

SENATE BILL REPORT

HB 1080

As Reported by Senate Committee On:
Government Operations & Elections, February 22, 2010

Title: An act relating to allowing impact fees to be used for all fire protection facilities.

Brief Description: Allowing impact fees to be used for all fire protection facilities.

Sponsors: Representatives Simpson and Williams.

Brief History: Passed House: 3/03/09, 63-33; 2/11/10, 59-38.

Committee Activity: Government Operations & Elections: 3/17/09 [DP, DNP]; 2/22/10 [DP].

SENATE COMMITTEE ON GOVERNMENT OPERATIONS & ELECTIONS

Majority Report: Do pass.

Signed by Senators Fairley, Chair; Oemig, Vice Chair; Roach, Ranking Minority Member; McDermott, Pridemore and Swecker.

Staff: Sharon Swanson (786-7447)

Background: Counties, cities, and towns that plan under the major provisions of the Growth Management Act (GMA) are authorized to impose impact fees on development activity as part of the financing of public facilities. Impact fees are payments of money required of developers as a condition of development approval. Local governments are required to use impact fees to pay for certain public facilities that are made necessary as the results of a development and must ensure that such fees are:

- used only for system improvements that are reasonably related to the impact of the development on the use of public facilities;
- do not exceed a proportionate share of the cost of system improvements made necessary by the development; and
- are used for system improvements that reasonably benefit the new development.

In determining how system improvements are to be financed, a local government must provide for a balance between impact fees and other sources of public funds and cannot rely solely on impact fees. Additionally, local ordinances must also include a fee schedule for each type of development activity subject to impact fees, specifying the amount of the impact

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fee to be imposed for each type of system improvement. The schedule must be based upon a formula or other method of calculating the prorated impact fee.

The types of public facilities that may receive funding from impact fees are limited to specified types of capital facilities owned or operated by government entities. Such public facilities are limited to the following:

- public streets and roads;
- publicly-owned parks, open spaces, and recreation facilities;
- school facilities; and
- fire protection facilities in jurisdictions that are not part of a fire district.

Fire protection districts are created to provide fire and emergency services to protect life and property in locales outside of cities and towns. A fire protection district may be established through a process involving a petition by the residents of a proposed district, a public hearing, and voter approval.

Summary of Bill: The definition of public facilities for which impact fees may be collected and spent is modified to include all fire protection facilities, rather than only fire protection facilities in jurisdictions that are not part of a fire district.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony: PRO: This legislation will allow fire districts to collect one time dollars that currently only city fire departments can collect. This bill is about fairness. The bill is permissive: it authorizes but does not mandate impact fee collections for fire protection facilities. Impact fees are imposed through local decisions, and may only be used for system improvements. The fees may not be used for staffing and must be assessed proportionately. Levy's are structured around a rural level of service. Fire departments are called upon to provide an urban level of service. We need to have the same tools that cities have if we are to provide the same level of service.

CON: The Building Industry Association of Washington (BIAW) is opposed to impact fees in general. This bill will expand the use of fire impact fees. Impact fees provide an unstable funding source and affect housing affordability. These types of fees can add thousands of dollars to the cost of a new home. Those who can afford the costs the least are impacted the most. This bill will reduce economic activity and potentially greatly reduce the amount of money received by the state through taxes.

Persons Testifying: PRO: Jon Sitkin, Chmelik, Sitkin & Davis; Al Church, Washington Fire Chiefs, South King Fire & Rescue; Henry Hollander, North Whatcom Fire & Rescue; Dave Williams, Association of Washington Cities.

CON: Erick Lohnes, BIAW.