
Local Government Committee

HB 1345

Brief Description: Creating regional fire protection service authorities.

Sponsors: Representatives Cooper, Haigh, Simpson, Dunshee and Ericksen.

Brief Summary of Bill

- Allows for the creation of Regional Fire Protection Service Authorities.

Hearing Date: 2/5/03

Staff: Anne Warwick (786-7291).

Background:

Fire Mergers

Fire protection districts provide fire prevention services, fire suppression services, and emergency medical services; they also protect life and property in areas outside cities and towns. Cities and towns may, by election or petition, annex into a fire protection district. Currently, a fire protection district may merge with an adjacent district by voter approval or petition method. If the voters of the merging district favor the merger, both fire district boards adopt the resolution and declare the district merged under the merger district name. The merging fire protection district is dissolved and the boundaries are extended to include the entire merging district. If 60 percent of all qualified electors sign a petition to merge, no election is necessary. Both districts adopt the resolution declaring the districts merged. The commissioners of a merged district have the power to levy, assess, and collect property taxes on land in both districts. Commissioners of the merging district transfer, convey, and deliver all property and funds to the merged district.

Revenue Sources

Property tax rates consist of the annual levy rates applied to the assessed value of taxable property by the various taxing districts, including the state and various local jurisdictions which have levy authority. Junior taxing districts, including fire protection districts, have a designated statutory regular rate. Fire protection districts may also impose special levies for maintenance and operation purposes or for bond retirement for capital facilities when authorized by law. Bond levies pay the annual principal and interest required for the term of the bond, typically 20 years. Special levies must be approved by 60% of the majority of the

votes cast. The 2001 statewide average levy rate amounted to \$12.96 of \$1000 of assessed value.

Fire protection districts are not allowed to impose a local sales and use tax. Washington State law provides for 13 different types of local sales and use taxes. Cities may levy a basic 0.5 percent sales and use tax rate, plus an optional tax rate ranging from 0.1 to 0.5 percent. There are 280 incorporated cities in Washington and all of them levy the basic 0.5 percent tax. Two hundred seventy-three cities levy both the basic 0.5 percent and at least some portion of the optional tax. Counties may levy the same rates as cities. Thirty-five of the 39 counties levy the full 1.0 percent tax. The local sales and use tax is a major revenue source for cities, counties and transportation districts. For cities the amount of sales tax nearly equals the property tax receipts. For county government the property tax far outweighs the local sales tax in importance.

Summary of Bill:

Creation of Regional Fire Protection Service Authority

A Regional Fire Protection Service Authority (RFPSA) would allow two or more adjacent fire protection districts to merge, creating a regional fire protection service authority. The fire protection jurisdictions proposing the creation of such an authority must establish a planning committee to develop and adopt a Regional Fire Protection Service Authority Plan. The plan will provide for the design, financing, and development of fire protection services. Once adopted, the plan must be forwarded to the participating jurisdictions' governing bodies to initiate the election process. The voters will approve or reject a single ballot measure that both approves the formation of the RFPSA and the plan. If the ballot measure is not approved, the planning committee may redefine the authority projects, financing plan, and ballot measure. All powers, duties, and functions of a participating fire protection jurisdiction may be transferred by resolution to the RFPSA. The powers, duties, functions, and personnel shall not affect the validity of any act performed before the effective date of the resolution.

Revenue Options

The RFPSA may recommend the following revenue sources for approval of the voters: a regional sales and use tax (up to 0.5 percent), benefit charges, or property taxes. Taxes may only be imposed with an affirmative vote from the majority of voters on the original ballot measure which created the RFPSA. The revenues from these taxes may only be used to implement the plan. In addition, the RFPSA would have taxing authority similar to the High Capacity Transit tax which authorizes an additional local sales and use tax up to 1.0 percent.

Governing Board & Treasurer

The governing board consists of three members of the legislative authority from each fire protection jurisdiction. The board elects the executive board to discharge the duties of the board. By resolution, the authority designates a treasurer who may be the county treasurer or some other person. The treasurer has all of the powers, responsibilities, and duties the county treasurer has related to the investment all funds.

Appropriation: None.

Fiscal Note: Not Requested.

Effective Date: The bill takes effect ninety days after adjournment of session in which bill is passed.