
Local Government Committee

HB 2615

Brief Description: Authorizing benefit charges for the enhancement of fire protection services.

Sponsors: Representatives Goodman and Kagi.

<p style="text-align: center;">Brief Summary of Bill</p> <ul style="list-style-type: none">• Authorizes a city or town to fix and impose a benefit charge for fire protection services if the city or town is annexing or has annexed since 2006 all or part of a fire protection district.
--

Hearing Date: 1/25/12

Staff: Kelly Pfundheller (786-7289).

Background:

State law authorizes the creation of several types of fire protection and emergency service providers in order to address the varying needs of cities, towns, and counties as determined by demographic factors, geography, and other regional differences. The primary types of fire protection services include: city and town fire departments; fire protection districts; regional fire protection service authorities; and port district fire departments.

Each type of fire protection service provider operates within a specified jurisdiction and each has the authority to tax residents to finance services. In addition, fire protection service providers are authorized to enter into interlocal agreements in order to provide mutual aid outside of customary jurisdictional boundaries.

Fire Protection Districts. Fire protection districts (districts) provide fire prevention, fire suppression, and emergency medical services within a district's boundaries, which can include incorporated and unincorporated areas. Generally, districts serve residents outside of cities or towns, except when cities and towns have been annexed into a district or when the district continues to provide service to a newly incorporated area. The districts finance their activities

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.

and facilities by imposing: regular property taxes, excess voter-approved property tax levies, or benefit charges.

Annexation of Territory Served by a Fire Protection District (district). Cities and towns are authorized to annex unincorporated areas, including areas served by districts, through multiple methods. While code and non-code cities and towns have separate statutory requirements for governance and operation, the annexation methods employed are generally similar. There are numerous methods of annexation available, including: a resolution/election method, a petition/election method, two direct petition methods, a resolution only method, and an ordinance method. Also, an annexation by a city or town that is proposing to annex territory served by a district may be accomplished by ordinance after entering into an interlocal agreement with the county and the district. Each method of annexation must follow specified processes.

Requirements and procedures for transferring employees and assets of an annexed district to the city or town are provided in statute. In practice, a city or town's fire department serves the annexed areas or the city or town may contract for services with another fire protection service provider.

Benefit Charges. A benefit charge is a type of assessment used by districts and regional fire protection service authorities (authorities). A benefit charge is not based on the value of real property, but is instead linked to other factors such as insurance savings or the distance from fire service facilities. A district or authority may use this funding approach as a means for apportioning the real costs of service to an individual property in a manner that reflects the actual benefits provided to that property. The imposition of a benefit charge is subject to voter approval by a 60 percent majority of the voters living within the jurisdiction of the district or authority. Subject to such voter approval, a district or authority has the option of imposing benefit charges in lieu of a portion of the property tax it is otherwise authorized to impose.

Cities and towns are not currently authorized to impose benefit charges as a method for financing fire protection services.

Summary of Bill:

For the purposes of enhancing fire protection services, a city or town may fix and impose a benefit charge on personal property and improvements to real property located in the city or town if the city or town is conducting annexation of, or has annexed since 2006, all or part of a fire protection district.

A benefit charge must be reasonably proportioned to the measurable benefits to property resulting from the enhancement of services afforded by the city or town. A benefit charge is linked to certain factors, including insurance savings or the distance from fire service facilities. The resolution establishing the benefit charge must specify, by legal geographical area or other specific designations, the charge to apply to each property by location, type, or other designation that is necessary to the proper computation of the charge to each property owner.

The imposition of a benefit charge is subject to voter approval by a 60 percent majority of the voters living within the jurisdiction of the city or town. A city or town imposing a benefit charge must not impose all or part of certain property taxes.

Between 10 days and six months prior to the election at which the proposition to impose the benefit charge is submitted, the city or town must hold a public hearing specifically setting forth its proposal to impose benefit charges. The election must be held not more than one year prior to the date on which the first charge is to be assessed. A benefit charge may not remain in effect for a period of more than six years or more than the number of years authorized by the voters, if fewer than six years, unless subsequently reapproved by the voters.

Deadlines and procedures for notice and annual review of benefit charges are established. After the owners of the property subject to the charge are notified of the amount, the city or town must form a review board for at least a two-week period. The city or town must, upon complaint in writing of an aggrieved party owning property in the city or town who has been charged an excessive amount, reduce the charge to a sum or amount as they believe to be the true, fair and just amount.

Exemptions from the benefit charge are set forth, which includes: property used for religious purposes by a recognized religious organization, including educational facilities; and property which maintains its own fire department. Certain persons receiving tax exemptions and persons with income limitations are exempt from a specified percentage of the benefit charge.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.