

# SENATE BILL REPORT

## SB 5143

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As of February 11, 2009

**Title:** An act relating to allowing a six percent property tax limit for emergency medical care and service levies.

**Brief Description:** Providing for an increase in the property tax limit for emergency medical care and services.

**Sponsors:** Senators Regala, Franklin and Kohl-Welles.

**Brief History:**

**Committee Activity:** Ways & Means: 2/10/09.

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### SENATE COMMITTEE ON WAYS & MEANS

**Staff:** Dianne Criswell (786-7433)

**Background:** Taxing districts that may authorize an emergency medical care and service levy include a county, city or town, public hospital district, urban emergency medical service district, regional fire protection service authority, fire protection district, and an emergency medical service district. A taxing district may impose an emergency medical care and service levy in an amount equal to 50 cents or less per \$1,000 of the assessed value of property in the taxing district. The growth rate of taxing district regular levy revenues may not exceed an annual 1 percent levy limit.

Monies from taxes imposed under an emergency medical care and service levy must be used only for the provision of emergency medical care or emergency medical services including related personnel costs and training for such personnel and related equipment, supplies, vehicles, and structures needed for the provision of emergency medical care or emergency medical services.

Regular property taxes in excess of the 1 percent growth rate limitations on revenue may be levied by a taxing district if approved by district voters. This approval is referred to as a levy lid lift. A levy lid lift can last up to a maximum of six consecutive years.

**Summary of Bill:** The bill as referred to committee not considered.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

**Summary of Bill (Proposed Substitute):** Taxing districts which impose a permanent levy under an emergency medical care and service levy may raise their annual levies by up to 6 percent per year, instead of the current 1 percent. Voter approval of these levies will be by simple majority, rather than by a three-fifths majority. Taxing districts which have already imposed a permanent emergency medical care and service levy, prior to the effective date of this act, may adopt the previously approved levy rate and the new 106 percent levy limit factor through voter approval.

**Appropriation:** None.

**Fiscal Note:** Available.

**Committee/Commission/Task Force Created:** No.

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

**Staff Summary of Public Testimony:** PRO: Tacoma voters have approved a permanent Emergency Medical Services (EMS) levy to help support programs and services. As a result of the levy limit reducing the levy rate, we have to go back to voters every four to five years to reauthorize the previously approved permanent \$0.50/\$1,000 rate. The need to reauthorize the permanent levy every few years reduces our ability to make long-term spending plans, such as capital projects. EMS program expenses have been increasing at an 8 percent rate. Demand for services is also increasing. Yet, in addition to the reduction of the property tax revenues from the levy limit, there are additional expenses of approximately \$100,000 related to putting a levy lid lift on the ballot for voter approval. The current levy limit prevents our district from using our full EMS levy, approved by voters, for programs and services. The voters approved the tax permanently and we believe they would authorize the statutory maximum rate permanently again.

**Persons Testifying:** PRO: Michael Fitzgerald, James Duggan, Tacoma Fire Department.