H-4214.2

SUBSTITUTE HOUSE BILL 2345

State of Washington 59th Legislature 2006 Regular Session

By House Committee on Local Government (originally sponsored by Representatives Simpson, Rodne, Appleton and Haler)

READ FIRST TIME 02/03/06.

- 1 AN ACT Relating to regional fire protection service authorities;
- 2 amending RCW 52.26.020, 52.26.040, 52.26.050, 52.26.060, 52.26.070,
- 3 52.26.090, 52.26.100, 52.26.130, 52.26.140, and 52.26.220; and adding
- 4 new sections to chapter 52.26 RCW.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 **Sec. 1.** RCW 52.26.020 and 2004 c 129 s 2 are each amended to read 7 as follows:
- 8 The definitions in this section apply throughout this chapter 9 unless the context clearly requires otherwise.
- 10 (1) "Board" means the governing body of a regional fire protection service authority.
- (2) "Regional fire protection service authority" or "authority" 12 means a municipal corporation, an independent taxing authority within 13 the meaning of Article VII, section 1 of the state Constitution, and a 14 15 taxing district within the meaning of Article VII, section 2 of the state Constitution, whose boundaries are coextensive with two or more 16 adjacent fire protection jurisdictions and that has been created by a 17 vote of the people under this chapter to implement a regional fire 18 19 protection service authority plan.

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- 1 (3) "Regional fire protection service authority planning committee"
 2 or "planning committee" means the advisory committee created under RCW
 3 52.26.030 to create and propose to fire protection jurisdictions a
 4 regional fire protection service authority plan to design, finance, and
 5 develop fire protection and emergency service projects.
 - (4) "Regional fire protection service authority plan" or "plan" means a plan to develop and finance a fire protection service authority project or projects, including, but not limited to, specific capital projects, fire operations and emergency service operations pursuant to RCW 52.26.040(3)(b), and preservation and maintenance of existing or future facilities.
- 12 (5) "Fire protection jurisdiction" means a fire district, city, 13 town, port district, or Indian tribe.
- 14 (6) "Regular property taxes" has the same meaning as in RCW 15 84.04.140.
- **Sec. 2.** RCW 52.26.040 and 2004 c 129 s 4 are each amended to read 17 as follows:
 - (1) A regional fire protection service authority planning committee shall adopt a regional fire protection service authority plan providing for the design, financing, and development of fire protection and emergency services. The planning committee may consider the following factors in formulating its plan:
 - (a) Land use planning criteria; and

- (b) The input of cities and counties located within, or partially within, a participating fire protection jurisdiction.
- (2) The planning committee may coordinate its activities with neighboring cities, towns, and other local governments that engage in fire protection planning.
 - (3) The planning committee shall:
- 30 (a) Create opportunities for public input in the development of the 31 plan;
 - (b) Adopt a plan proposing the creation of a regional fire protection service authority and recommending design, financing, and development of fire protection and emergency service facilities and operations, including maintenance and preservation of facilities or systems((, except that no ambulance service may be recommended unless the regional fire protection service authority determines that the fire

protection jurisdictions that are members of the authority are not 1 2 adequately served by existing private ambulance service in which case the authority may provide for the establishment of a system of 3 ambulance service to be operated by the authority or operated by 4 contract after a call for bids)). The plan may authorize the authority 5 6 to establish a system of ambulance service to be operated by the authority or operated by contract after a call for bids. However, the 7 authority shall not provide for the establishment of an ambulance 8 service that would compete with any existing private ambulance service, 9 unless the authority determines that the region served by the 10 authority, or a substantial portion of the region served by the 11 authority, is not adequately served by an existing private ambulance 12 13 service. In determining the adequacy of an existing private ambulance service, the authority shall take into consideration objective 14 generally accepted medical standards and reasonable levels of service 15 which must be published by the authority. Following the preliminary 16 conclusion by the authority that the existing private ambulance service 17 is inadequate, and before establishing an ambulance service or issuing 18 19 a call for bids, the authority shall allow a minimum of sixty days for the private ambulance service to meet the generally accepted medical 20 21 standards and accepted levels of service. In the event of a second preliminary conclusion of inadequacy within a twenty-four-month period, 22 the authority may immediately issue a call for bids or establish its 23 24 own ambulance service and is not required to afford the private ambulance service another sixty-day period to meet the generally 25 26 accepted medical standards and reasonable levels of service. A private ambulance service that is not licensed by the department of health or 27 whose license is denied, suspended, or revoked is not entitled to a 28 sixty-day period within which to demonstrate adequacy and the authority 29 30 may immediately issue a call for bids or establish an ambulance service; and 31

(c) <u>In the plan, recommend sources of revenue authorized by RCW 52.26.050, identify the portions of the plan that may be amended by the board of the authority without voter approval, consistent with RCW 52.26.050, and recommend a financing plan to fund selected fire protection ((service)) and emergency services and projects.</u>

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(4) Once adopted, the plan must be forwarded to the participating

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fire protection jurisdictions' governing bodies to initiate the election process under RCW 52.26.060.

- (5) If the ballot measure is not approved, the planning committee may redefine the selected regional fire protection service authority projects, financing plan, and the ballot measure. The fire protection jurisdictions' governing bodies may approve the new plan and ballot measure, and may then submit the revised proposition to the voters at a subsequent election or a special election. If a ballot measure is not approved by the voters by the third vote, the planning committee is dissolved.
- 11 **Sec. 3.** RCW 52.26.050 and 2004 c 129 s 5 are each amended to read 12 as follows:
 - (1) A regional fire protection service authority planning committee may, as part of a regional fire protection service authority plan, recommend the imposition of some or all of the following revenue sources, which a regional fire protection service authority may impose upon approval of the voters as provided in this chapter:
 - (a) Benefit charges under RCW 52.26.180 through 52.26.270;
 - (b) Property taxes under RCW 52.26.140 through 52.26.170 and 84.52.044 and RCW 84.09.030, 84.52.010, 84.52.052, and 84.52.069; or
 - (c) Both (a) and (b) of this subsection.

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(2) The authority may impose taxes and benefit charges ((may not be imposed unless they are identified)) as set forth in the regional fire protection service authority plan ((and the plan is)) upon creation of the authority, or as provided for in this chapter after creation of the authority. If the plan authorizes the authority to impose benefit charges or sixty percent voter approved taxes, the plan and creation of the authority must be approved by an affirmative vote of sixty percent of the voters within the boundaries of the authority voting on a ballot proposition as set forth in RCW 52.26.060. However, if the plan provides for alternative sources of revenue that become effective if the plan and creation of the authority is approved only by a majority vote, then the plan with alternative sources of revenue and creation of the authority may be approved by an affirmative vote of the majority of those voters. If the plan does not authorize the authority to impose benefit charges or sixty percent voter approved taxes, the plan and creation of the authority must be approved by an affirmative vote of

the majority of the voters within the boundaries of the authority voting on a ballot proposition as set forth in RCW 52.26.060. ((The voter approval requirement)) Except as provided in this section ((is in addition to any)), all other voter approval requirements under law for the levying of property taxes or the imposition of benefit charges apply. Revenues from these taxes and benefit charges may be used only to implement the plan as set forth in this chapter.

8 **Sec. 4.** RCW 52.26.060 and 2004 c 129 s 6 are each amended to read 9 as follows:

10 The governing bodies of two or more adjacent fire protection 11 jurisdictions, upon receipt of the regional fire protection service 12 authority plan under RCW 52.26.040, may certify the plan to the ballot, 13 including identification of the ((tax)) revenue options ((necessary)) specified to fund the plan. The governing bodies of the fire 14 protection jurisdictions may draft a ballot title, give notice as 15 16 required by law for ballot measures, and perform other duties as 17 required to put the plan before the voters of the proposed authority for their approval or rejection as a single ballot measure that both 18 19 approves formation of the authority and approves the plan. Authorities 20 may negotiate interlocal agreements necessary to implement the plan. 21 The electorate is the voters voting within the boundaries of the 22 proposed regional fire protection service authority. A simple majority 23 of the total persons voting on the single ballot measure to approve the 24 plan((7)) and establish the authority((7 and approve the taxes)) is required for approval. However, if the plan authorizes the authority 25 26 to impose benefit charges or sixty percent voter approved taxes, then the percentage of total persons voting on the single ballot measure to 27 approve the plan and establish the authority is the same as in RCW 28 The authority must act in accordance with the general 29 52.26.050. 30 election laws of the state. The authority is liable for its 31 proportionate share of the costs when the elections are held under RCW $((\frac{29A.04.320}{}))$ 29A.04.321 and 29A.04.330. 32

33 **Sec. 5.** RCW 52.26.070 and 2004 c 129 s 7 are each amended to read as follows:

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If the voters approve the plan, including creation of a regional fire protection service authority and imposition of taxes <u>and benefit</u>

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- charges, if any, the authority is formed on the next January 1st or 1 2 July 1st, whichever occurs first. The appropriate county election officials shall, within fifteen days of the final certification of the 3 election results, publish a notice in a newspaper or newspapers of 4 general circulation in the authority declaring the authority formed. 5 A party challenging the procedure or the formation of a voter-approved 6 7 authority must file the challenge in writing by serving the prosecuting attorney of each county within, or partially within, the regional fire 8 9 protection service authority and the attorney general within thirty days after the final certification of the election. 10 challenge within that time forever bars further challenge of the 11 12 authority's valid formation.
- 13 **Sec. 6.** RCW 52.26.090 and 2004 c 129 s 9 are each amended to read 14 as follows:
 - (1) The governing board of the authority is responsible for the execution of the voter-approved plan. Participating jurisdictions shall review the plan every ten years. The board ((shall)) may:
 - (a) Levy ((and impose)) taxes and impose benefit charges as authorized in the plan and approved by authority voters;
 - (b) Enter into agreements with federal, state, local, and regional entities and departments as necessary to accomplish authority purposes and protect the authority's investments;
 - (c) Accept gifts, grants, or other contributions of funds that will support the purposes and programs of the authority;
 - (d) Monitor and audit the progress and execution of fire protection and emergency service projects to protect the investment of the public and annually make public its findings;
 - (e) Pay for services and enter into leases and contracts, including professional service contracts;
 - (f) Hire, manage, and terminate employees; and
 - (g) Exercise ((other)) powers and perform duties as ((may be reasonable)) the board determines necessary to carry out the purposes, functions, and projects of the authority in accordance with Title 52 RCW if one of the fire protection jurisdictions is a fire district, unless provided otherwise in the regional fire protection service authority plan, or in accordance with the statutes identified in the plan if none of the fire protection jurisdictions is a fire district.

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- 1 (2) ((An authority may acquire, hold, or dispose of real property.
- 2 (3) An authority may exercise the powers of eminent domain.

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- (4)) An authority may enforce fire codes as provided under chapter 4 19.27 RCW.
- 5 **Sec. 7.** RCW 52.26.100 and 2004 c 129 s 10 are each amended to read 6 as follows:
 - (1) Except as otherwise provided in the regional fire protection service authority plan, all powers, duties, and functions of a participating fire protection jurisdiction pertaining to ((providing)) fire protection and emergency services ((may)) shall be transferred ((providing)) by resolution, (providing) to the regional fire protection service authority on its creation date.
 - (2)(a) Except as otherwise provided in the regional fire protection service authority plan, and on the creation date of the regional fire protection service authority, all reports, documents, surveys, books, records, files, papers, or written material in the possession of the participating fire protection jurisdiction pertaining to ((the)) fire protection and emergency services powers, functions, and duties ((transferred)) shall be delivered to the ((custody of the)) regional fire protection service authority((-)); all real property and personal property including cabinets, furniture, office equipment, motor vehicles, and other tangible property employed by the participating fire protection jurisdiction in carrying out the fire protection and emergency services powers, functions, and duties ((transferred)) shall be ((made available)) transferred to the regional fire protection service authority((-)); and all funds, credits, or other assets held by the participating fire protection jurisdiction in connection with the fire protection and emergency services powers, functions, and duties ((transferred)) shall be ((assigned)) transferred and credited to the regional fire protection service authority.
 - (b) Except as otherwise provided in the regional fire protection service authority plan, any appropriations made to the participating fire protection jurisdiction for carrying out the fire protection and emergency services powers, functions, and duties ((transferred)) shall((, on the effective date of the resolution,)) be transferred and credited to the regional fire protection service authority.

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(c) Except as otherwise provided in the regional fire protection service authority plan, whenever any question arises as to the transfer of any personnel, funds, books, documents, records, papers, files, equipment, or other tangible property used or held in the exercise of the powers and the performance of the duties and functions transferred, the governing body of the participating fire protection jurisdiction shall make a determination as to the proper allocation.

- (3) Except as otherwise provided in the regional fire protection service authority plan, all rules and all pending business before the participating fire protection jurisdiction pertaining to the powers, functions, and duties transferred shall be continued and acted upon by the regional fire protection service authority((\cdot)), and all existing contracts and obligations shall remain in full force and shall be performed by the regional fire protection service authority.
- (4) The transfer of the powers, duties, functions, and personnel of the participating fire protection jurisdiction shall not affect the validity of any act performed before ((the effective date of the resolution)) creation of the regional fire protection service authority.
- (5) If apportionments of budgeted funds are required because of the transfers (($\frac{directed}{directed}$ by the resolution)), the treasurer (($\frac{directed}{directed}$)) for the authority shall certify the apportionments.
- (6)(a) Subject to (c) of this subsection, all employees of the participating fire protection jurisdictions are transferred to the jurisdiction of the regional fire protection service authority on its creation date. Upon transfer, unless an agreement for different terms of transfer is reached between the collective bargaining representatives of the transferring employees and the participating fire protection jurisdictions, an employee is entitled to the employee rights, benefits, and privileges to which he or she would have been entitled as an employee of a participating fire protection jurisdiction, including rights to:
- (i) Compensation at least equal to the level at the time of transfer;
- 35 <u>(ii) Retirement, vacation, sick leave, and any other accrued</u> 36 benefit;
- 37 (iii) Promotion and service time accrual; and

1 <u>(iv) The length or terms of probationary periods, including no</u> 2 <u>requirement for an additional probationary period if one had been</u> 3 completed before the transfer date.

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- (b) If any or all of the participating fire protection jurisdictions provide for civil service in their fire departments, the collective bargaining representatives of the transferring employees and the participating fire protection jurisdictions must negotiate regarding the establishment of a civil service system within the authority. This subsection does not apply if none of the participating fire protection districts provide for civil service.
- (c) Nothing contained in this section may be construed to alter any existing collective bargaining unit or the provisions of any existing collective bargaining agreement until the agreement has expired or until the bargaining unit has been modified as provided by law. ((RCW 35.13.215 through 35.13.235 apply to the transfer of employees under this section.))
- NEW SECTION. Sec. 8. A new section is added to chapter 52.26 RCW to read as follows:
 - (1) Subject to subsection (2) of this section, a regional fire protection service authority may, by resolution of its board, provide for civil service for its employees in the same manner, with the same powers, and with the same force and effect as provided by chapter 41.08 RCW for cities, towns, and municipalities, including restrictions against the discharge of an employee because of residence outside the limits of the regional fire protection service authority.
- (2) If an agreement is reached to provide for civil service under RCW 52.26.100(6), the regional fire protection service authority shall establish such a system as is required by the agreement.
- NEW SECTION. Sec. 9. A new section is added to chapter 52.26 RCW to read as follows:
- Territory that is annexed to a participating jurisdiction is annexed to the authority as of the effective date of the annexation.
- 33 The statutes regarding transfer of assets and employees do not apply to 34 the participating jurisdictions in the annexation.

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Sec. 10. RCW 52.26.130 and 2004 c 129 s 14 are each amended to read as follows:

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((Unless contrary to this section, chapter 39.42 RCW applies to debt and bonding under this section. The authority may borrow money, but may not issue any debt of its own for more than ten years' duration.)) An authority may incur general indebtedness for authority purposes, issue bonds, notes, or other evidences of indebtedness ((with a maturity of not more than twenty years. An authority may, when authorized by the plan, enter into agreements with the state to pledge taxes or other revenues of the authority for the purpose of paying in part or whole principal and interest on bonds issued by the authority)) not to exceed an amount, together with any outstanding nonvoter approved general obligation debt, equal to three-fourths of one percent of the value of the taxable property within the authority. The maximum term of the obligations may not exceed twenty years. The obligations may pledge benefit charges and may pledge payments to an authority from the state, the federal government, or any fire protection jurisdiction under an interlocal contract. The interlocal contracts pledging revenues and taxes are binding for ((the)) a term ((of the agreement, but)) not to exceed twenty-five years, and ((no tax)) taxes or other revenue pledged by an ((agreement)) interlocal contract may not be eliminated or modified if it would impair the pledge of the ((agreement)) contract. An authority may also issue general obligation bonds for capital purposes not to exceed an amount, together with any outstanding general obligation debt, equal to one and one-half percent of the value of the taxable property within the authority, and to provide for the retirement thereof by excess property tax levies, when the voters of the authority have approved a proposition authorizing indebtedness and levies by an affirmative vote of three-fifths of those voting on the proposition at an election, at which election the total number of persons voting constitutes not less than forty percent of the voters in the authority who voted at the last preceding general state election. The maximum term of the bonds may not exceed twenty-five years. Elections shall be held as provided in RCW 39.36.050. Obligations of an authority shall be issued and sold in accordance with chapters 39.46 and 39.50 RCW, as applicable.

Sec. 11. RCW 52.26.140 and 2004 c 129 s 15 are each amended to 2 read as follows:

- (1) To carry out the purposes for which a regional fire protection service authority is created, as authorized in the plan and approved by the voters, the governing board of an authority may annually levy the following taxes:
- (a) An ad valorem tax on all taxable property located within the authority not to exceed fifty cents per thousand dollars of assessed value;
- (b) An ad valorem tax on all property located within the authority not to exceed fifty cents per thousand dollars of assessed value and which will not cause the combined levies to exceed the constitutional or statutory limitations. This levy, or any portion of this levy, may also be made when dollar rates of other taxing units are released by agreement with the other taxing units from their authorized levies; and
- (c) An ad valorem tax on all taxable property located within the authority not to exceed fifty cents per thousand dollars of assessed value if the authority has at least one full-time, paid employee, or contracts with another municipal corporation for the services of at least one full-time, paid employee. This levy may be made only if it will not affect dollar rates which other taxing districts may lawfully claim nor cause the combined levies to exceed the constitutional or statutory limitations or both.
- (2) Levies in excess of the amounts provided in subsection (1) of this section or in excess of the aggregate dollar rate limitations or both may be made for any authority purpose when so authorized at a special election under RCW 84.52.052. Any such tax when levied must be certified to the proper county officials for the collection of the tax as for other general taxes. The taxes when collected shall be placed in the appropriate authority fund or funds as provided by law, and must be paid out on warrants of the auditor of the county in which all, or the largest portion of, the authority is located, upon authorization of the governing board of the authority.
- (3) ((Authorities are additionally authorized to incur general indebtedness and to issue general obligation bonds for capital purposes as provided in RCW 52.26.130.)) Authorities may provide for the retirement of general indebtedness by excess property tax levies((τ) when the voters of the authority have approved a proposition

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- authorizing such indebtedness and levies by an affirmative vote of 1 2 three-fifths of those voting on the proposition at such an election, at which election the total number of persons voting shall constitute not 3 less than forty percent of the voters in the authority who voted at the 4 last preceding state general election. Elections must be held as 5 provided in RCW 39.36.050. The maximum term of any bonds issued under 6 7 the authority of this section may not exceed ten years and must be issued and sold in accordance with chapter 39.46 RCW)) as set forth in 8 9 RCW 52.26.130.
- 10 (4) For purposes of this ((section)) chapter, the term "value of the taxable property" has the same meaning as in RCW 39.36.015.
- 12 **Sec. 12.** RCW 52.26.220 and 2004 c 129 s 28 are each amended to 13 read as follows:
 - (1) Notwithstanding any other provision in this chapter to the contrary, any benefit charge authorized by this chapter is not effective unless a proposition to impose the benefit charge is approved by a sixty percent majority of the voters of the regional fire protection service authority voting at a general election or at a special election called by the authority for that purpose, held within the authority. A ballot measure that contains an authorization to impose benefit charges and that is approved by the voters pursuant to RCW 52.26.060 meets the proposition approval requirement of this section. An election held under this section must be held not more than twelve months prior to the date on which the first charge is to be assessed. A benefit charge approved at an election expires in six years or fewer as authorized by the voters, unless subsequently reapproved by the voters.
 - (2) The ballot must be submitted so as to enable the voters favoring the authorization of a regional fire protection service authority benefit charge to vote "Yes" and those opposed to vote "No." The ballot question is as follows:
- "Shall the regional fire protection service authority composed of (insert the participating fire protection jurisdictions) be authorized to impose benefit charges each year for . . . (insert number of years not to exceed six) years, not to exceed an amount equal to sixty

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2	imposing an additional property tax under RCW 52.26.140(1)(c)?
3	YES NO
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5	(3) Authorities renewing the benefit charge may elect to use th
6	following alternative ballot:
7	"Shall the regional fire protection service authority
8	composed of (insert the participating fire protection
9	jurisdictions) be authorized to continue voter-
10	authorized benefit charges each year for (insert number
11	of years not to exceed six) years, not to exceed an amount
12	equal to sixty percent of its operating budget, and be
13	prohibited from imposing an additional property tax under RCW
14	52.26.140(1)(c)?
15	YES NO
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1 percent of its operating budget, and be prohibited from

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