

SENATE BILL REPORT

SB 5520

As Reported by Senate Committee On:
Governmental Operations, February 4, 2014

Title: An act relating to establishing a regional fire protection service authority formation process for cities.

Brief Description: Establishing a regional fire protection service authority formation process for cities.

Sponsors: Senators Billig, Conway, Fain and Delvin.

Brief History:

Committee Activity: Governmental Operations: 2/11/13, 1/30/14, 2/04/14 [DP, DNP].

SENATE COMMITTEE ON GOVERNMENTAL OPERATIONS

Majority Report: Do pass.

Signed by Senators Roach, Chair; Hasegawa, Ranking Member; Conway and McCoy.

Minority Report: Do not pass.

Signed by Senator Benton, Vice Chair.

Staff: Karen Epps (786-7424)

Background: A Regional Fire Protection Service Authority (Authority) may be created for the purpose of conducting specified fire protection functions at a regional level. An Authority may be created by the merger of two or more adjacent fire protection jurisdictions including fire protection districts, cities, port districts, and Indian tribes. An Authority may also be created by a vote of the people that approves an Authority plan (plan), and the creation of the Authority, as a single ballot measure.

The plan is created by a planning committee composed of three elected officials appointed by the governing bodies of each of the participating fire protection districts and departments. The plan must provide for the design, financing, and development of fire protection and emergency services. The planning committee must also recommend statutorily authorized sources of revenue and a financing plan for funding selected fire protection and emergency services and projects. The planning committee may receive state funding or county funding to provide for start-up funding to pay for salaries, expenses, overhead, supplies, and other

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similar expenses. Upon creation of an Authority, the state or the county must be reimbursed for these start-up costs within one year.

Once the plan is adopted, it is forwarded to the participating jurisdictions to initiate the election process. The required margin for voter approval depends on the revenue sources proposed by the plan. If the plan does not authorize benefit charges or 60 percent voter-approved taxes, the ballot measure must be approved by a simple majority. If however, the plan authorizes the authority to impose benefit charges or 60 percent voter-approved taxes, the ballot measure must be approved by 60 percent of the voters.

An Authority is governed by a board charged with executing the plan. Board membership is determined by the service plan and is limited to elected officials. The board is empowered to do the following:

- levy and impose taxes as authorized;
- enter into intergovernmental agreements;
- acquire, hold, or dispose of real property;
- exercise the powers of eminent domain;
- enforce fire codes;
- accept grants and contributions to support the purposes of the Authority;
- monitor and audit the progress and execution of the Authority's programs and projects;
- enter into leases, contracts, and pay for services;
- hire and fire personnel; and
- exercise other powers and duties as are reasonably necessary to carry out its purposes.

All powers, duties, and functions of a participating fire protection jurisdiction may be transferred by resolution to the Authority.

Summary of Bill: A single city may create an Authority. A planning committee may receive city funding provided by the affected city or cities for start-up funding to pay for salaries, expenses, overhead, supplies, and other similar expenses. Upon creation of an Authority, the city or cities must be reimbursed for these start-up costs within one year. A city may certify the plan to the ballot.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony:

Testimony From 2013 Regular Session.

PRO: Fire protection is an essential and crucial tool for providing safety to our citizens. This bill will provide flexibility for local governments. This bill will allow local governments to provide fire protection service in a way that is most efficient and most

effective. This bill would allow a single city to create an Authority. An Authority would overlay the boundaries of that city.

CON: The current Authority legislation works well. The intent of that legislation was to allow for broad geographic mergers of different jurisdictions to provide economies of scale for training, administration, and coverage. There is nothing regional about a single jurisdiction Authority. There are no additional economies of scale. Formation of a single jurisdiction Authority creates another layer of bureaucracy.

Testimony From 2014 Regular Session.

PRO: Multiple local jurisdictions already have the ability to do what this bill would allow a city to do, which is create an Authority. Each city can decide if creating an Authority is right for their city. If a city decides to create an Authority, there would be a plan developed and a public vote to create the Authority. This bill creates flexibility for local governments. Any taxes that a city would collect for the fire department would follow the fire department to the Authority if an Authority is created. Voters must approve the plan prior to the creation of an Authority. This bill gives voters the opportunity for lower property taxes because the Authority could levy a benefit charge which would reduce the property tax levy. A benefit charge is based on a proportional benefit that the property receives. This bill is about efficiency. There are sometimes issues around cities and fire districts forming an Authority because city fire departments are so different. This bill would allow a city to create a similar structure in order to enable future consolidations. There is a correlation to the Washington State Rating Bureau assessment because when better service is provided to a community, the community's rating is reduced, which leads to a reduction in insurance premiums. There is a symbiotic relationship between private ambulance companies and public emergency response because the fire service is not interested in inter-facility transports, out-of-jurisdiction transports, and long transports. Fire service can provide emergency ambulance response for lower costs. This bill is one of the top five priorities of the Washington Fire Chiefs' Association.

CON: The current process to create an Authority works well. Allowing multiple jurisdictions to get together provides for economies of scale, efficiencies, and cost savings. This bill would allow for a second elected government within the same boundaries as an existing city. The result of this bill would be an increase in property taxes because there is not a reduction in city taxing authority if the city creates an Authority.

Persons Testifying:

Persons Testifying From 2013 Regular Session.

PRO: Senator Billig, prime sponsor; Geoff Simpson, WA State Council of Fire Fighters.

CON: Bob Berschauer, WA Ambulance Assn.

Persons Testifying From 2014 Regular Session.

PRO: Senator Billig, prime sponsor; Geoff Simpson, WA State Council of Fire Fighters; Kevin Nalder, Kirkland Fire Dept.

CON: Robert Berschauer, WA Ambulance Assn.