

# SENATE BILL REPORT

## SB 5802

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As Reported By Senate Committee On:  
Land Use & Planning, February 17, 2003

**Title:** An act relating to fire protection districts.

**Brief Description:** Transferring the assets and liabilities of certain fire protection districts.

**Sponsors:** Senators Mulliken and T. Sheldon.

**Brief History:**

**Committee Activity:** Land Use & Planning: 2/17/03 [DP].

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### SENATE COMMITTEE ON LAND USE & PLANNING

**Majority Report:** Do pass.

Signed by Senators Mulliken, Chair; Kline, McCaslin, Morton and T. Sheldon.

**Staff:** Jennifer Arnold (786-7471)

**Background:** Under current law, if less than 60 percent of the assessed value of real property within a fire protection district is annexed or incorporated, the district maintains ownership of all district assets, but must pay a percentage of the value of those assets equal to the percentage of the value of the real property in the district lying inside the area that was annexed or incorporated.

If more than 60 percent of the assessed value of a fire protection district is annexed or incorporated, all of the assets of that district are transferred to the newly incorporated non-code city or town. There is not a similar provision for code-cities when all of the area of a district is annexed or incorporated.

If less than 5 percent of the area of a fire protection district is annexed or incorporated, a distribution of assets is not required, unless the city or town adopts a resolution finding that annexation or incorporation will significantly increase the city or town's fire service responsibilities.

The local government of a newly formed city or town may postpone the transfer of assets to the city or town and the city's responsibility to provide fire services for up to one year after annexation or incorporation if the board of fire commissioners agrees.

**Summary of Bill:** In the event that less than 60 percent of the assessed value of a fire protection district is annexed or incorporated by a city, town, or another fire protection district, the fire protection district's assets are not distributed to that city, town, or other fire protection district. Thus, when less than 60 percent of a fire protection district is annexed or incorporated, the city, town, or other district is entitled to the property tax base of that district, but not the assets of that district.

The same provision applies to both code and non-code cities for situations in which 100 percent of the area of a fire protection district is annexed or incorporated and states that all of the assets of the district are transferred to the newly formed code or non-code city.

**Appropriation:** None.

**Fiscal Note:** Not requested.

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

**Testimony For:** Current law is not fair public policy in that it allows the cities or towns that are annexing a territory to receive a percentage of the fire district's assets when the residents of the district have paid for those assets over the years; it is an inequitable financial burden to the fire districts to lose a percentage of their assets in addition to the budget cuts resulting from the reduced property tax base in the event of an annexation.

**Testimony Against:** This is an issue which still needs on-going work between the jurisdictions; however, cities do not agree that in the event that less than 100 percent of the area of a fire district is annexed that they should get none of the assets, but all of the responsibilities.

**Testified:** PRO: Ryan Spiller, Washington Fire Commissioners Association; Denise Bjork, Grant County Fire District Commissioner; CON: Dave Williams, AWC.