

SENATE BILL REPORT

ESHB 1320

AS REPORTED BY COMMITTEE ON WAYS & MEANS, APRIL 7, 1993

Brief Description: Modifying the forest fire protection assessment.

SPONSORS: House Committee on Natural Resources & Parks (originally sponsored by Representatives Pruitt and R. Johnson)

HOUSE COMMITTEE ON NATURAL RESOURCES & PARKS

HOUSE COMMITTEE ON REVENUE

SENATE COMMITTEE ON NATURAL RESOURCES

Majority Report: Do pass.

Signed by Senators Owen, Chairman; Hargrove, Vice Chairman; Amondson, Erwin, Franklin, Haugen, Oke, Snyder, and Spanel.

Staff: Vic Moon (786-7469)

Hearing Dates: March 24, 1993

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass.

Signed by Senators Rinehart, Chairman; Spanel, Vice Chairman; Bauer, Gaspard, Hargrove, Jesernig, Moyer, Pelz, Quigley, Snyder, Sutherland, Talmadge, and West.

Staff: Michael Groesch (786-7715)

Hearing Dates: April 2, 1993; April 7, 1993

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; 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:

The exemption from the fire protection assessment is removed for forest landowners with parcels of two acres or less. Forest landowners with parcels of 50 acres or less will pay the minimum, flat fee assessment of \$14.50 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 exemption from the fire suppression account is also removed for forest landowners with parcels of two acres or less. 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. The department adjusts this assessment annually in order to maintain a fund balance of \$3 million.

Fifty cents is added to the current law minimum fee assessment of \$14.00 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.

Appropriation: none

Revenue: none

Fiscal Note: available

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

TESTIMONY FOR (Natural Resources):

The fee should apply to all lands and could be effective for next year's tax collectors if passed quickly. Industry, the state, and local governments all support the bill.

TESTIMONY AGAINST (Natural Resources): None

TESTIFIED (Natural Resources): Pat McElroy, Dept. of Natural Resources; Tim Boyd, WA Forest Protection Assn.; Danny Coyne, Simpson Timber

TESTIMONY FOR (Ways & Means):

The fee should apply to all lands and could be effective for next year's tax collectors if passed quickly. Industry, the state, and local governments all support the bill.

TESTIMONY AGAINST (Ways & Means):

Fees should cover the cost of the program and should be based on a higher per acre assessment and lower minimum fee.

TESTIFIED (Ways & Means): Pat McElroy, Dept. of Natural Resources (pro); Jim Cahill, Office of Financial Management (con)