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## Capital Budget Committee

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### HB 1929

**Brief Description:** Concerning capital projects for the provision of fire protection services.

**Sponsors:** Representatives Abbarno, Griffey, Sutherland, Dent, Graham and Orcutt.

<p><b>Brief Summary of Bill</b></p> <ul style="list-style-type: none"><li>• Creates a new competitive grant program to award funding to local governments in rural counties for fire protection services capital projects.</li></ul>
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**Hearing Date:** 1/25/22

**Staff:** Kelci Karl-Robinson (786-7116).

**Background:**

The Capital Budget has traditionally provided capital funding to local governments and other entities through a variety of competitive grant programs. The Department of Commerce (Commerce) administers multiple competitive programs funded through the Capital Budget, including the Building for the Arts Program, the Building Communities Fund Program, and the Youth Recreational Facilities Program.

The Washington State Constitution provides general police powers for cities and towns, which include the power to establish and maintain a fire department to provide fire protection services within its corporate limits. If a city or town does not wish to establish its own fire department, it may also contract for fire protection services with another jurisdiction, form a regional fire protection authority with an adjacent jurisdiction, or be annexed to an adjacent fire protection district.

The Office of Financial Management is responsible for determining the population of each

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county of the state as of the first of April each year. Multiple statutes define rural county as "a county with a population density fewer than 100 persons per square mile or a county smaller than 225 square miles, as determined by the Office of Financial Management." Based on this definition, 30 of Washington's 39 counties are considered rural counties as of April 1, 2021.

**Summary of Bill:**

Commerce is directed to establish a competitive grant program to award funding to local governments in rural counties to plan, acquire, construct, repair, replace, rehabilitate, or improve a facility providing fire protection services. Funding is capped at \$2 million per jurisdiction per biennium. Private or public match is required and is based on the financial need of the applicant and the economic conditions of the location of the proposed facility. Commerce must establish a committee to develop the grant program criteria and a process for prioritization of applications. The committee must include no less than one representative each from Commerce, a fire protection district, a county, and a city. Commerce must consider the following factors in prioritizing projects:

- the Insurance Services Office fire rating for the local jurisdiction;
- the extent to which the project leverages other funds;
- the ability of the local government to levy local resources;
- whether the project is critical in nature and would affect the health and safety of the people in the community;
- the extent to which the project is ready to proceed to construction;
- whether the project is located in a distressed area; and
- whether the project consolidates or regionalizes systems.

Contracts for grants must include provisions that the capital improvement be used for fire protection services for a specified period of time appropriate to the grant amount. If the grantee is found to be out of compliance with provisions of the contract, the grantee is required to repay to the State General Fund the principal amount of the grant plus interest calculated at the rate of interest on State of Washington general obligation bonds issued most closely to the date of authorization of the grant.

Beginning November 1, 2023, Commerce must submit an annual report to the Legislature that includes the following related to the fire protection services grant program:

- total number of applications and funding requested;
- a list with a description of projects approved and the project scores;
- total amount of grant disbursements; and
- total amount of obligations.

**Appropriation:** None.

**Fiscal Note:** Requested on January 18, 2022.

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

passed.