13 as follows:

14 (1) (~~(As used in this section:)~~) The definitions in this  
15 subsection apply throughout this section unless the context clearly  
16 requires otherwise.

17 (a) "Attachment" means the affixation or installation of any  
18 wire, cable or other physical material capable of carrying electronic  
19 impulses or light waves for the carrying of intelligence for  
20 telecommunications or television, including, but not limited to  
21 cable, and any related device, apparatus, or auxiliary equipment upon  
22 any pole owned or controlled in whole or in part by one or more  
23 locally regulated utilities where the installation has been made with  
24 the necessary consent.

25 (b) "Connection charges" means the one-time capital and  
26 administrative charges imposed by a utility on a building or facility  
27 owner for a new utility service, but does not include costs borne or  
28 assessed by a utility for the labor, materials, and services  
29 necessary to physically connect a designated facility to the  
30 respective utility service.

31 (c) "Domestic violence" has the same meaning as defined in RCW  
32 70.123.020.

33 (d) "Emergency shelter" means any facility:

34 (i) Whose sole purpose is to provide a temporary shelter for the  
35 homeless and that does not require occupants to sign a lease or  
36 occupancy agreement; and

37 (ii) That is funded in whole or in part from the state omnibus  
38 capital appropriations act, state omnibus operating appropriations

1 act, housing finance commission programs, housing authorities, or  
2 local government housing funds.

3 (e) "Homeless person" has the same meaning as defined in RCW  
4 43.185C.010.

5 (f) "Locally regulated utility" means ((an—[a])) a mutual  
6 corporation organized under this chapter for the purpose of providing  
7 utility service and not subject to rate or service regulation by the  
8 utilities and transportation commission.

9 ((e)) (g) "Nondiscriminatory" means that pole owners may not  
10 arbitrarily differentiate among or between similar classes of persons  
11 approved for attachments.

12 (2) All rates, terms, and conditions made, demanded or received  
13 by a locally regulated utility for attachments to its poles must be  
14 just, reasonable, nondiscriminatory and sufficient. A locally  
15 regulated utility shall levy attachment space rental rates that are  
16 uniform for the same class of service within the locally regulated  
17 utility service area.

18 (3) Nothing in this section shall be construed or is intended to  
19 confer upon the utilities and transportation commission any authority  
20 to exercise jurisdiction over locally regulated utilities.

21 (4)(a) A locally regulated utility located, in whole or in part,  
22 within a county or a city in which a state of emergency has been  
23 declared related to homelessness must waive connection charges for  
24 properties used by a nonprofit organization, local agency, or any  
25 other legal entity that provides emergency shelter for homeless  
26 persons or victims of domestic violence who are homeless for personal  
27 safety reasons.

28 (b) A locally regulated utility that is not located within a  
29 county or a city in which a state of emergency has been declared  
30 related to homelessness may waive connection charges for properties  
31 used by a nonprofit organization, local agency, or any other legal  
32 entity that provides emergency shelter to homeless persons or victims  
33 of domestic violence who are homeless for personal safety reasons.

34 (5) At such time as a property receiving a waiver under  
35 subsection (4)(a) of this section is no longer operating under the  
36 eligibility requirements under subsection (4)(a) of this section:

37 (a) The waiver of connection charges required under subsection  
38 (4)(a) of this section is no longer required; and

1        (b) Any connection charges waived under subsection (4)(a) of this  
2 section are immediately due and payable to the utility as a condition  
3 of continued service.

4        NEW SECTION.    **Sec. 3.**    A new section is added to chapter 35.92  
5 RCW to read as follows:

6        (1) Municipal utilities formed under this chapter and located, in  
7 whole or in part, within a county or a city in which a state of  
8 emergency has been declared related to homelessness must waive  
9 connection charges for properties used by a nonprofit organization,  
10 local agency, or any other legal entity that provides emergency  
11 shelter for homeless persons or victims of domestic violence who are  
12 homeless for personal safety reasons.

13        (2) Municipal utilities formed under this chapter and not located  
14 in a county or a city in which a state of emergency has been declared  
15 related to homelessness may waive connection charges for properties  
16 used by a nonprofit organization, local agency, or any other legal  
17 entity that provides emergency shelter for homeless persons or  
18 victims of domestic violence who are homeless for personal safety  
19 reasons.

20        (3) At such time as a property receiving a waiver under  
21 subsection (1) of this section is no longer operating under the  
22 eligibility requirements under subsection (1) of this section:

23        (a) The waiver of connection charges required under subsection  
24 (1) of this section is no longer required; and

25        (b) Any connection charges waived under subsection (1) of this  
26 section are immediately due and payable to the utility as a condition  
27 of continued service.

28        (4) The definitions in this subsection apply throughout this  
29 section unless the context clearly requires otherwise.

30        (a) "Connection charges" means the one-time capital and  
31 administrative charges imposed by a utility on a building or facility  
32 owner for a new utility service, but does not include costs borne or  
33 assessed by a utility for the labor, materials, and services  
34 necessary to physically connect a designated facility to the  
35 respective utility service.

36        (b) "Domestic violence" has the same meaning as defined in RCW  
37 70.123.020.

38        (c) "Emergency shelter" means any facility:

1 (i) Whose sole purpose is to provide a temporary shelter for the  
2 homeless and that does not require occupants to sign a lease or  
3 occupancy agreement; and

4 (ii) That is funded in whole or in part from the state omnibus  
5 capital appropriations act, state omnibus operating appropriations  
6 act, housing finance commission programs, housing authorities, or  
7 local government housing funds.

8 (d) "Homeless person" has the same meaning as defined in RCW  
9 43.185C.010.

10 (5) This section expires July 1, 2027.

11 **Sec. 4.** RCW 35.92.380 and 1980 c 150 s 1 are each amended to  
12 read as follows:

13 Whenever a city or town waives or delays collection of tap-in  
14 charges, connection fees, or hookup fees for low-income persons,  
15 (~~or~~) a class of low-income persons, or emergency shelters serving  
16 homeless persons, to connect to lines or pipes used by the city or  
17 town to provide utility service, the waiver or delay shall be  
18 pursuant to a program established by ordinance. As used in this  
19 section, the provision of "utility service" includes, but is not  
20 limited to, water, sanitary or storm sewer service, electricity, gas,  
21 other means of power, and heat.

22 **Sec. 5.** RCW 36.94.140 and 2005 c 324 s 2 are each amended to  
23 read as follows:

24 (1) Every county, in the operation of a system of sewerage and/or  
25 water, shall have full jurisdiction and authority to manage,  
26 regulate, and control it. Except as provided in subsection (3) of  
27 this section, every county shall have full jurisdiction and authority  
28 to fix, alter, regulate, and control the rates and charges for the  
29 service and facilities to those to whom such service and facilities  
30 are available, and to levy charges for connection to the system.

31 (2) The rates for availability of service and facilities, and  
32 connection charges so charged must be uniform for the same class of  
33 customers or service and facility. In classifying customers served,  
34 service furnished or made available by such system of sewerage and/or  
35 water, or the connection charges, the county legislative authority  
36 may consider any or all of the following factors:

37 (a) The difference in cost of service to the various customers  
38 within or without the area;

1 (b) The difference in cost of maintenance, operation, repair and  
2 replacement of the various parts of the systems;

3 (c) The different character of the service and facilities  
4 furnished various customers;

5 (d) The quantity and quality of the sewage and/or water delivered  
6 and the time of its delivery;

7 (e) Capital contributions made to the system or systems,  
8 including, but not limited to, assessments;

9 (f) The cost of acquiring the system or portions of the system in  
10 making system improvements necessary for the public health and  
11 safety;

12 (g) The nonprofit public benefit status, as defined in RCW  
13 24.03.490, of the land user; and

14 (h) Any other matters which present a reasonable difference as a  
15 ground for distinction.

16 (3) The rate a county may charge under this section for storm or  
17 surface water sewer systems or the portion of the rate allocable to  
18 the storm or surface water sewer system of combined sanitary sewage  
19 and storm or surface water sewer systems shall be reduced by a  
20 minimum of ten percent for any new or remodeled commercial building  
21 that utilizes a permissive rainwater harvesting system. Rainwater  
22 harvesting systems shall be properly sized to utilize the available  
23 roof surface of the building. The jurisdiction shall consider rate  
24 reductions in excess of ten percent dependent upon the amount of  
25 rainwater harvested.

26 (4) A county may provide assistance to aid low-income persons in  
27 connection with services provided under this chapter.

28 (5) The service charges and rates shall produce revenues  
29 sufficient to take care of the costs of maintenance and operation,  
30 revenue bond and warrant interest and principal amortization  
31 requirements, and all other charges necessary for the efficient and  
32 proper operation of the system.

33 (6) A connection charge under this section for service to a  
34 manufactured housing community, as defined in RCW 59.20.030, applies  
35 to an individual lot within that community only if the system of  
36 water or sewerage provides and maintains the connection.

37 (7)(a) A county in which a state of emergency has been declared  
38 related to homelessness must waive connection charges under this  
39 section for properties used by a nonprofit organization, local  
40 agency, or any other legal entity that provides emergency shelter for

1 homeless persons or victims of domestic violence who are homeless for  
2 personal safety reasons.

3 (b) A county in which a state of emergency has not been declared  
4 related to homelessness may waive connection charges under this  
5 section for properties used by a nonprofit organization, local  
6 agency, or any other legal entity that provides emergency shelter for  
7 homeless persons or victims of domestic violence who are homeless for  
8 personal safety reasons.

9 (8) At such time as a property receiving a waiver under  
10 subsection (7)(a) of this section is no longer operating under the  
11 eligibility requirements under subsection (7)(a) of this section:

12 (a) The waiver of connection charges required under subsection  
13 (7)(a) of this section is no longer required; and

14 (b) Any connection charges waived under subsection (7)(a) of this  
15 section are immediately due and payable to the utility as a condition  
16 of continued service.

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

19 (a) "Connection charges" means the one-time capital and  
20 administrative charges imposed by a utility on a building or facility  
21 owner for a new utility service, but does not include costs borne or  
22 assessed by a utility for the labor, materials, and services  
23 necessary to physically connect a designated facility to the  
24 respective utility service.

25 (b) "Domestic violence" has the same meaning as defined in RCW  
26 70.123.020.

27 (c) "Emergency shelter" means any facility:

28 (i) Whose sole purpose is to provide a temporary shelter for the  
29 homeless and that does not require occupants to sign a lease or  
30 occupancy agreement; and

31 (ii) That is funded in whole or in part from the state omnibus  
32 capital appropriations act, state omnibus operating appropriations  
33 act, housing finance commission programs, housing authorities, or  
34 local government housing funds.

35 (d) "Homeless person" has the same meaning as defined in RCW  
36 43.185C.010.

37 **Sec. 6.** RCW 54.24.080 and 1995 c 140 s 3 are each amended to  
38 read as follows:



1 (1) The commission of each district which shall have revenue  
2 obligations outstanding shall have the power and shall be required to  
3 establish, maintain, and collect rates or charges for electric energy  
4 and water and other services, facilities, and commodities sold,  
5 furnished, or supplied by the district. The rates and charges shall  
6 be fair and, except as authorized by RCW 74.38.070 and by subsections  
7 (2) and (3) of this section, nondiscriminatory, and shall be adequate  
8 to provide revenues sufficient for the payment of the principal of  
9 and interest on such revenue obligations for which the payment has  
10 not otherwise been provided and all payments which the district is  
11 obligated to set aside in any special fund or funds created for such  
12 purpose, and for the proper operation and maintenance of the public  
13 utility and all necessary repairs, replacements, and renewals  
14 thereof.

15 (2) The commission of a district may waive connection charges for  
16 properties purchased by low-income persons from organizations exempt  
17 from tax under section 501(c)(3) of the federal internal revenue code  
18 as amended prior to the July 23, 1995. Waivers of connection charges  
19 for the same class of electric or gas utility service must be  
20 uniformly applied to all qualified property. Nothing in this  
21 subsection (2) authorizes the impairment of a contract.

22 (3) In establishing rates or charges for water service,  
23 commissioners may in their discretion consider the achievement of  
24 water conservation goals and the discouragement of wasteful water use  
25 practices.

26 (4) (a) The commission of a district that is located, in whole or  
27 in part, within a county or a city in which a state of emergency has  
28 been declared related to homelessness must waive connection charges  
29 for properties used by a nonprofit organization, local agency, or any  
30 other legal entity that provides emergency shelter for homeless  
31 persons or victims of domestic violence who are homeless for personal  
32 safety reasons.

33 (b) The commission of a district that is not located within a  
34 county or a city in which a state of emergency has been declared  
35 related to homelessness may waive connection charges for properties  
36 used by a nonprofit organization, local agency, or any other legal  
37 entity that provides emergency shelter for homeless persons or  
38 victims of domestic violence who are homeless for personal safety  
39 reasons.

1 (5) At such time as a property receiving a waiver under  
2 subsection (4)(a) of this section is no longer operating under the  
3 eligibility requirements under subsection (4)(a) of this section:

4 (a) The waiver of connection charges required under subsection  
5 (4)(a) of this section is no longer required; and

6 (b) Any connection charges waived under subsection (4)(a) of this  
7 section are immediately due and payable to the utility as a condition  
8 of continued service.

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

11 (a) "Connection charges" means the one-time capital and  
12 administrative charges imposed by a utility on a building or facility  
13 owner for a new utility service, but does not include costs borne or  
14 assessed by a utility for the labor, materials, and services  
15 necessary to physically connect a designated facility to the  
16 respective utility service.

17 (b) "Domestic violence" has the same meaning as defined in RCW  
18 70.123.020.

19 (c) "Emergency shelter" means any facility:

20 (i) Whose sole purpose is to provide a temporary shelter for the  
21 homeless and that does not require occupants to sign a lease or  
22 occupancy agreement; and

23 (ii) That is funded in whole or in part from the state omnibus  
24 capital appropriations act, state omnibus operating appropriations  
25 act, housing finance commission programs, housing authorities, or  
26 local government housing funds.

27 (d) "Homeless person" has the same meaning as defined in RCW  
28 43.185C.010.

29 NEW SECTION. Sec. 7. A new section is added to chapter 80.28  
30 RCW to read as follows:

31 (1)(a) A gas company, electrical company, wastewater company, or  
32 water company that is located, in whole or in part, within a city or  
33 county in which a state of emergency has been declared related to  
34 homelessness must waive service line charges for properties used by a  
35 nonprofit organization, local agency, or other legal entity that  
36 provides emergency shelter for homeless persons or victims of  
37 domestic violence who are homeless for personal safety reasons.  
38 Expenses and lost revenues as a result of this waiver must be

1 included in the company's cost of service and recovered in rates to  
2 other customers.

3 (b) A gas company, electrical company, wastewater company, or  
4 water company that is not located within a city or county in which a  
5 state of emergency has been declared related to homelessness may  
6 waive service line charges for properties used by a nonprofit  
7 organization, local agency, or other legal entity that provides  
8 emergency shelter for homeless persons or victims of domestic  
9 violence who are homeless for personal safety reasons. Expenses and  
10 lost revenues as a result of this waiver must be included in the  
11 company's cost of service and recovered in rates to other customers.

12 (2) At such time as a property receiving a waiver under  
13 subsection (1)(a) of this section is no longer operating under the  
14 eligibility requirements under subsection (1)(a) of this section:

15 (a) The waiver of service line charges required under subsection  
16 (1)(a) of this section is no longer required; and

17 (b) Any service line charges waived under subsection (1)(a) of  
18 this section are immediately due and payable to the utility as a  
19 condition of continued service.

20 (3) The definitions in this subsection apply throughout this  
21 section unless the context clearly requires otherwise.

22 (a) "Domestic violence" has the same meaning as defined in RCW  
23 70.123.020.

24 (b) "Emergency shelter" means any facility:

25 (i) Whose sole purpose is to provide a temporary shelter for the  
26 homeless and that does not require occupants to sign a lease or  
27 occupancy agreement; and

28 (ii) That is funded in whole or in part from the state omnibus  
29 capital appropriations act, state omnibus operating appropriations  
30 act, housing finance commission programs, housing authorities, or  
31 local government housing funds.

32 (c) "Homeless person" has the same meaning as defined in RCW  
33 43.185C.010.

34 (4) This section expires July 1, 2027.

35 NEW SECTION. **Sec. 8.** Sections 1, 2, and 4 through 6 of this act  
36 expire July 1, 2027.

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