

SENATE BILL REPORT

ESB 6433

As Passed Senate, February 11, 2006

Title: An act relating to establishing the emergency management, preparedness, and assistance account.

Brief Description: Establishing the emergency management, preparedness, and assistance account.

Sponsors: Senators Kastama, Jacobsen, Poulsen, Pridemore, Rockefeller, Shin, Haugen, Rasmussen, Keiser, Regala, Thibaudeau, Franklin, McAuliffe and Kohl-Welles.

Brief History:

Committee Activity: Government Operations & Elections: 1/19/06, 2/2/06 [DPS-WM, DNP].

Ways & Means: 2/6/06, 2/7/06 [DP2S, w/oRec].

Passed Senate: 2/11/06, 39-0.

SENATE COMMITTEE ON GOVERNMENT OPERATIONS & ELECTIONS

Majority Report: That Substitute Senate Bill No. 6433 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Kastama, Chair; Berkey, Vice Chair; Fairley, Haugen, Kline and Pridemore.

Minority Report: Do not pass.

Signed by Senators Roach, Ranking Minority Member; Benton, McCaslin and Mulliken.

Staff: Mac Nicholson (786-7445)

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Second Substitute Senate Bill No. 6433 be substituted therefor, and the second substitute bill do pass.

Signed by Senators Prentice, Chair; Fraser, Vice Chair, Capital Budget Chair; Doumit, Vice Chair, Operating Budget; Zarelli, Ranking Minority Member; Brandland, Fairley, Kohl-Welles, Pflug, Pridemore, Rasmussen, Regala, Rockefeller and Schoesler.

Minority Report: That it be referred without recommendation.

Signed by Senators Parlette and Roach.

Staff: Paula Faas (786-7449)

Background: The state military department, specifically the emergency management division, administers emergency management and disaster relief programs. The director of the military department is appointed by the Governor and is charged with developing and

maintaining a comprehensive emergency management plan for the state. Local jurisdictions are directed to establish comprehensive local emergency management plans, and submit their plans to the director for recommendations. Local jurisdictions may also establish and operate joint local emergency management organizations.

The emergency management council, whose members include representatives of city and county governments, law enforcement, fire chiefs, emergency management directors, and medical professions, advises the Governor and the director on matters pertaining to state and local emergency management. The council studied local and tribal emergency management organizations and issued a report in September, 2004. The report made a number of recommendations, including the establishment of a stable state funding source to support emergency planning.

Summary of Bill: The emergency management, preparedness, and assistance account is created in the custody of the State Treasurer. The account is appropriated.

Twenty percent of the funds in the account may be used by the military department for administrative expenses, to fund biennial assessments of emergency management, and to develop and coordinate emergency management plans. The military department is directed to conduct a biennial strategic assessment of emergency management in conjunction with the Emergency Management Council. The assessment must evaluate needs, abilities, and effectiveness of emergency management at the local and state level. The assessment must also make findings and recommendations.

Eighty percent of the funds in the account will be used for grants to regional agencies, local and tribal governments, regional incident management teams, and private organizations. Grant funding is to be used to develop and coordinate emergency management plans and train elected and appointed officials; administer periodic joint emergency management training exercises; and implement projects that strengthen emergency response, mitigation, preparation, and coordination. Projects funded must include projects that will promote neighborhood level public education, enhance coordination of relief efforts, and improve training and operations capabilities of agencies. Grant funding may also be used as seed money to establish a dedicated, full-time emergency management director in every county that does not currently have one.

The distribution formula may be adjusted when necessary to meet any matching requirements imposed as a condition of receiving federal funds. Local governments may not use funds received to supplant existing funding.

The military department is given rule-making authority to implement the legislation. Rules must specify match requirements and requirements that local agencies have a comprehensive emergency management plan or be a member of a joint organization for emergency management and have a local director or designated coordinator who works at least 15 hours per week in that capacity. Rules must also establish preferential funding for projects and exercises addressing needs identified in the biennial assessment and establish a formula that establishes a base grant allocation and weighted factors for funds to be allocated over the base grant amount.

The Joint Legislative Audit and Review Committee (JLARC) must study and review the performance of programs implemented under the legislation and report to the Legislature by December 2008. Funding from the account may be used to conduct the study.

The Legislature must establish an advisory committee to study issues related to the collection of an annual, per policy surcharge on homeowner's and business owner's property insurance policies to fund emergency management. The committee must report its findings and recommendations to the appropriate committees of the Legislature by November 30, 2006.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: Yes.

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

Testimony For (Government Operations & Elections): This is an important piece of legislation that addresses emergency preparedness in the state. Washington State trails only Florida and California in number of federally declared disasters. State and local emergency management agencies have been funded mostly by the federal government, but federal dollars are being cut back, necessitating a stable state funding source. Hazards in the Tri-Cities area, including Hanford and the Umatilla weapons depot, have generated federal funds used for emergency management communications systems, and that money will soon be disappearing as well. The bill should recognize that there are shared gaps in state and local plans that need to be filled in. Emergency management needs to be addressed before the state has its own Katrina. State, local, and tribal officials need to be trained so that in an emergency everybody is on the same play-book.

Testimony Against (Government Operations & Elections): None.

Testimony Other (Government Operations & Elections): Insurance companies support emergency preparedness; however, they are opposed to the funding mechanism in this bill. All states have retaliatory tax provisions, and insurance companies face the crippling reality that for every dollar added to premiums in this state, companies have up to five dollars of exposure in other states. Emergency management is important and funding should come out of general fund dollars.

Who Testified (Government Operations & Elections): PRO: Major General Timothy Lowenberg, Director, Washington State Military Department; Eric Holdeman, King County Office of Emergency Management; Lester Olson, Washington State Emergency Management Association; Steve Bailey, Washington State Association of Emergency Managers; Diane Oberquell, Thurston County Commissioner, Association of Washington Counties; Tom Green.

OTHER: Mel Sorensen, Property Casualty Insurers Association, Allstate, Contractors Building and Insurance Company; Cliff Webster, American Insurance Association; Gary Strannigan, SAFECO.

Testimony For (Ways & Means): This is the culmination of three hearings held around Washington State last fall on emergency management, preparedness, and response. The

language is still being worked out. Local jurisdictions currently are not able to meet the public's expectations regarding response to a disaster. This gap can be filled with public education and with resources for emergency management to address planning and response by local jurisdictions. The state is currently dependent on federal funding for emergency management, and the funding level frequently changes.

Testimony Other (Ways & Means): This bill is a work in progress. The initial language of the bill would have hurt domesticated insurers because of retaliatory tax laws. We are working on a compromise.

Who Testified (Ways & Means): PRO: Senator Kastama, Prime Sponsor; James Mullen, Director, Washington State Emergency Management Division; Steve Bailey, Pierce County Department of Emergency Management.

OTHER: Gary Strannigan, SAFECO.