

Multiple Agency Fiscal Note Summary

Bill Number: 6415 S SB	Title: Perm. fire district charge
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Estimated Cash Receipts

Agency Name	2019-21		2021-23		2023-25	
	GF- State	Total	GF- State	Total	GF- State	Total
Department of Revenue	Non-zero but indeterminate cost and/or savings. Please see discussion.					
Total \$	0	0	0	0	0	0

Agency Name	2019-21		2021-23		2023-25	
	GF- State	Total	GF- State	Total	GF- State	Total
Local Gov. Courts						
Loc School dist-SPI						
Local Gov. Other	Non-zero but indeterminate cost and/or savings. Please see discussion.					
Local Gov. Total						

Estimated Operating Expenditures

Agency Name	2019-21			2021-23			2023-25		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Department of Revenue	.0	0	0	.0	0	0	.0	0	0
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Agency Name	2019-21			2021-23			2023-25		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Local Gov. Total									

Estimated Capital Budget Expenditures

Agency Name	2019-21			2021-23			2023-25		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Department of Revenue	.0	0	0	.0	0	0	.0	0	0
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Estimated Capital Budget Breakout

NONE

Prepared by: Ramona Nabors, OFM	Phone: (360) 902-0547	Date Published: Final 2/28/2020
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Department of Revenue Fiscal Note

Bill Number: 6415 S SB	Title: Perm. fire district charge	Agency: 140-Department of Revenue
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Part I: Estimates

☒ No Fiscal Impact

Estimated Cash Receipts to:

Non-zero but indeterminate cost and/or savings. Please see discussion.

Estimated Expenditures from:

NONE

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- ☐ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☒ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

Legislative Contact: Tracey OBrien	Phone: 360-786-7152	Date: 02/27/2020
Agency Preparation: Frank Wilson	Phone: 360-534-1527	Date: 02/28/2020
Agency Approval: Don Gutmann	Phone: 360-534-1510	Date: 02/28/2020
OFM Review: Ramona Nabors	Phone: (360) 902-0547	Date: 02/28/2020

Request # 6415-2-1

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe, by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

CURRENT LAW:

Fire districts and regional fire protection service authorities (RFAs) have the authority to levy a regular property tax to eliminate fire hazards and protect life and property outside of incorporated cities and towns except where such cities and towns have been annexed into the district, and may levy three \$0.50 property tax levies, up to a maximum rate \$1.50 per \$1,000 assessed value.

A fire district or RFA may also impose a benefit charge with voter approval for up to six years. However, if a fire district or RFA imposes a benefit charge, the district or RFA may only levy a maximum of \$1.00 per \$1,000 assessed value.

The initial imposition of a benefit charge levied by a fire district requires 60 percent majority approval, and may be continued for six consecutive years with majority voter approval.

PROPOSED LAW:

Authorizes fire protection districts and regional fire protection service authorities to impose a ten-year benefit charge or a permanent benefit charge with voter approval.

EFFECTIVE/EXPIRATION DATE:

The bill takes effect 90 days after final adjournment of the session in which it is enacted.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

This legislation results in no revenue impact to the state property tax levy.

Local impact is indeterminate since it is unknown which fire districts would be able to gain voter approval.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

The Department of Revenue will not incur any costs with the implementation of this legislation.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

NONE

III. B - Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

NONE

III. C - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

NONE

None.

Part V: New Rule Making Required

LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

Bill Number: 6415 S SB	Title: Perm. fire district charge
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Part I: Jurisdiction—Location, type or status of political subdivision defines range of fiscal impacts.

Legislation Impacts:

- ☒ Cities: Indeterminate changes in proportionate share of election costs
- ☒ Counties: Same as above
- ☒ Special Districts: Fire protection districts and regional fire protection service authorities; Indeterminate changes in proportionate share of elections costs
- ☐ Specific jurisdictions only:
- ☐ Variance occurs due to:

Part II: Estimates

- ☐ No fiscal impacts.
- ☒ Expenditures represent one-time costs: Potential one time cost if a permanent benefit charge is approved by voters
- ☒ Legislation provides local option: Allows fire protection districts to establish ballot measures for longer or permanent extension of benefit charges
- ☒ Key variables cannot be estimated with certainty at this time: Number of districts choosing to pursue longer or permanent extension of benefit charges; number of elections resulting in approval of longer or permanent extension of fire benefit charges

Estimated revenue impacts to:

Non-zero but indeterminate cost and/or savings. Please see discussion.

Estimated expenditure impacts to:

Non-zero but indeterminate cost and/or savings. Please see discussion.

Part III: Preparation and Approval

Fiscal Note Analyst: Allan Johnson	Phone: 360-725-5033	Date: 02/28/2020
Leg. Committee Contact: Tracey OBrien	Phone: 360-786-7152	Date: 02/27/2020
Agency Approval: Rebecca Duncan	Phone: 360-725-5040	Date: 02/28/2020
OFM Review: Ramona Nabors	Phone: (360) 902-0547	Date: 02/28/2020

Part IV: Analysis

A. SUMMARY OF BILL

Provide a clear, succinct description of the bill with an emphasis on how it impacts local government.

CHANGES FROM PRIOR BILL VERSION:

Allows a fire district to impose a continued fire district benefit charge for ten consecutive years upon majority approval of voters .

Establishes a 60 percent voter approval requirement for the permanent fire district benefit charge .

Allows a regional fire authorities to impose a continued authority benefit charge for ten consecutive years upon majority approval of voters, or permanently upon approval by at least 60 percent of voters .

SUMMARY OF CURRENT BILL VERSION:

Fire protection districts and regional fire protection service authorities are authorized to impose a permanent benefit charge , when seeking authorization for the continued imposition of a benefit charge, with approval by at least 60 percent of the voters of the district or authority .

Fire protection districts and regional fire protection service authorities are authorized to impose a 10-year benefit charge , when seeking authorization for the continued imposition of a benefit charge, with approval by a majority of the voters of the district or authority .

B. SUMMARY OF EXPENDITURE IMPACTS

Briefly describe and quantify the expenditure impacts of the legislation on local governments , identifying the expenditure provisions by section number, and when appropriate, the detail of expenditures. Delineate between city, county and special district impacts.

CHANGES FROM PRIOR BILL VERSION:

Changes from the prior bill offer a ten year extension that could be approved by majority vote . The Local Government Fiscal Note Program assumes these changes make it likely that one or more jurisdictions will elect to , and will receive approval, to extend fire benefit charges resulting in indeterminate impacts described below . This is a change from the previous determination of no impact .

Discussion of potential impacts to the proportionate share of election costs for cities, counties and other special districts is added to this analysis .

SUMMARY OF EXPENDITURE IMPACTS OF CURRENT BILL:

This legislation provides a local option to fire protection districts . The Local Government Fiscal Note Program assumes that one or more qualified districts will elect to pursue extended fire benefit charges resulting in indeterminate impacts .

Jurisdictions that elect to pursue a 10 year or permanent benefit charge through election , and are successful, could experience a net decrease in operating expenditures related to future elections to extend benefit charges . This decrease is anticipated due to a reduction in the frequency and/or number of future elections . The number and scope of these potential instances is speculative and cannot be predicted .

City, county or other special districts that have ballot measures occurring at the same time as an election to extend the fire benefit charge would experience an indeterminate impact to their proportionate share of election costs which cannot be determined in advance .

DISCUSSION OF ELECTION COSTS:

County auditor election departments conduct elections on behalf of special taxing districts , cities, counties, state government, and federal government . Each county bills its local jurisdictions for a prorated share of the cost of each election . Election costs include both fixed and variable costs related to a specific election . The cost to a jurisdiction varies significantly depending on how many other jurisdictions share the specific election date . Based upon recent case studies, general election costs range from \$0.20 per voter to almost \$1.50 per voter .

Special elections often have higher costs (depending on how many jurisdictions participate) and these costs range from \$1 to \$4 per voter . These election costs include salary/wage/benefits, supplies, envelopes, ballots, voter pamphlets, training, and copiers .

November general elections have the most participating jurisdictions so the cost to individual jurisdictions is lower . Conducting a one-issue election on a special election date usually leads to much higher costs (Washington Association of County Officials) . The bulk of new registrations would most likely fall to more populated counties .

C. SUMMARY OF REVENUE IMPACTS

Briefly describe and quantify the revenue impacts of the legislation on local governments, identifying the revenue provisions by section number, and when appropriate, the detail of revenue sources. Delineate between city, county and special district impacts.

CHANGES FROM PRIOR BILL VERSION:

The Local Government Fiscal Note Program assumes that changes from the prior version make it likely that one or more jurisdictions will elect to, and will receive approval, to extend fire benefit charges resulting in indeterminate impacts described below. This is a change from the previous determination of no impact.

SUMMARY OF EXPENDITURE IMPACTS OF CURRENT BILL:

This legislation provides a local option to fire protection districts and regional fire protection service authorities to extend benefit charges. While this legislation provides a local option, the Local Government Fiscal Note Program assumes that it is likely that one or more fire protection districts or regional fire protection services authorities would elect to pursue a 10 year or permanent extension of fire benefit charges. It is assumed that one or more of these extension proposals would be approved by voters. This could result in an indeterminate increase in revenue in districts where current or proposed ballot measures that would expire at the end of six years would be successful upon initial approval by voters and subsequent similar measures are defeated by voters. The number and scope of these potential instances is speculative and cannot be estimated.

BACKGROUND:

According to the Municipal Research and Services Center there are currently 396 fire protection districts and 7 regional fire service authorities in the state.

SOURCES:

Local Government Fiscal Note Program Unit Cost Data (2020)
Municipal Research and Services Center
Northshore Fire Department
Puget Sound Regional Fire Authority