

HOUSE BILL REPORT

SHB 1654

As Passed House:

March 9, 2013

Title: An act relating to establishing a regional fire protection service authority within the boundaries of a single city.

Brief Description: Establishing a regional fire protection service authority within the boundaries of a single city.

Sponsors: House Committee on Local Government (originally sponsored by Representatives Riccelli, Ormsby, Fitzgibbon, Tarleton, Van De Wege and Ryu).

Brief History:

Committee Activity:

Local Government: 2/14/13, 2/22/13 [DPS].

Floor Activity:

Passed House: 3/9/13, 60-37.

Brief Summary of Substitute Bill

- Authorizes regional fire protection service authorities (RFA) to be formed within a single city rather than only within an area that is coextensive with two or more fire protection jurisdictions.
- Modifies provisions governing whether and how an RFA can establish an ambulance service that would compete with an existing private ambulance service.

HOUSE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 6 members: Representatives Takko, Chair; Fitzgibbon, Vice Chair; Kochmar, Assistant Ranking Minority Member; Liias, Springer and Upthegrove.

Minority Report: Do not pass. Signed by 2 members: Representatives Taylor, Ranking Minority Member; Buys.

Staff: Ethan Moreno (786-7386).

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Background:

Regional Fire Protection Service Authorities.

In 2004 the Legislature authorized the creation of regional fire protection service authorities (RFA) as separate taxing districts charged with providing regional fire protection and emergency services within their jurisdictional boundaries. The governing body of an RFA is determined by provisions in the plan calling for its creation. Currently, seven RFAs operate in Washington.

An RFA is formed through a multi-step process that begins when elected officials from two or more adjacent fire protection jurisdictions convene a regional fire protection service authority planning committee (planning committee). Each governing body of the fire protection jurisdictions participating in the planning committee must appoint three elected officials to the committee. The planning committee, which may receive and repay state or county start-up funding for ordinary and necessary expenses, must formulate and adopt a regional fire protection service authority plan (plan) for the governance, design, financing, and development of fire protection and emergency services within the proposed RFA. The planning committee may dissolve itself, and any participating fire protection jurisdiction may withdraw upon providing 30 days of written notice to the other jurisdictions.

Once adopted, the plan must be forwarded to the governing bodies of the participating fire protection jurisdictions to initiate an election process. Absent financing provisions requiring 60 percent voter approval, a simple majority of the total persons voting on the ballot measure to approve the plan and establish the RFA is required for approval.

The plan or subsequently established RFA cannot provide for the establishment of an ambulance service that would compete with an existing private ambulance service unless the RFA determines that all or a substantial portion of the area served by the RFA is not adequately served by an existing private ambulance service. Provisions governing the determination of adequacy process are established in statute. Among other requirements, these provisions call for, following a preliminary conclusion by an RFA that an existing private ambulance service is inadequate, a 60-day remedial period for the service to meet generally accepted medical standards and accepted levels of service. In the event of a second preliminary conclusion of inadequacy within a 24-month period, the RFA may immediately issue a call for bids or establish its own ambulance service.

Summary of Substitute Bill:

Single-City Regional Fire Protection Authority Formation.

Provisions governing regional fire protection service authorities (RFA) are modified to allow an RFA to be formed within a single city rather than only within an area that is coextensive with two or more fire protection jurisdictions. A regional fire protection service authority planning committee (planning committee) is authorized to receive, and mandated to repay within one year of the RFAs establishment, start-up funding provided by affected cities for ordinary and necessary expenses. The planning committee may dissolve itself, and any participating fire protection jurisdiction may withdraw from the committee upon providing 30 days of written notice to the other participating jurisdictions, if any.

Potential Establishment of RFA Ambulance Service.

Provisions governing whether and how an RFA can establish an ambulance service that would compete with an existing private ambulance service are modified. In determining the adequacy of an existing private ambulance service, the RFA must consider, among other criteria, objective measures regarding quality of patient care and outcomes, continuity of care, delays in transport, affordability of transport services for consumers, health care system cost savings, and other objective measures to be determined by the authority related specifically to customer service expectations.

In the event of a preliminary conclusion by an RFA that an existing private ambulance service is inadequate, a 60-day remedial period is granted for the service to make necessary improvements, rather than to meet generally accepted medical standards and accepted levels of service. In the event of a second preliminary conclusion of inadequacy within a 12-month, rather than a 24-month period, the RFA may immediately issue a call for bids or establish its own ambulance service.

Appropriation: None.

Fiscal Note: Available.

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

Staff Summary of Public Testimony:

(In support) Fire protection is essential. This bill creates the option for a single city to form a regional fire protection service authority (RFA). The goal of this bill is to provide additional flexibility in the provision of fire services. This bill will allow for a fire budget to be isolated and not in competition with other city departments. Ambulance services should be provided by whichever entity can provide the best service at the lowest cost.

Currently, two adjacent jurisdictions must join to form an RFA. This bill would allow a single city to form an RFA. The process of forming an RFA that is composed of a city fire department and a fire protection district can be difficult. This bill will help to create greater regionalization and will also help to put firefighters on the street. There is a willingness to explore additional options for ambulance provisions and ways in which an RFA may engage in fee-for-transport services. There may be cost savings by allowing an RFA to provide transport services, as fire departments do not have the profit motives of private ambulance service providers.

(Opposed) If an RFA is established as envisioned in this bill, it would eliminate the statute that has incentivized private ambulance services to provide a high level of ambulance services. The public has received an essential public benefit through the current law. If an RFA is allowed to provide transport services, the funding would not align with services and a cost shift would occur as the costs of providing the services would be distributed throughout the RFA.

There is nothing regional about a single-city RFA: no economy of scale benefits would be realized, an additional bureaucracy would be created, and new taxing and bonding authority would be created. Every city department would like to have a separate silo for its budget, but the challenge of managing a city is balancing competing interests. Removing protections that private ambulance services have when they are doing a good job would not be appropriate.

Persons Testifying: (In support) Representative Riccelli, prime sponsor; and Geoff Simpson, Washington Council of Fire Fighters.

(Opposed) Bob Berschauer, Washington Ambulance Association; and Paul Berendt, American Medical Response.

Persons Signed In To Testify But Not Testifying: None.