

HOUSE BILL REPORT

HB 2258

As Reported by House Committee On:
Local Government

Title: An act relating to providing funding for municipalities participating in the regional 911 emergency communications system.

Brief Description: Providing funding for municipalities participating in the regional 911 emergency communications system.

Sponsors: Representatives Ormsby, Riccelli, Leavitt and Simmons.

Brief History:

Committee Activity:

Local Government: 1/16/24, 1/26/24 [DPS].

Brief Summary of Substitute Bill

- Requires certain counties operating regional 911 emergency communications systems that collect an excise tax on phone lines to transfer a portion of the excise tax revenue to local governments operating municipal 911 emergency communications systems if the county transfers emergency calls to the local government for dispatch.

HOUSE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 4 members: Representatives Duerr, Chair; Alvarado, Vice Chair; Berg and Riccelli.

Minority Report: Do not pass. Signed by 3 members: Representatives Goehner, Ranking Minority Member; Jacobsen, Assistant Ranking Minority Member; Griffey.

Staff: Elizabeth Allison (786-7129).

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Background:

Excise tax.

An excise tax is imposed on the sale of specific goods or services, or on certain uses. Examples include real estate excise taxes and vehicle excise taxes.

State 911 Excise Tax.

A state 911 excise tax in the amount of up to 25 cents per switch access line, radio access line, or interconnected voice over internet protocol service line is imposed on all switch access lines, radio access lines, and interconnected voice over internet protocol service lines in the state. The tax must be uniform across all lines.

County 911 Excise Tax.

Counties are authorized to impose a county 911 excise tax on the use of switched access lines, radio access lines, and interconnected voice over internet protocol service lines in an amount up to 70 cents per month for each line. The tax must be uniform for each line. The tax imposed must be deposited in the county 911 Excise Tax Account.

Proceeds collected from either the state or county excise tax must be used by the state or county only for the 911 emergency communications system and its administrative and operational costs.

Distribution.

All moneys that accrue in the county 911 Excise Tax Account must be distributed monthly to the counties in the amount of the taxes collected, minus the administration and collection fee.

Summary of Substitute Bill:

A regional 911 emergency communications system is a 911 emergency communications system operated by a county that is responsible for receiving incoming 911 emergency calls for multiple local government law enforcement and fire response agencies.

A county located east of the crest of the Cascade Mountains with a population between 530,000 and 1,500,000 that operates a regional 911 emergency communications system that transfers emergency calls to a municipal 911 emergency communications system operator in a city with a population over 50,000 must transfer a portion of the revenue it receives from the 911 excise tax to the local government operating the municipal 911 emergency communications system. The amount transferred is calculated as follows: (1) the amount of tax revenue received by the county for the quarter, divided by the total 911 emergency calls received by the regional 911 emergency communications system for the quarter; (2) multiplied by the number of 911 emergency calls transferred from the regional 911 emergency communications system to the municipal 911 emergency communications

system operator; and (3) multiplied by 80 percent.

This amount must be transferred quarterly by the county operating the regional 911 emergency communications system to the local government operating the municipal 911 emergency communications system.

Substitute Bill Compared to Original Bill:

The substitute bill limits the provisions of the bill to a county located east of the crest of the Cascade Mountains with a population between 530,000 and 1,500,000 that operates a regional 911 emergency communications system that transfers emergency calls to a municipal 911 emergency communications system operator in a city with a population over 50,000.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill takes effect on January 1, 2025.

Staff Summary of Public Testimony:

(In support) Everyone has a phone and makes calls, and everyone pays an excise tax on those calls. The money goes to county dispatch for fire services. For police calls, the county fields the initial call, which takes around 15 seconds, and then transfers the call to the city intake and dispatch mechanisms. The city receives none of this money. For constituents of the city, they are paying money but not receiving police services. This is about making sure that folks in the community who pay taxes get services for the larger portion of police calls, not just fire calls. This bill is trying to provide equity in the distribution so that money goes to pay for services for the people who pay the money. The real issue is that the services are provided by the city of Spokane to Spokane citizens, and tax dollars paid on cell phone lines are not going to the citizens who are paying the tax dollars.

(Opposed) There are concerns about the impacts of this bill on consolidated systems. Consolidated systems make communities safer and reduce duplication. The proposed bill fragmentizes emergency services. If this bill is necessary, it should be narrowly proposed as Spokane County is the only affected jurisdiction. This bill is not consistent with the intended use of the 911 excise tax and will produce negative impacts on the 911 system as a whole. This is not an effective or efficient approach. Nearly all first responder agencies are part of the regionalized model. The issue involves a dispute in one area of the state, but would affect all areas of the state if passed. There are a variety of models for how revenue sharing is already done through interlocal agreements, and this bill would disrupt those

agreements. The current process is working and other remedies, short of changing the statute, are available. Recent improvements to Spokane communications are already making an impact. Duplication and long response times are already addressed in fire responses.

Persons Testifying: (In support) Representative Timm Ormsby, prime sponsor; and James Tieken, Local 270 Spokane City Employees.

(Opposed) John Nowels, Spokane County Sheriff's Office; Cody Rohrbach, Spokane County Fire District 3; Mike Hoover, Washington State Association of Counties; and Ken Johnson, Spokane County Fire District 10.

Persons Signed In To Testify But Not Testifying: None.