

SENATE BILL REPORT

SB 5784

As Reported By Senate Committee On:
Government Operations, March 1, 1995

Title: An act relating to fire protection district benefit charges on public housing authority property.

Brief Description: Changing the limit on fire protection district benefit charges on public housing authority property.

Sponsors: Senators Haugen and Winsley.

Brief History:

Committee Activity: Government Operations: 2/23/95, 3/1/95 [DPS].

SENATE COMMITTEE ON GOVERNMENT OPERATIONS

Majority Report: That Substitute Senate Bill No. 5784 be substituted therefor, and the substitute bill do pass.

Signed by Senators Haugen, Chair; Sheldon, Vice Chair; Drew, Hale, McCaslin and Winsley.

Staff: Rod McAulay (786-7754)

Background: Every city, town and county is authorized to establish a public housing authority to issue bonds, raise funds and construct and operate housing facilities for low-income persons. The housing facilities owned by a public housing authority are exempt from all taxes and special assessments; however, the housing authority may agree to make payments to the city or county or a political subdivision for improvements or services furnished for the benefit of the housing facility. No agreed payment may exceed the amount last levied as the annual tax of the city, county or political subdivision on the facility prior to its time of acquisition by the public housing authority.

Because housing authority facilities may have been acquired as long as 50 years ago, the restriction on the amount of agreed payment to pre-acquisition tax rates may result in inadequate payments.

If property owned by the state or a municipal corporation is situated in a fire protection district, the agency, institution or municipal corporation shall contract with the fire protection district for necessary services.

Summary of Substitute Bill: An agreed payment by a public housing authority to a fire protection district for fire protection services must be equal to the benefit charges paid if the property subject to the agreement is privately owned.

Substitute Bill Compared to Original Bill: The original bill covers all governmental service contracts with public housing authorities. The substitute bill only applies to fire protection district contracts with public housing authorities.

Appropriation: None.

Fiscal Note: Not requested.

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

Testimony For: This legislation will break the stonewalling by public housing authorities in negotiating benefit charges. Transfer of private property to public housing authorities has reduced the fiscal base without any reduction in demand for service.

Testimony Against: This affects all public property owners. It will have a substantial fiscal impact. The problem can be resolved by negotiation.

Testified: Canaan Williams, Fred Baker, King County FPD #16; Doug Gibbs, King County FPD #40; Dan Watson, King County Housing Authority; Norman McLoughlin, Kitsap County Public Housing Authority.