

HOUSE BILL REPORT

SB 5565

As Passed House:

March 3, 2022

Title: An act relating to allowing fire districts and regional fire authorities to carry out certain treasurer functions.

Brief Description: Allowing fire districts and regional fire authorities to carry out certain treasurer functions.

Sponsors: Senators Sheldon, Rolfes, Lovick and Mullet.

Brief History:

Committee Activity:

Local Government: 2/16/22, 2/18/22 [DP].

Floor Activity:

Passed House: 3/3/22, 97-0.

Brief Summary of Bill

- Allows fire protection districts and regional fire protection service authorities with over \$10 million in annual revenue for the preceding three consecutive years to designate a person with financial or fiscal experience as the treasurer of the district or authority.
- Provides the designated treasurer of the fire protection district or the regional fire protection service authority the powers, responsibilities, and duties of a county treasurer and county auditor with regard to the financial matters of the district.

HOUSE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: Do pass. Signed by 6 members: Representatives Pollet, Chair; Duerr, Vice Chair; Goehner, Ranking Minority Member; Griffey, Assistant Ranking Minority

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

Member; Berg and Robertson.

Staff: Elizabeth Allison (786-7129).

Background:

Fire Protection Districts.

Fire protection districts (Districts) are special purpose districts established to provide fire prevention, fire suppression, and emergency medical services to protect life and property within a district's boundaries, which can include incorporated and unincorporated areas. The affairs of a District are managed by a board of elected fire commissioners.

The county treasurer of the county in which all or the largest portion of any District is located is the financial agent of the District and has the duty to receive and disburse District revenues, to collect taxes and assessments, and to credit District revenues to the proper fund. When a District is located in multiple counties, the county treasurer of each of the other counties in which the District is located must collect the District's taxes and assessments imposed on property located with the county and transfer the funds to the county treasurer in which the largest portion of the District is located.

The auditor of the county in which all or the largest portion of any District is located is responsible for issuing warrants against proper funds of the District.

Regional Fire Protection Service Authorities.

A regional fire protection service authority (RFA) is a special purpose district whose boundaries are coextensive with two or more fire protection jurisdictions, including a District or city fire department. An RFA is established to conduct fire protection services at a regional level and is governed by a board of elected officials charged with executing the RFA's service plan. The service plan provides for the design, financing, and development of fire protection services. An RFA is managed by a board of commissioners as determined by the service plan. Members of the board may only be elected officials of participating fire protection jurisdictions and elected commissioners.

The county treasurer of the county in which the RFA is located must collect taxes levied within the District. When an RFA is located in more than one county, the county treasurer of each of the other counties in which the RFA is located must collect the RFA's taxes and assessments imposed on property located with the county and transfer the funds to the county treasurer in which the largest portion of the RFA is located.

Summary of Bill:

Fire Protection Districts.

The board of commissioners of a District with more than \$10 million in annual revenues for the preceding three consecutive years may, by resolution, designate a person with financial

or fiscal experience as the treasurer of the District. The designated treasurer has the same powers, responsibilities, and duties as the county treasurer, and is subject to the same restrictions.

The Districts that have appointed a treasurer, other than the county treasurer of the respective district, may issue warrants against the accounts of the District using vouchers approved and signed by a majority of the District board and secretary. The designated treasurer may also pay general obligation bonds and their accrued interest, as well as submit a monthly report to the District's secretary detailing the District's fund balances and receipts and disbursements of each fund during the preceding month.

Regional Fire Protection Service Authorities.

An RFA with more than \$10 million in annual revenues for the three preceding consecutive years, or an RFA that is being formed by participating jurisdictions that cumulatively had more than \$10 million in annual revenue for the preceding three years, may, by resolution, designate a person with financial or fiscal experience as the treasurer of the RFA. The designated treasurer has the same powers, responsibilities, and duties as the county treasurer, and is subject to the same restrictions.

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) This is a bill for the largest Districts and RFAs in Washington. There are around 10 to 15 Districts and RFAs that would be eligible to designate treasurers out of 380 Districts and RFAs. Such Districts and RFAs have the personnel and professionals needed to perform these services. Treasurers at the county level perform treasurer duties for Districts and RFAs, but it is time for larger districts to have the authority to manage their dollars. They should be allowed to perform treasurer duties such as bonding that county treasurers generally do on behalf of the District or RFA. Library districts, port authority districts, water-sewer districts, and public utility districts already have this authority. The bill is voluntary and would allow more efficiency as well as remove pressure from the county treasurer. There were over 70 Districts in Kitsap County in the 1970s, and now there are five Districts and one city fire department because of mergers. Current law prohibits them from being their own treasurers. There is mutual benefit for counties, Districts, and RFAs.

(Opposed) None.

Persons Testifying: Senator Tim Sheldon, prime sponsor; Tim Maule, Central Kitsap Fire and Rescue; Jeff Faucett, South Kitsap Fire and Rescue; and Ryan Spiller, Washington Fire Commissioners.

Persons Signed In To Testify But Not Testifying: None.