## **SB 6433** - S AMD **105**

By Senators Kastama, Roach and Benton

ADOPTED 2/11/2006

- Strike everything after the enacting clause and insert the following:
- 3 "NEW SECTION. Sec. 1. The legislature finds that recent events, 4 including the 9/11 terrorist acts, the tsunami in southeast Asia, 5 Hurricanes Katrina and Rita in the gulf coast, outbreaks of avian flu, 6 and the earthquake in Pakistan, have demonstrated the need for a coordinated, comprehensive all-hazards disaster plan involving 7 8 citizens, industry, local governments, and the state. Washington 9 state's topography, geography, location, and strategic and economic interests place the state at particular risk from both natural 10 disasters and man-made disasters. In response, Washington state and 11 12 its local governments have implemented nationally recognized allhazards emergency management and disaster response plans. However, 13 14 recent studies have revealed the lack of a secure funding source for 15 resolving impediments to the ability of state and local programs to 16 integrate and coordinate comprehensive disaster preparedness. 17 addition, local programs suffer disparities in funding and expertise, leaving troublesome gaps in a well-coordinated statewide all-hazards
  - Recognizing that all disasters are local disasters, the legislature therefore intends to strengthen state and local emergency response, mitigation, preparation, and coordination by establishing a stable source of funding with the intent that Washington state become the nationally recognized leader in emergency management. The funding will be dedicated to the development and coordination of state and local government emergency management programs by supporting joint training exercises, citizen and industry coordination with emergency management efforts, public education, and relationship building among local and state emergency management officials.
- 30 <u>NEW SECTION.</u> **Sec. 2.** The emergency management, preparedness, and assistance account is created in the state treasury. Moneys in the

emergency management system.

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account may be spent only after appropriation. Expenditures from the account may be used only as provided in section 3 of this act.

- NEW SECTION. Sec. 3. (1)(a) The department must use twenty percent of the funds appropriated from the emergency management, preparedness, and assistance account for the department's administration of this section, and to: Fund the assessment required by section 4 of this act; fund state agency activities, including military department activities, that develop and coordinate comprehensive emergency management plans; train elected and appointed state officials on state laws, disaster command and response structures, and the roles and responsibilities of officials before, during, and after a disaster; administer periodic joint emergency management training exercises involving the military department and other state agencies; and implement state agency projects that will strengthen emergency response, mitigation, preparation, and coordination.
  - (b) The department must allocate eighty percent of the funds appropriated from the emergency management, preparedness, and assistance account for grants to regional agencies, local governments, tribal governments, regional incident management teams, and private organizations to: Develop and coordinate comprehensive emergency management plans; train elected and appointed officials on state laws, ordinances, disaster command and response structures, and the roles and responsibilities of officials before, during, and after a disaster; administer periodic joint emergency management training exercises; and implement projects that will strengthen emergency response, mitigation, preparation, and coordination.
  - (2) Projects funded under this section must include, but need not be limited to, projects that will promote neighborhood level public education on disaster preparedness and recovery issues, situate all weather radios in public buildings, enhance coordination of public sector and private sector relief efforts, and improve the training and operations capabilities of agencies assigned lead or support responsibilities in the state comprehensive emergency management plan.
  - (3) Grant funding may also be used as seed money to establish a dedicated, full-time emergency management director in every county that does not have such a director as of the effective date of this section.

- 1 (4) The department must establish criteria and procedures for 2 competitive allocation of these funds by rule. At a minimum, the rules 3 must:
  - (a) Establish preferential funding for projects and exercises addressing needs and recommendations identified by the department in the assessment conducted under section 4 of this act;
  - (b) Specify a formula that establishes a base grant allocation and weighted factors for funds to be allocated over the base grant amount for regional agencies, local governments, tribal governments, regional incident management teams, and private organizations with existing emergency management and preparedness programs that are located in a part of the state where the risk of exposure to disasters is deemed by the department to be particularly acute;
    - (c) Specify match requirements; and

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- (d) Include requirements that, at a minimum, a local emergency management agency have: A comprehensive emergency management plan or be a member of a joint local organization for emergency management; and a local director who works at least forty hours a week in that capacity, or have designated by ordinance or resolution an emergency management coordinator who works at least fifteen hours a week in that capacity.
- (5) No more than five percent of any award made under subsection (1)(b) of this section may be used for administrative expenses.
  - (6) The distribution formula provided in this section may be adjusted proportionally when necessary to meet any matching requirements imposed as a condition of receiving federal disaster relief assistance or planning funds.
- 28 (7) Local governments receiving funds under this section may not 29 use the funds to supplant existing funding.
- NEW SECTION. Sec. 4. Beginning in January 2008 and biennially thereafter, the department must conduct in conjunction with the emergency management council a strategic assessment of, and issue a report on, the ability of state, local, and tribal emergency management organizations to effectively provide for all phases of comprehensive emergency management. The assessment must:
- 36 (1) Evaluate state, local, and tribal emergency management 37 capabilities and needs;

- 1 (2) Evaluate the ability of state, local, and tribal emergency 2 management organizations to provide emergency management mitigation, 3 preparedness, response, and recovery;
  - (3) Evaluate the effectiveness of the emergency management structure at the state, local, and tribal levels;
  - (4) Provide findings and make recommendations that increase the ability of state, local, and tribal emergency management organizations to meet current and future risks; and
- 9 (5) Detail where and for what purpose funds under section 3(1)(b) of this act have been distributed.

NEW SECTION. Sec. 5. The joint legislative audit and review 11 committee must study and review the performance of programs implemented 12 under this act. The committee must examine at least the following 13 factors: The number and type of joint exercises conducted under 14 15 section 3 of this act; the number of programs receiving grant money and 16 the status of those programs; the coordination of comprehensive 17 emergency management plans between state and local jurisdictions; the number of training programs administered; the number of comprehensive 18 emergency management or safety plans created using funds distributed 19 20 under section 3 of this act; and the number of emergency preparedness officials created and trained with funds distributed under this act. 21 The committee must provide a final report on this review by December 22 23 2008. Funds from the emergency management, preparedness, and 24 assistance account may be provided to the committee for the purposes of 25 conducting the study.

NEW SECTION. Sec. 6. The legislature shall establish an advisory committee to study issues related to the collection of an annual, per policy surcharge on homeowner's, mobile homeowner's, tenant homeowner's, condominium unit owner's and commercial fire, multiple peril, and business owner's property insurance policies to fund emergency management. The advisory committee will study if and how retaliatory tax provisions may be implicated, costs associated with collecting the fee, costs associated with allowing other insurance surcharges to be excluded from the premium calculation, and any other issues deemed relevant by the committee. The advisory committee, where appropriate, may consult with individuals from the public and private sector. The advisory committee shall report its findings and

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- 1 recommendations to the appropriate committees of the legislature by
- 2 November 30, 2006.
- 3 <u>NEW SECTION.</u> **Sec. 7.** Sections 2 through 4 of this act are each
- 4 added to chapter 38.52 RCW.
- 5 <u>NEW SECTION.</u> **Sec. 8.** Section 6 of this act expires January 1,
- 6 2007.
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- 8 **SB 6433** S AMD **105** 
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- 10 ADOPTED 2/11/2006
- On page 1, line 2 of the title, after "account;" strike the
- remainder of the title and insert "adding new sections to chapter 38.52
- 13 RCW; creating new sections; and providing an expiration date."

## --- END ---

**EFFECT:** Takes out the funding mechanism for the account. Requires the legislature to study issues related to collecting a per policy surcharge on insurance policies to fund emergency management.