

SENATE BILL REPORT

SB 6082

As Reported by Senate Committee On:
Ways & Means, March 23, 2009

Title: An act relating to forest fire protection assessment refunds.

Brief Description: Regarding forest fire protection assessment refunds.

Sponsors: Senators Pridemore, Tom and Shin.

Brief History:

Committee Activity: Ways & Means: 2/26/09, 3/23/09 [DPS, DNP, w/oRec].

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Substitute Senate Bill No. 6082 be substituted therefor, and the substitute bill do pass.

Signed by Senators Prentice, Chair; Fraser, Vice Chair, Capital Budget Chair; Tom, Vice Chair, Operating Budget; Fairley, Hobbs, Keiser, Kline, Kohl-Welles, McDermott, Murray, Pridemore, Regala and Rockefeller.

Minority Report: Do not pass.

Signed by Senators Zarelli, Ranking Minority Member; Brandland, Hewitt, Honeyford and Schoesler.

Minority Report: That it be referred without recommendation.

Signed by Senators Carrell, Parlette and Pflug.

Staff: Maria Hovde (786-7710)

Background: The Legislature has given the Department of Natural Resources (DNR) direct charge of and supervision of all matters pertaining to the forest fire service of the state. As a result, DNR is responsible for wildfire protection on 12.7 million acres of nonfederal (private, state, and tribally-owned) forest land.

Any individual who owns forest land subject to DNR's fire protection is required to pay an annual assessment to the appropriate county for each parcel of such land. This assessment is a flat fee of \$17.50 per parcel, plus an additional 27 cents on each acre exceeding 50 acres. To defray administrative expenses of billing and collecting these assessments, the counties

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retain 50 cents of the total assessments paid on each parcel and the remainder is paid to the state.

An owner who has paid assessments on two or more parcels, each containing less than 50 acres and each within the same county, may obtain a refund from DNR as follows:

- If all the parcels together contain less than 50 acres, then the refund is equal to the flat fee assessments paid, reduced by the total of 1) seventeen dollars; and 2) the total amounts retained by the county from such assessments.
- If all the parcels together contain 50 acres or more, then the refund is equal to the flat fee assessments paid, reduced by the total of 1) seventeen dollars; 2) twenty-seven cents for each acre exceeding 50 acres; and 3) the total of the amounts retained by the county from such assessments.

In 2007 the Legislature directed DNR to convene a work group to study issues related to wildfire prevention and protection. In September 2008 the Forest Fire Prevention and Protection Work Group submitted its recommendations. According to this report, in calendar year 2007 DNR processed 18,200 refunds totaling \$600,000. The refund process cost DNR \$400,000 for this same time period.

Summary of Bill (Recommended Substitute): The refund of these annual assessments is eliminated.

The department must, within available funds, establish a new rate structure that considers the additional fire protection needs of parcels with structures, while, at the same time maintaining current revenue collections.

EFFECT OF CHANGES MADE BY WAYS & MEANS COMMITTEE (Recommended Substitute): The department is directed, within available funds, to establish a new rate structure that considers the additional fire protection needs of parcels with structures, while, at the same time, maintaining current revenue collections.

Appropriation: None.

Fiscal Note: Requested on February 25, 2009.
[OFM requested ten-year cost projection pursuant to I-960.]

Committee/Commission/Task Force Created: No.

Effective Date: The bill takes effect on August 1, 2009.

Staff Summary of Public Testimony (on Original Bill): PRO: This bill is one part of the recommendations submitted by the Forest Fire Prevention and Protection Work Group. A second recommendation was to restructure the rates, which can be addressed next year. These restructured rates would provide greater equity between the costs being paid for fire protection and the need. For example, a lower base rate could be charged to landowners without improvements on their parcels and a surcharge can be added to the parcels that have been improved. The current structure, however, assumes all costs are equal. According to

the most current statistics on these assessment refunds, about 19,000 refunds are processed each year totaling \$750,000 at a cost to the department of \$215,000.

OTHER: This bill ignores the equity part of the Work Group's recommendations. For smaller landowners a flat fee is paid for multiple parcels. However, for larger landowners a flat fee is paid plus 27 cents for additional acreage.

Persons Testifying: PRO: Senator Craig Pridemore, prime sponsor; Heath Packard, Joseph Shramer, DNR.

OTHER: Peter Heide, Washington Forest Protection Association.