

# SENATE BILL REPORT

## HB 2116

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As Reported By Senate Committee On:  
State & Local Government, March 24, 1999

**Title:** An act relating to public utility district disposition of property.

**Brief Description:** Allowing a public utility district to dispose of equipment or materials.

**Sponsors:** Representatives Scott, Mielke, Mulliken, Edwards, Fortunato, Cooper and Reardon.

**Brief History:**

**Committee Activity:** State & Local Government: 3/22/99, 3/24/99 [DP].

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### SENATE COMMITTEE ON STATE & LOCAL GOVERNMENT

**Majority Report:** Do pass.

Signed by Senators Patterson, Chair; Gardner, Vice Chair; Hale, Haugen, Horn, Kline and McCaslin.

**Staff:** Sharon Swanson (786-7445)

**Background:** Public utility districts (PUDs) may sell and convey, lease, or otherwise dispose of all or any part of their works, plants, systems, utilities and properties, after proceedings and supermajority voter approval by district voters. A PUD may dispose of property outside its boundaries to another PUD, city or town without voter approval.

A PUD may dispose of any property within or outside its boundaries that is obsolete, unserviceable, inadequate, worn out, unfit, or no longer necessary in the operations of the system and may transfer such property to any person or public body without voter approval.

**Summary of Bill:** Public utility districts are authorized to sell, convey, lease or otherwise dispose of equipment or materials from the district's stores to any other districts without voter approval or a resolution of a district's board. This authority is granted only if the equipment or materials cannot practically be obtained on a timely basis from any other source and if the district receives either an amount equal to the purchase price or the reasonable market value of the equipment or materials.

Entities to which the PUD may sell, convey, lease or otherwise dispose of property from the district's stores include: any cooperative, mutual, consumer owned or investor owned utility; any federal, state, or local government agency; any contractor employed by the district or any other district, utility, or agency; or any customer of the district or of any other district or utility.

**Appropriation:** None.

**Fiscal Note:** Not requested.

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

**Testimony For:** Currently a PUD cannot sell, lend, or convey material without going through a cumbersome process required by surplus laws. The provisions of this bill will be used to restore electrical services as quickly as possible for consumers, such as during a storm when a utility runs out of poles or transformers or other equipment needed to get electricity flowing again to consumers.

**Testimony Against:** None.

**Testified:** PRO: Allen Aldrich, Snohomish PUD; Toni McKinley, Washington PUD Association.