

SENATE BILL REPORT

SHB 2615

As Reported by Senate Committee On:
Government Operations, Tribal Relations & Elections, February 23, 2012

Title: An act relating to benefit charges for the enhancement of fire protection services.

Brief Description: Authorizing benefit charges for the enhancement of fire protection services.

Sponsors: House Committee on Local Government (originally sponsored by Representatives Goodman and Kagi).

Brief History: Passed House: 2/13/12, 51-46.

Committee Activity: Government Operations, Tribal Relations & Elections: 2/23/12 [DPA-WM].

SENATE COMMITTEE ON GOVERNMENT OPERATIONS, TRIBAL RELATIONS & ELECTIONS

Majority Report: Do pass as amended and be referred to Committee on Ways & Means.

Signed by Senators Pridemore, Chair; Prentice, Vice Chair; Swecker, Ranking Minority Member; Benton, Chase and Nelson.

Staff: Karen Epps (786-7424)

Background: Fire protection districts are created to provide fire prevention, fire suppression, and emergency services within a district's boundaries. A fire protection district may be established through voter approval and financed by imposing regular property taxes, excess voter-approved property tax levies, and benefit charges. Currently, firefighters are not required to engage in fire suppression efforts if the fire occurs outside the boundaries of their fire protection district.

Cities are authorized to annex unincorporated areas through several alternative processes, including a resolution/election method, a petition/election method, and a direct petition method. Each method of annexation must follow specified processes set forth in statute. An annexation by a city or town that is proposing to annex territory served by one or more fire protection districts may be accomplished by ordinance after entering into an interlocal agreement with the county and the fire protection district or districts that have jurisdiction over the territory proposed for annexation. The interlocal agreement must describe the

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boundaries of the territory proposed for annexation. Additionally, the interlocal agreement must include a statement of the goals of the agreement.

A benefit charge is a type of assessment imposed upon a property owner based upon the measurable benefits to be received by the property owner by fire protection districts and fire protection authorities. A district or authority may use this funding approach as a means for apportioning the real costs of service to an individual property in a manner that reflects the actual benefits provided to that property. The imposition of a benefit charge is subject to voter approval by a 60 percent majority of the voters living within the jurisdiction of the district or authority. Subject to such voter approval, a district or authority has the option of imposing benefit charges in lieu of a portion of the property tax it is otherwise authorized to impose. Cities and towns are not currently authorized to impose benefit charges as a method for financing fire protection services.

Summary of Bill: The bill as referred to committee not considered.

Summary of Bill (Recommended Amendments): For the purposes of enhancing fire protection services, a city or town may fix and impose a benefit charge on personal property and improvements to real property located in the city or town if the city or town is conducting an annexation of, or has annexed since 2006, all or part of a fire protection district.

A benefit charge must be reasonably proportioned to the measurable benefits to property resulting from the enhancement of services afforded by the city or town. A benefit charge is linked to certain factors, including insurance savings and the actual benefits resulting from the degree of protection, including the distance from fire service facilities, the level of fire prevention services provided to the property, or the need for specialized services. The resolution establishing the benefit charge must specify, by legal geographical area or other specific designations, the charge to apply to each property by location, type, or other designation in order to properly calculate the charge to each property owner.

The imposition of a benefit charge is subject to voter approval by a 60 percent majority of the voters living within the jurisdiction of the city or town. The amount of a benefit charge is limited to a percentage of the fire department's operating budget, not to exceed 60 percent, which is specified in the ballot measure put before the voters. The election must be held not more than one year prior to the date on which the first charge is to be assessed. A benefit charge may not remain in effect for a period of more than six years or more than the number of years authorized by the voters, if fewer than six years, unless subsequently reapproved by the voters.

Procedures and deadlines for notice of and public hearings on a proposed benefit charge are established. Procedures and deadlines for annual review of benefit charges are also established.

Exemptions from the benefit charge are set forth, which include:

- property used for religious purposes by a recognized religious organization, including educational facilities;

- property that is owned by a nonprofit organization or association engaged in character building for boys and girls under the age of 18;
- property used by housing authorities and other nonprofit organizations that provide rental housing to very low-income households; and
- property which maintains its own fire department.

Additionally, certain persons receiving tax exemptions and persons with income limitations are exempt from a percentage of the benefit charge.

Appropriation: None.

Fiscal Note: Available.

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: On June 1, 2011, Kirkland annexed 31,000 people and territories that were previously served by two fire districts, one of which had already imposed a fire protection benefit charge. After annexation, Woodinville Fire and Rescue closed a border fire station that provided the equivalent of six firefighters into Kirkland. Kirkland has added nine firefighters to replace them, but because they are responding from fire stations that are farther away, there are still some gaps in response coverage. This benefit charge would allow Kirkland to address that gap. This bill gives a city that has annexed the same benefit charge tool that fire districts currently have, the ability to ask voters if they would pay for more service. This benefit charge can only be used for enhanced services. The benefit charge must be authorized by voters every six years or it automatically expires.

Persons Testifying: PRO: Kurt Triplett, Kirkland.