

SENATE BILL REPORT

HB 1080

As Reported by Senate Committee On:
Government Operations & Elections, March 17, 2009

Title: An act relating to allowing impact fees to be used for all fire protection facilities.

Brief Description: Allowing impact fees to be used for all fire protection facilities.

Sponsors: Representatives Simpson and Williams.

Brief History: Passed House: 3/03/09, 63-33.

Committee Activity: Government Operations & Elections: 3/17/09 [DP, DNP].

SENATE COMMITTEE ON GOVERNMENT OPERATIONS & ELECTIONS

Majority Report: Do pass.

Signed by Senators Fairley, Chair; Oemig, Vice Chair; McDermott and Pridemore.

Minority Report: Do not pass.

Signed by Senator Roach, Ranking Minority Member.

Staff: Sharon Swanson (786-7447)

Background: Counties, cities, and towns that plan under the major provisions of the Growth Management Act (GMA) are authorized to impose impact fees on development activity as part of the financing of public facilities. Impact fees are payments of money required of developers as a condition of development approval. Local governments are required to use impact fees to pay for certain public facilities that are made necessary as the results of a development and must ensure that such fees are:

- used only for system improvements that are reasonably related to the impact of the development on the use of public facilities;
- do not exceed a proportionate share of the cost of system improvements made necessary by the development; and
- are used for system improvements that reasonably benefit the new development.

In determining how system improvements are to be financed, a local government must provide for a balance between impact fees and other sources of public funds and cannot rely solely on impact fees. Additionally, local ordinances must also include a fee schedule for each type of development activity subject to impact fees, specifying the amount of the impact

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fee to be imposed for each type of system improvement. The schedule must be based upon a formula or other method of calculating the prorated impact fee.

The types of "public facilities" that may receive funding from impact fees are limited to specified types of capital facilities owned or operated by government entities. Such public facilities are limited to the following:

- public streets and roads;
- publicly-owned parks, open spaces, and recreation facilities;
- school facilities; and
- fire protection facilities in jurisdictions that are not part of a fire district.

Fire protection districts are created to provide fire and emergency services to protect life and property in locales outside of cities and towns. A fire protection district may be established through a process involving a petition by the residents of a proposed district, a public hearing, and voter approval.

Summary of Bill: The definition of "public facilities" for which impact fees may be collected and spent is modified to include all fire protection facilities, rather than only fire protection facilities in jurisdictions that are not part of a fire district.

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: PRO: Fire districts are increasingly being called upon to provide urban levels of service in areas that they have long only provided rural levels of service, without the financial mechanisms to pay for the increase in service. When fire districts are not able to provide a response at the appropriate level of service, adjacent jurisdictions are called upon to respond through mutual aid agreements. This legislation gives local communities the tools and options available to cities for fairly and equitably allocating the costs and burdens of urban fire service to the new urban developments, not the existing rural community.

CON: This bill gives fire districts two bites at the apple. The current system works just fine. Impact fees are an unstable source of funding and will increase housing costs. Impact fees are only imposed for new homes and they place a disproportionate burden on low-income populations.

Persons Testifying: PRO: Roger Ferris, Washington Fire Commissioners Association; Dave Williams, Association of Washington Cities; John Sitkin, Chmelik, Sitkin & Davis.

CON: Timothy Harris, Building Industry Association of Washington.