SENATE BILL REPORT HB 1486

As of February 25, 2014

Title: An act relating to voter-approved benefit charges for regional fire protection service authorities

Brief Description: Concerning voter-approved benefit charges for regional fire protection service authorities.

Sponsors: Representatives Fitzgibbon, Stanford, Bergquist, Roberts, Van De Wege, Ryu and Santos

Brief History: Passed House: 3/09/13, 55-42; 2/07/14, 55-39.

Committee Activity: Governmental Operations: 3/28/13, 2/25/14.

SENATE COMMITTEE ON GOVERNMENTAL OPERATIONS

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 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.

A benefit charge is a type of assessment imposed upon a property owner based upon the measurable benefits to be received by the property owner by fire protection districts and fire protection authorities. A district or authority may use this funding approach as a means for apportioning the real costs of service to an individual property in a manner that reflects the actual benefits provided to that property. The imposition of a benefit charge is subject to voter approval by a 60 percent majority of the voters living within the jurisdiction of the district or authority. Subject to such voter approval, a district or authority has the option of

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imposing benefit charges in lieu of a portion of the property tax it is otherwise authorized to impose.

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 levy and impose taxes as authorized; enforce fire codes; 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.

Summary of Bill: The continued imposition of a benefit charge is subject to voter approval by a simple majority of the voters living within the jurisdiction of the Authority. The level of levy authority for an Authority that is not able to be levied when the benefit charge is being imposed is protected.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony:

<u>Testimony From 2013 Regular Session.</u>

PRO: Regional fire protection authorities are created to drive efficiencies. This bill would establish that renewal of a fire protection benefit charge would need a majority of the voters to approve the continued imposition of a fire protection benefit charge. This bill also makes a couple of technical fixes for the regional fire protection authorities.

Testimony From 2014 Regular Session.

PRO: Last year the Legislature made a change allowing the continued imposition of a fire protection benefit charge by a fire district to be continued with a simple majority vote of the voters. This bill would extend that change to Authorities. Authorities were created to allow for greater consolidation and efficiency. By passing the simple majority vote change on the renewal of a benefit charge for fire districts, it created a disincentive for fire districts to join together to create an Authority in order to achieve those greater efficiencies. By giving Authorities and fire districts equal treatment and equal authority, it will continue to incentivize local governments to figure out the best way to share services and make the best use of limited tax dollars. The bill does two other things; there is a change to provide that the planning committee must conduct the required public hearing, and future levy capacity protections are extended to Authorities so that this conforms to other taxing districts that have this protection. This provision allows an Authority to go back to its original levy capacity if a benefit charge fails.

Persons Testifying:

Persons Testifying From 2013 Regular Session.

PRO: Geoff Simpson, WA State Council of Fire Fighters; Dylan Doty, WA State Assn. of Fire Chiefs

Persons Testifying From 2014 Regular Session.

PRO: Representative Fitzgibbon, prime sponsor; Geoff Simpson, WA State Council of Fire Fighters.