

HOUSE BILL REPORT

HB 1024

As Passed House

Title: An act relating to general obligation bonds issued by a fire protection district.

Brief Description: Extending the maturity date for general obligation bonds issued by fire protection districts.

Sponsors: Representatives Rayburn, Edmondson, Bray and Dunshee.

Brief History:

Reported by House Committee on:
Local Government, January 22, 1993, DP;
Passed House, February 3, 1993, 96-0.

HOUSE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: Do pass. Signed by 12 members:
Representatives H. Myers, Chair; Bray, Vice Chair;
Edmondson, Ranking Minority Member; Reams, Assistant Ranking
Minority Member; Dunshee; R. Fisher; Horn; Rayburn; Romero;
Springer; Van Luven; and Zellinsky.

Staff: Steve Lundin (786-7127).

Background: Local governments that are authorized to impose property taxes are also authorized to issue general indebtedness or general obligation bonds.

Constitutional and statutory limitations exist on the cumulative amount of general indebtedness that different types of these local government taxing districts may incur. Normally two different general indebtedness limitations are established for a taxing district, first an amount of non-voter approved, or councilmanic, indebtedness, and second an overall amount of indebtedness that includes both non-voter approved and voter approved general indebtedness. Statutes that establish debt limitations for different taxing districts also establish the maximum term of the debt or bonds. The most common maximum term for both voter approved and non-voter approved general indebtedness is 40 years.

Fire protection districts are authorized to incur both non-voter approved general indebtedness and an overall amount of both voter approved and non-voter approved indebtedness.

The maximum term of non-voter approved general indebtedness that a fire protection district may incur is six years. The maximum term of voter approved general indebtedness that a fire protection district may incur is 20 years.

Summary of Bill: The maximum term of non-voter approved general indebtedness that a fire protection district may incur is increased from six years to 15 years.

Fiscal Note: Not requested.

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

Testimony For: This modernizes fire district statutes. Fire trucks have a life expectancy far in excess of 15 years.

Testimony Against: None.

Witnesses: Pete Spiller, Washington Fire Commissioners Association.