

of Education shall call, in the month of September next following the date of the occurrence of such vacancy, a special convention to be held on the third Wednesday of October following, in the congressional district from which the member whose office was vacated was elected, at which convention a successor shall be elected to hold office for the unexpired term of the member whose office was vacated. Such special convention shall be called and the election held in the manner set forth in sections 2 and 3 of this act for the regular conventions and elections.

Special  
convention.

Passed the House March 7, 1947.

Passed the Senate March 6, 1947.

Approved by the Governor March 20, 1947.

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## CHAPTER 259.

[ S. H. B. 32 ' ]

### PUBLIC UTILITY DISTRICTS.

AN ACT relating to Public Utility Districts; providing for the levying, collection, distribution and expenditures of a privilege tax on public utility districts engaged in the generation, distribution and sale of electric energy; amending section 2, chapter 245, Laws of 1941 (sec. 11616-2, Rem. Rev. Stat.; sec. 833-53, PPC), and providing when said act shall take effect.

*Be it enacted by the Legislature of the State of Washington:*

SECTION 1. Section 2, chapter 245, Laws of 1941 (sec. 11616-2, Rem. Rev. Stat.; sec. 833-53, PPC), is amended to read as follows:

Section 2. (a) From and after May 1, 1941, there is hereby levied and there shall be collected from every district a tax for the act or privilege of engaging within this state in the business of operating works, plants or facilities for the generation, distribution and sale of electric energy. With respect to each such district, such tax shall be the

Tax levy on  
privilege.

## Amounts.

sum of the following amounts: (i) two per cent (2%) of the gross revenues derived by said district from the sale of all "distributed energy", i. e., electric energy which it distributes to consumers but neither generates nor purchases from generating districts; (ii) five per cent (5%) of the gross revenues derived by said district from the sale of all "self generated and distributed energy", i.e., the electric energy which it distributes to customers and also generates; and (iii) five per cent (5%) of the gross revenues derived by said district from the sale of "distributed energy purchased from another generating district", i.e., electric energy which it distributes to consumers and also purchases from another district which generated the same.

Report to  
Tax Com-  
mission.

(b) On or before the 15th day of March, 1942, and of each year thereafter, each district subject to this tax shall file with the Tax Commission a report verified by the affidavit of its manager or secretary on forms prescribed by the Tax Commission. Such report shall state (1) the taxing districts wherein the operating property of the district is located, (2) as to the entire property and as to each such taxing district, the reproduction cost new and less depreciation of such operating property so far as that information is available from the district's existing records without taking additional inventory or procuring an engineering report or survey, (3) actual cost and general description of operating property purchased or constructed, (4) the district's separately stated gross revenues for the preceding year derived from the sale of each of the three classes of electric energy described in section 2 (a), and (5) such other and further information as the Tax Commission reasonably may require in order to administer the provisions of this act. In case of failure by a district to file such report, the Commission may proceed to determine the information,

Contents of  
report.Failure to  
file report.

which determination shall be contestable by the district only for actual fraud. The Tax Commission shall proceed to determine the fair cash market value of the operating property of each and all of the districts taxable hereunder as of December 31st last past, and the percentage thereof located in each of the taxing districts wherein such operating property is located.

(c) Prior to August 15, the Tax Commission shall compute the tax imposed by this act for the last preceding calendar year and notify the district of the amount thereof, which shall be payable on or before October 1. Upon receipt of the amount of each tax imposed by this act the Tax Commission shall deposit the same with the State Treasurer, who shall deposit four per cent (4%) thereof in the General Fund of the state and shall distribute the remainder in the manner hereinafter set forth. The State Treasurer shall send a duplicate copy of each such letter of transmittal to the Tax Commission, and the Tax Commission shall instruct the County Treasurer or Treasurers as to the distribution of the money, as hereinafter provided.

Computation  
of tax by Tax  
Commission.

Notification  
and payment.

Four per  
cent to gen-  
eral fund.

(d) Prior to the 15th day of January, 1942, and of each year thereafter, the County Treasurer of each county in which operating property of any district or districts is located shall transmit to the Tax Commission a statement of the tax levies made on real and personal property in each taxing district of the county. The Tax Commission shall determine the amount of money which each taxing district in which operating property of the district is located would have received if the levies made for county, city, town, school district and road district purposes, not including excess levies voted by the people, had been applied to the fair cash market value of the district's operating property in the taxing district. These amounts are referred to

"Taxing dis-  
trict's tenta-  
tive tax."

"Aggregate taxing district's tentative tax."

herein as the "taxing district's tentative tax", their total for all the taxing districts wherein the operating property of a given district is located is referred to herein as such district's "aggregate taxing districts' tentative tax", and their total for any county is herein referred to as the "county districts' tentative tax."

"County districts' tentative tax."

With respect to each taxing district in which is located a district's generating plants or transmission lines utilized in the generation or transmission of electric energy sold to other districts, the Tax Commission shall also determine the amount of money which each such taxing district would have received if the levies made for county, city, town, school district and road district purposes, not including excess levies voted by the people, had been applied to the fair cash market value of such generating plants and/or transmission lines in the taxing district. These amounts are referred to herein as the "taxing district's tentative tax for generation or transmission of energy sold" and their total for any county is herein referred to as the "county district's tentative tax for generation or transmission of energy sold."

"Taxing districts tentative tax for generation or transmission of energy sold."

"County district's tentative tax for generation or transmission of energy sold."

Where any district generates electric energy, the whole or any part of which it sells to other districts for distribution to consumers by them, and the remainder, if any, of which it distributes itself to consumers, in such case such selling district and each such purchasing district shall be deemed a "contributing district" and, for the purpose of distribution thereof, sixty per cent (60%) of all the taxes payable by each such contributing district with respect to such electric energy so distributed to consumers shall be pooled by the Tax Commission and distributed to each of the taxing districts in which the generating plants generating such energy or the transmission lines utilized for transmitting

"Contributing district."

Sixty per cent to be pooled.

such energy are located. Such taxes shall be distributed to each such taxing district in the proportion which its "taxing district's tentative tax for generation or transmission of energy sold" bears to the total of such tentative taxes for all the taxing districts sharing therein.

Distribution to taxing districts.

Proportion.

The remainder of the taxes collectible from each district hereunder shall be distributed by the Tax Commission to each taxing district in which the operating property of such district is located in the proportion that such "taxing district's tentative tax" bears to said district's "aggregate taxing district's tentative tax": *Provided, however,* That none of such remainder shall be distributed on the basis of any "taxing district's tentative tax for generation and transmission of energy sold."

Distribution of remainder.

Proportion.

After deduction therefrom of the state tax of four per cent (4%), the remainder of each such tax payment by any district shall be distributed by the State Treasurer to each county wherein the taxing districts entitled to any portion thereof are located, and shall in turn be distributed by the County Treasurer of each such county to such taxing districts as hereinabove provided. All money received by the county shall be used exclusively for maintenance and operation of the Superior Court and Sheriff's office of the county; all money received by a city or town shall be expended exclusively for maintenance and operation of the fire and police departments of the particular city or town to which the same is thus apportioned; all money received by a school district shall be expended exclusively for maintenance and operation of the public schools in the particular school district to which the same is thus apportioned; all money transmitted to the County Treasurer for road districts shall be expended exclusively for the maintenance and con-

Distribution of remainder after four per cent deduction.

Uses of money received. County.

Cities and towns.

School districts.

Road districts.

struction of public roads in the particular road districts to which the same is thus apportioned.

Interest  
after due  
date.

(e) Interest at the rate of six per cent (6%) per annum shall be added to the tax hereby imposed after the due date. The tax shall constitute a debt to the State of Washington and may be collected as such.

"Distributes  
to con-  
sumers."

(f) As used herein, the term "distributes to consumers" shall mean the sale of electric energy to ultimate consumers thereof, and shall not include sales of electric energy for resale by the purchaser.

Saving  
clause.

SEC. 2. If any section, sub-section, clause, sentence or phrase of this act be for any reason adjudged unconstitutional, such adjudication shall not invalidate the remaining portions of this act, and the legislature hereby declares that it would have enacted this act notwithstanding the omission of the portion so adjudicated invalid.

SEC. 3. This act shall take effect July 1, 1947.

Passed the House March 4, 1947.

Passed the Senate March 8, 1947.

Approved by the Governor March 20, 1947.

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## CHAPTER 260.

[ H. B. 394. ]

### NEGLECTED CHILDREN.

AN ACT relating to the care of homeless, dependent and neglected children, and providing for plans and the expenditure of funds therefor, amending section 6, chapter 114, Laws of 1937 as amended by section 6, chapter 242, Laws of 1941 (sec. 9992-106, Rem. Rev. Stat.; sec. 919-11, PPC).

*Be it enacted by the Legislature of the State of Washington:*

SECTION 1. Section 6, chapter 114, Laws of 1937 as amended by section 6, chapter 242, Laws of 1941 (sec. 9992-106, Rem. Rev. Stat.; sec. 919-11, PPC) is amended to read as follows: