

HOUSE BILL REPORT

HB 1320

As Reported By House Committee On:
Natural Resources & Parks
Revenue

Title: An act relating to forest fire protection.

Brief Description: Modifying the forest fire protection assessment.

Sponsors: Representatives Pruitt and R. Johnson.

Brief History:

Reported by House Committee on:
Natural Resources & Parks, February 24, 1993, DPS;
Revenue, March 8, 1993, DPS(NRP-A REV).

HOUSE COMMITTEE ON NATURAL RESOURCES & PARKS

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 7 members: Representatives Pruitt, Chair; R. Johnson, Vice Chair; Dunshee; Linville; Sheldon; Valle; and Wolfe.

Minority Report: Do not pass. Signed by 4 members: Representatives Morton, Ranking Minority Member; Stevens, Assistant Ranking Minority Member; Schoesler; and Thomas.

Staff: Linda Byers (786-7129).

Background: The Department of Natural Resources (DNR) provides fire protection for much of the non-federal forest land in Washington. Most landowners of parcels receiving DNR fire protection pay an annual assessment of \$0.22 per acre, or a minimum assessment of \$14 per year. The exception to this is that landowners of parcels of two acres or less receive DNR fire protection at no cost. The department estimates that there are some 430,000 of these small forest land parcels. Assessments for fire protection are deposited into the Forest Fire Protection Account. This account is not subject to legislative appropriation.

In addition to paying an assessment for fire protection, most forest landowners also pay into the Landowner Contingency Forest Fire Suppression Account. Moneys in this non-appropriated account are used to pay emergency fire suppression costs for fires caused by landowner operations.

The department adjusts the assessment annually to maintain a fund balance of \$3 million dollars; by law, the assessment may not exceed \$0.15 per acre per year. Currently the assessment is \$0.01 to \$0.02 per acre per year. As with the fire protection assessment, forest landowners of parcels of two acres or less are not charged this assessment.

The forest fire protection assessments and the fire suppression assessments are collected by county assessors at the same time and in the same manner that property taxes are collected.

Summary of Substitute Bill: The exemption from the fire protection assessment is removed for forest landowners with parcels of two acres or less. Owners of these parcels will be assessed the minimum assessment of \$14 per year. The substitute bill clarifies that all forest landowners with parcels of 50 acres or less will pay the minimum, flat fee assessment of \$14 per acre per year; landowners with parcels greater than 50 acres will pay the flat fee assessment plus \$0.22 per acre for every acre over 50 acres. The department estimates that this change will generate approximately \$6 million per year. However, the department estimates that only \$3 million will be generated in the first year following the change because of the difficulty in clearly identifying all of the estimated 430,000 small parcels in time for the mailing of property taxes.

The exemption from the fire suppression account is also removed for forest landowners with parcels of two acres or less. The substitute bill clarifies that the department may establish a flat fee assessment for forest landowners with parcels of 50 acres or less. Landowners with parcels larger than 50 acres may be charged the flat fee assessment plus a per acre assessment for each acre over 50 acres. As with the original bill, the department adjusts this assessment annually in order to maintain a fund balance of \$3 million.

Fifty cents is added to the minimum fee assessment for forest fire protection. This \$0.50 per parcel is directed to the county collecting the assessment. The \$0.50 is to be used to defray the costs of listing, billing, and collecting the fire protection and fire suppression assessments.

Substitute Bill Compared to Original Bill: The substitute bill clarifies language regarding forest protection zones, the paying of assessments, and the receiving of refunds for landowners with more than one parcel in a single county. The substitute bill also adds an additional \$0.50 charge to the minimum assessment for fire protection. This additional charge is to help counties defray their costs of listing,

billing, and collecting the fire protection and fire suppression assessments.

Fiscal Note: Available. New fiscal note requested on February 25, 1993.

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

Testimony For (Original Bill): These small parcels are receiving fire protection but their owners are not contributing to the cost of that protection. This spreads the cost of fire protection more equitably among all forest landowners. This is good policy. This will help to offset proposed budget reductions in the program.

Testimony Against (Original Bill): It would be helpful to add a \$0.50 surcharge to the assessment for the counties who do all the work in collecting the assessments on behalf of DNR. The surcharge would help offset the costs counties incur for providing this service.

Witnesses: Pat McElroy, Department of Natural Resources; Nels Hanson, Washington Farm Forestry Association; Tim Boyd, Washington Forest Protection Association (all in favor); and Fred Saeger, Washington Association of County Officials (offering an amendment).

HOUSE COMMITTEE ON REVENUE

Majority Report: The substitute bill by Committee on Natural Resources & Parks be substituted therefor and the substitute bill as amended by Committee on Revenue do pass. Signed by 15 members: Representatives G. Fisher, Chair; Holm, Vice Chair; Foreman, Ranking Minority Member; Fuhrman, Assistant Ranking Minority Member; Anderson; Brown; Cothorn; Leonard; Morris; Romero; Rust; Silver; Talcott; Thibaudeau; and Wang.

Minority Report: Do not pass. Signed by 1 member: Representative Van Loven.

Staff: Keitlyn Watson (786-7310).

Summary of Recommendation of Committee on Revenue Compared to Recommendation of Committee on Natural Resources & Parks: An emergency clause is added whereby the bill takes effect immediately.

Fiscal Note: Available. New fiscal note requested on March 8, 1993.

Effective Date: The bill contains an emergency clause and takes effect immediately.

Testimony For: The expanded assessments will make the program self-supporting, and will result in maintaining efficient fire protection.

Testimony Against: None.

Witnesses: Pat McElroy, Department of Natural Resources (pro).