

# HOUSE BILL REPORT

## SSB 5824

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### As Reported by House Committee On:

Local Government

**Title:** An act relating to allowing rural fire protection districts to contract with cities for ambulance services and impose a monthly utility service charge on each developed residential property located in the fire protection district.

**Brief Description:** Allowing rural fire protection districts to contract with cities for ambulance services and impose a monthly utility service charge on each developed residential property located in the fire protection district.

**Sponsors:** Senate Committee on Government Operations & Elections (originally sponsored by Senators Parlette and Horn).

### Brief History:

#### Committee Activity:

Local Government: 3/27/03, 4/3/03 [DP].

#### Brief Summary of Substitute Bill

- Allows fire protection districts to impose a monthly service utility charge on each residential property for the purpose of providing ambulance service.

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### HOUSE COMMITTEE ON LOCAL GOVERNMENT

**Majority Report:** Do pass. Signed by 11 members: Representatives Romero, Chair; Upthegrove, Vice Chair; Schindler, Ranking Minority Member; Jarrett, Assistant Ranking Minority Member; Ahern, Berkey, Clibborn, Edwards, Ericksen, Mielke and Moeller.

**Staff:** Anne Warwick (786-7291).

### Background:

Fire protection districts and city fire departments may enter into contract with another municipal corporation to provide for the following: fire protection services, emergency medical services, and fire suppression services.

*Intergovernmental Contracts:*

Municipal corporations may enter into contract with one another under the Inter-Local Cooperation Act. Any contract pursued under the Inter-Local Cooperation Act must contain the following components:

- contract duration and purpose;
- organization composition and nature of any separate legal or administrative entity created together;
- manner of financing the joint or cooperative undertaking including the establishment and maintenance of a budget;
- methods for employment; and
- termination and disposal of property.

Additionally, the contract must contain a provision for an administrator and the manner of acquiring, holding and disposing of real and personal property used in the contract. The financing of any joint contract or project must be provided for by law.

*Municipal Ambulance Service:*

A city or town may establish a system of ambulance service to be operated as a public utility or operated by contract after a call for bids. The legislative authority of the city or town is authorized to adopt ordinances for the levy and collection of excise taxes and/or for the imposition of an additional tax for the ambulance service. The Business and Occupation tax (B & O) is an amount which is fixed and determined by the legislative authority. Any excise tax other than the B & O tax is levied and collected from all persons, businesses, and industries who are served and billed for the ambulance service, whether it is owned and operated by the city or town or contracted out. The additional excise amounts are also fixed and determined by the legislative authority. The proceeds derived from all taxes authorized for ambulance service may only be used for the operation, maintenance, and capital needs of a municipally owned, operated, leased or contracted ambulance service.

*Fire Protection District Authority:*

Fire protection districts have the powers usual to any other municipal corporation for public purposes. They may contract with any governmental entity using the Inter-Local Cooperation Act, or with private parties, for fire protection and emergency medical purposes. They may finance the purchase of real property, but are limited in total indebtedness to three-eighths of 1 percent of the value of the taxable property in the district. Any indebtedness in excess of this must be approved by the voters. Financing authority granted to fire protection districts includes issuance of general obligation bonds and assessment of excess property tax levies. The board of fire district commissioners may impose benefit charges for up to six years that must be approved by 60 percent of the voters of the district. The board may also levy special assessments for up to 20 years in areas the board designates as local improvement districts.

**Summary of Bill:**

A rural fire protection district may enter into a contract with a contiguous city for ambulance services. The fire protection district may impose a monthly utility service charge on each developed residential property located in the fire protection district. The utility service charge will be an amount equal to the amount imposed by the city on similar city developed residential property. An additional charge may be applied to individuals using the ambulance service at a reasonable rate for ambulance services. No intergovernmental ambulance contract may compete with any existing private ambulance service.

For purposes of this section the following definitions apply:

- *"Developed residential property"* includes single family residences, apartments, manufactured homes, mobile homes, and trailers that continuously occupied for 30 days or more.
- *"Rural"* means a population density within the fire protection district or districts as a whole of 10 or fewer persons per square mile.

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**Appropriation:** None.

**Fiscal Note:** Not Requested.

**Effective Date:** The bill takes effect 90 days after adjournment of session in which bill is passed.

**Testimony For:** In agricultural areas it is too costly for residents to fund an ambulance service on an assessment of property values. Allowing a city to contract a municipal ambulance service to a neighboring fire district provides the services needed at a cost which the residents can afford. A monthly service utility charge provides a rural fire district with an additional funding option.

**Testimony Against:** None.

**Testified:** Senator Parlette, prime sponsor; Steve Jenkins, City of Bridgeport; and Stuart Dezelle, Commissioner Fire District #7.