
SUBSTITUTE HOUSE BILL 1605

State of Washington

64th Legislature

2016 Regular Session

By House Local Government (originally sponsored by Representatives Peterson, Van De Wege, Griffey, Riccelli, and Fitzgibbon)

1 AN ACT Relating to benefit charges of fire protection districts
2 and regional fire protection service authorities; and amending RCW
3 52.26.220, 52.26.230, 84.55.092, 52.18.050, 52.18.010, and 52.26.180.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 52.26.220 and 2006 c 200 s 12 are each amended to
6 read as follows:

7 (1) (~~Notwithstanding any other provision in this chapter to the~~
8 ~~contrary, any~~) (a) The initial imposition of a benefit charge
9 authorized by this chapter (~~is not effective unless a proposition to~~
10 ~~impose the benefit charge is approved by a~~) must be approved by not
11 less than sixty percent (~~majority~~) of the voters of the regional
12 fire protection service authority voting at a general election or at
13 a special election called by the authority for that purpose (~~, held~~
14 ~~within the authority~~). ((A)) Ballot (~~measure that contains~~)
15 measures containing an authorization to impose benefit charges
16 (~~and~~) that (~~is~~) are approved by the voters pursuant to RCW
17 52.26.060 (~~meets~~) satisfy the proposition approval requirement of
18 this subsection and subsection (2) of this section.

19 (b) An election held (~~under this section~~) for the initial
20 imposition of a benefit charge must be held not more than twelve
21 months prior to the date on which the first charge is to be assessed.

1 (c) A benefit charge approved at an election expires in six
2 ~~((years))~~ or fewer years as authorized by the voters, unless
3 subsequently reapproved by the voters.

4 (2) ~~((The))~~ Ballot measures calling for the initial imposition of
5 a benefit charge must be submitted so as to enable ~~((the))~~ voters
6 favoring the authorization of a ~~((regional fire protection service~~
7 ~~authority))~~ benefit charge to vote "Yes" and those opposed to vote
8 "No." The ballot question is as follows:

9 "Shall the regional fire protection service
10 authority composed of (insert the participating fire
11 protection jurisdictions) be authorized to impose
12 benefit charges each year for (insert number of years
13 not to exceed six) years, not to exceed an amount equal to
14 sixty percent of its operating budget, and be prohibited from
15 imposing an additional property tax under RCW
16 52.26.140(1)(c)?

17 YES NO
18

19 (3) ~~((Authorities renewing the benefit charge may elect to use~~
20 ~~the following alternative ballot))~~ (a) The continued imposition of a
21 benefit charge authorized by this chapter may be approved for six
22 consecutive years. A ballot measure calling for the continued
23 imposition of a benefit charge for six consecutive years must be
24 approved by a majority of the voters of the regional fire protection
25 service authority voting at a general election or at a special
26 election called by the authority for that purpose.

27 (b) Ballot measures calling for the continued imposition of a
28 benefit charge must be submitted so as to enable voters favoring the
29 continued imposition of the benefit charge to vote "Yes" and those
30 opposed to vote "No." The ballot question must be substantially in
31 the following form:

32 "Shall the regional fire protection service
33 authority composed of (insert the participating fire
34 protection jurisdictions) be authorized to
35 continue voter-authorized benefit charges each year
36 ~~((for (insert number of years not to exceed six)~~
37 ~~years))~~ for six consecutive years, not to exceed an amount
38 equal to sixty percent of its operating budget, and be

1 prohibited from imposing an additional property tax under RCW
2 52.26.140(1)(c)?

3 YES

NO

4

5 **Sec. 2.** RCW 52.26.230 and 2004 c 129 s 29 are each amended to
6 read as follows:

7 (1) Not fewer than ten days nor more than six months before the
8 election at which the proposition to impose the benefit charge is
9 submitted as provided in this chapter, the governing board of the
10 regional fire protection service authority, or the planning committee
11 if the benefit charge is proposed as part of the initial formation of
12 the authority, shall hold a public hearing specifically setting forth
13 its proposal to impose benefit charges for the support of its legally
14 authorized activities that will maintain or improve the services
15 afforded in the authority. A report of the public hearing shall be
16 filed with the county treasurer of each county in which the property
17 is located and be available for public inspection.

18 (2) Prior to November 15th of each year the governing board of
19 the authority shall hold a public hearing to review and establish the
20 regional fire protection service authority benefit charges for the
21 subsequent year.

22 (3) All resolutions imposing or changing the benefit charges must
23 be filed with the county treasurer or treasurers of each county in
24 which the property is located, together with the record of each
25 public hearing, before November 30th immediately preceding the year
26 in which the benefit charges are to be collected on behalf of the
27 authority.

28 (4) After the benefit charges have been established, the owners
29 of the property subject to the charge must be notified of the amount
30 of the charge.

31 **Sec. 3.** RCW 84.55.092 and 1998 c 16 s 3 are each amended to read
32 as follows:

33 (1) The regular property tax levy for each taxing district other
34 than the state may be set at the amount which would be allowed
35 otherwise under this chapter if the regular property tax levy for the
36 district for taxes due in prior years beginning with 1986 had been
37 set at the full amount allowed under this chapter including any levy

1 authorized under RCW 52.16.160 or 52.26.140(1)(c) that would have
2 been imposed but for the limitation in RCW 52.18.065 or 52.26.240,
3 applicable upon imposition of the benefit charge under chapter 52.18
4 or 52.26 RCW.

5 (2) The purpose of this section is to remove the incentive for a
6 taxing district to maintain its tax levy at the maximum level
7 permitted under this chapter, and to protect the future levy capacity
8 of a taxing district that reduces its tax levy below the level that
9 it otherwise could impose under this chapter, by removing the adverse
10 consequences to future levy capacities resulting from such levy
11 reductions.

12 **Sec. 4.** RCW 52.18.050 and 2013 c 49 s 1 are each amended to read
13 as follows:

14 (1)(a) The initial imposition of a benefit charge authorized by
15 this chapter must be approved by not less than sixty percent of the
16 voters of the district voting at a general election or at a special
17 election called by the district for that purpose.

18 (b) An election held for the initial imposition of a benefit
19 charge must be held not more than twelve months prior to the date on
20 which the first charge is to be assessed.

21 (c) A benefit charge approved at an election expires in six or
22 fewer years as authorized by the voters unless subsequently
23 reapproved by the voters.

24 (2) Ballot measures calling for the initial imposition of a
25 benefit charge must be submitted so as to enable voters favoring the
26 authorization of a benefit charge to vote "Yes" and those opposed to
27 vote "No," and the ballot question must be as follows:

28 "Shall county fire protection district
29 No. . . . be authorized to impose benefit charges each year
30 for (insert number of years not to exceed six) years,
31 not to exceed an amount equal to sixty percent of its
32 operating budget, and be prohibited from imposing an
33 additional property tax under RCW 52.16.160?

34	YES	NO
35	<input type="checkbox"/>	<input type="checkbox"/>

36 (3)(a) The continued imposition of a benefit charge authorized by
37 this chapter (~~must be approved by a majority of the voters of the~~

1 ~~district voting at a general election or at a special election called~~
2 ~~by the district for that purpose)) may be approved for six~~
3 ~~consecutive years.~~

4 ~~((b) Ballot measures calling for the continued imposition of a~~
5 ~~benefit charge must be submitted so as to enable voters favoring the~~
6 ~~continued imposition of the benefit charge to vote "Yes" and those~~
7 ~~opposed to vote "No." The ballot question must be substantially in~~
8 ~~the following form)) A ballot measure calling for the continued~~
9 ~~imposition of a benefit charge for six consecutive years must be~~
10 ~~approved by a majority of the voters of the district voting at a~~
11 ~~general election or at a special election called by the district for~~
12 ~~that purpose.~~

13 (b) Ballot measures calling for the continued imposition of a
14 benefit charge must be submitted so as to enable voters favoring the
15 continued imposition of the benefit charge to vote "Yes" and those
16 opposed to vote "No." The ballot question must be substantially in
17 the following form:

18 "Shall county fire protection district
19 No. be authorized to continue voter-authorized
20 benefit charges each year (~~for (insert number of~~
21 ~~years not to exceed six) years)) for six consecutive years,
22 not to exceed an amount equal to sixty percent of its
23 operating budget, and be prohibited from imposing an
24 additional property tax under RCW 52.16.160?~~

25 YES NO
26

27 **Sec. 5.** RCW 52.18.010 and 1998 c 16 s 1 are each amended to read
28 as follows:

29 (1) The board of fire commissioners of a fire protection district
30 may by resolution, for fire protection district purposes authorized
31 by law, fix and impose a benefit charge on personal property and
32 improvements to real property which are located within the fire
33 protection district on the date specified and which have or will
34 receive the benefits provided by the fire protection district, to be
35 paid by the owners of the properties(~~:- PROVIDED, That~~)).

36 (2) A benefit charge (~~shall~~) does not apply to:

37 (a) Personal property and improvements to real property owned or
38 used by any recognized religious denomination or religious

1 organization as, or including, a sanctuary or for purposes related to
2 the bona fide religious ministries of the denomination or religious
3 organization, including schools and educational facilities used for
4 kindergarten, primary, or secondary educational purposes or for
5 institutions of higher education and all grounds and buildings
6 related thereto, but not including personal property and improvements
7 to real property owned or used by any recognized religious
8 denomination or religious organization for business operations,
9 profit-making enterprises, or activities not including use of a
10 sanctuary or related to kindergarten, primary, or secondary
11 educational purposes or for institutions of higher education;

12 (b) Property of housing authorities that is exempt from property
13 taxes under RCW 35.82.210;

14 (c) Property of nonprofit entities providing rental housing for
15 very low-income households or providing space for the placement of a
16 mobile home for a very low-income household that is exempt from
17 property taxes under RCW 84.36.560;

18 (d) Property of nonprofit homes for the aging that is exempt from
19 property taxes under RCW 84.36.041;

20 (e) Property of nonprofit organizations, corporations, or
21 associations providing housing for eligible persons with
22 developmental disabilities that is exempt from property taxes under
23 RCW 84.36.042;

24 (f) Property of nonprofit organizations providing emergency or
25 transitional housing for low-income homeless persons or victims of
26 domestic violence who are homeless for personal safety reasons that
27 is exempt from property taxes under RCW 84.36.043;

28 (g) Property of the state housing finance commission that is
29 exempt from property taxes under RCW 84.36.135; and

30 (h) Property of nonprofit corporations operating sheltered
31 workshops for persons with disabilities that is exempt from property
32 taxes under RCW 84.36.350.

33 (3) The aggregate amount of such benefit charges in any one year
34 shall not exceed an amount equal to sixty percent of the operating
35 budget for the year in which the benefit charge is to be collected:
36 PROVIDED, That it shall be the duty of the county legislative
37 authority or authorities of the county or counties in which the fire
38 protection district is located to make any necessary adjustments to
39 assure compliance with such limitation and to immediately notify the
40 board of fire commissioners of any changes thereof.

1 (4) A benefit charge imposed shall be reasonably proportioned to
2 the measurable benefits to property resulting from the services
3 afforded by the district. It is acceptable to apportion the benefit
4 charge to the values of the properties as found by the county
5 assessor or assessors modified generally in the proportion that fire
6 insurance rates are reduced or entitled to be reduced as the result
7 of providing the services. Any other method that reasonably
8 apportions the benefit charges to the actual benefits resulting from
9 the degree of protection, which may include but is not limited to the
10 distance from regularly maintained fire protection equipment, the
11 level of fire prevention services provided to the properties, or the
12 need of the properties for specialized services, may be specified in
13 the resolution and shall be subject to contest on the ground of
14 unreasonable or capricious action or action in excess of the
15 measurable benefits to the property resulting from services afforded
16 by the district. The board of fire commissioners may determine that
17 certain properties or types or classes of properties are not
18 receiving measurable benefits based on criteria they establish by
19 resolution. A benefit charge authorized by this chapter shall not be
20 applicable to the personal property or improvements to real property
21 of any individual, corporation, partnership, firm, organization, or
22 association maintaining a fire department and whose fire protection
23 and training system has been accepted by a fire insurance underwriter
24 maintaining a fire protection engineering and inspection service
25 authorized by the state insurance commissioner to do business in this
26 state, but such property may be protected by the fire protection
27 district under a contractual agreement.

28 (5) For administrative purposes, the benefit charge imposed on
29 any individual property may be compiled into a single charge,
30 provided that the district, upon request of the property owner,
31 provide an itemized list of charges for each measurable benefit
32 included in the charge.

33 (6) Benefit charges that were imposed by a fire protection
34 district prior to June 15, 2016, on property exempt under subsection
35 (2) of this section are subject to the following:

36 (a) For a benefit charge that expires between June 15, 2016, and
37 June 15, 2018, the district may continue to assess and collect the
38 benefit charge from exempt properties. If, after the benefit charge
39 expires during this period, voters of the district reapprove the
40 benefit charge, the district may assess and collect the charge from

1 exempt properties for a period of no more than two years after it is
2 reapproved. In the first year after reapproval, the district may
3 collect the full amount of the benefit charge from exempt properties.
4 In the second year after reapproval, the district may collect no more
5 than fifty percent of the benefit charge from exempt properties.
6 After two years, the district may no longer assess and collect the
7 benefit charge from exempt properties.

8 (b) For a benefit charge that expires after June 15, 2018, the
9 district may not assess and collect the benefit charge from any
10 exempt property after June 25, 2016.

11 **Sec. 6.** RCW 52.26.180 and 2004 c 129 s 24 are each amended to
12 read as follows:

13 (1) The governing board of a regional fire protection service
14 authority may by resolution, as authorized in the plan and approved
15 by the voters, for authority purposes authorized by law, fix and
16 impose a benefit charge on personal property and improvements to real
17 property which are located within the authority on the date specified
18 and which have received or will receive the benefits provided by the
19 authority, to be paid by the owners of the properties.

20 (2) A benefit charge does not apply to:

21 (a) Personal property and improvements to real property owned or
22 used by any recognized religious denomination or religious
23 organization as, or including, a sanctuary or for purposes related to
24 the bona fide religious ministries of the denomination or religious
25 organization, including schools and educational facilities used for
26 kindergarten, primary, or secondary educational purposes or for
27 institutions of higher education and all grounds and buildings
28 related thereto. However, a benefit charge does apply to personal
29 property and improvements to real property owned or used by any
30 recognized religious denomination or religious organization for
31 business operations, profit-making enterprises, or activities not
32 including use of a sanctuary or related to kindergarten, primary, or
33 secondary educational purposes or for institutions of higher
34 education;

35 (b) Property of housing authorities that is exempt from property
36 taxes under RCW 35.82.210;

37 (c) Property of nonprofit entities providing rental housing for
38 very low-income households or providing space for the placement of a

1 mobile home for a very low-income household that is exempt from
2 property taxes under RCW 84.36.560;

3 (d) Property of nonprofit homes for the aging that is exempt from
4 property taxes under RCW 84.36.041;

5 (e) Property of nonprofit organizations, corporations, or
6 associations providing housing for eligible persons with
7 developmental disabilities that is exempt from property taxes under
8 RCW 84.36.042;

9 (f) Property of nonprofit organizations providing emergency or
10 transitional housing for low-income homeless persons or victims of
11 domestic violence who are homeless for personal safety reasons that
12 is exempt from property taxes under RCW 84.36.043;

13 (g) Property of the state housing finance commission that is
14 exempt from property taxes under RCW 84.36.135; and

15 (h) Property of nonprofit corporations operating sheltered
16 workshops for persons with disabilities that is exempt from property
17 taxes under RCW 84.36.350.

18 (3) The aggregate amount of these benefit charges in any one year
19 may not exceed an amount equal to sixty percent of the operating
20 budget for the year in which the benefit charge is to be collected.
21 It is the duty of the county legislative authority or authorities of
22 the county or counties in which the regional fire protection service
23 authority is located to make any necessary adjustments to assure
24 compliance with this limitation and to immediately notify the
25 governing board of an authority of any changes thereof.

26 ~~((+2))~~ (4) A benefit charge imposed must be reasonably
27 proportioned to the measurable benefits to property resulting from
28 the services afforded by the authority. It is acceptable to apportion
29 the benefit charge to the values of the properties as found by the
30 county assessor or assessors modified generally in the proportion
31 that fire insurance rates are reduced or entitled to be reduced as
32 the result of providing the services. Any other method that
33 reasonably apportions the benefit charges to the actual benefits
34 resulting from the degree of protection, which may include but is not
35 limited to the distance from regularly maintained fire protection
36 equipment, the level of fire prevention services provided to the
37 properties, or the need of the properties for specialized services,
38 may be specified in the resolution and is subject to contest on the
39 grounds of unreasonable or capricious action or action in excess of
40 the measurable benefits to the property resulting from services

1 afforded by the authority. The governing board of an authority may
2 determine that certain properties or types or classes of properties
3 are not receiving measurable benefits based on criteria they
4 establish by resolution. A benefit charge authorized by this chapter
5 is not applicable to the personal property or improvements to real
6 property of any individual, corporation, partnership, firm,
7 organization, or association maintaining a fire department and whose
8 fire protection and training system has been accepted by a fire
9 insurance underwriter maintaining a fire protection engineering and
10 inspection service authorized by the state insurance commissioner to
11 do business in this state, but the property may be protected by the
12 authority under a contractual agreement.

13 ~~((3))~~ (5) For administrative purposes, the benefit charge
14 imposed on any individual property may be compiled into a single
15 charge, provided that the authority, upon request of the property
16 owner, provide an itemized list of charges for each measurable
17 benefit included in the charge.

18 ~~((4))~~ (6) Benefit charges that were imposed by a regional fire
19 protection service authority prior to June 15, 2016, on property
20 exempt under subsection (2) of this section are subject to the
21 following:

22 (a) For a benefit charge that expires between June 15, 2016, and
23 June 15, 2018, the authority may continue to assess and collect the
24 benefit charge from exempt properties. If, after the benefit charge
25 expires during this period, voters of the authority reapprove the
26 benefit charge, the authority may assess and collect the charge from
27 exempt properties for a period of no more than two years after it is
28 reapproved. In the first year after reapproval, the authority may
29 collect the full amount of the benefit charge from exempt properties.
30 In the second year after reapproval, the authority may collect no
31 more than fifty percent of the benefit charge from exempt properties.
32 After two years, the authority may no longer assess and collect the
33 benefit charge from exempt properties.

34 (b) For a benefit charge that expires after June 15, 2018, the
35 authority may not assess and collect the benefit charge from any
36 exempt property after June 25, 2016.

37 (7) For the purposes of this section and RCW 52.26.190 through
38 52.26.270, the following definitions apply:

1 (a)(i) "Personal property" includes every form of tangible
2 personal property including, but not limited to, all goods, chattels,
3 stock in trade, estates, or crops.

4 (ii) "Personal property" does not include any personal property
5 used for farming, field crops, farm equipment, or livestock.

6 (b) "Improvements to real property" does not include permanent
7 growing crops, field improvements installed for the purpose of aiding
8 the growth of permanent crops, or other field improvements normally
9 not subject to damage by fire.

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