



PROPOSITION NO. 1 & Two-Part Funding Method FAQ

Here you will find answers to some of the most frequently asked questions (FAQ) about Proposition No. 1 and the two-part funding method.

FREQUENTLY ASKED QUESTIONS

What is Proposition No. 1?

During the August 3, 2021 Primary Election, voters will be asked to approve or reject Proposition No. 1. This measure states "Shall the Puget Sound Regional Fire Authority be authorized to continue voter-authorized benefit charges on a permanent basis, not to exceed an amount equal to sixty percent of its operating budget, and be prohibited from imposing an additional property tax under RCW 52.26.240 (1)(c)?"

Why is Proposition No. 1 on the ballot?

State law requires that regional fire authorities reauthorize the two-part funding method with voters at least every six years.

Is this something new?

No. Voters previously authorized Puget Sound Fire to impose and collect a fire benefit charge in 2010 and then again in 2016. **This is not a new tax or fee.** Proposition No. 1 proposes reauthorization of the existing, voter-approved, two-part funding method on a permanent basis.

How is the Puget Sound Regional Fire Authority funded?

Puget Sound Fire uses a voter-approved, two-part funding method authorized under RCW 52.26.180. The two-part funding method includes a property tax and fire benefit charge.

What is a fire benefit charge (FBC)?

Chapter 52.26 of the Revised Code of Washington (RCW) provides that with approval of voters in their service area, regional fire authorities are authorized to assess a fire benefit charge on improvements to real property from residential and commercial property owners. Once voters authorize the FBC, the normal tax collection authority provided in RCW 52.26 drops from \$1.50 per thousand to \$1.00 per thousand of assessed value.

The fire benefit charge is a fee that is based on the benefit of having emergency services. The FBC is not a per call charge and is not based on property value. The fee is based on structure size, use, and risk. **It is not a tax.**



Why does the Puget Sound Regional Fire Authority use the benefit charge funding method?

The fire benefit charge provides a stable funding method to secure operating funds that result in predictable revenues. A property-tax-only system only takes into consideration the value of the property and not the benefits provided by the regional fire authority to specific types of property. Properties with higher risk pay the same amount as properties with lower risk.

Adding the fire benefit charge as part of the a two-part funding system allows Puget Sound Fire to equitably distribute the cost of specialized equipment and training required by some properties, to those properties. By using a fire benefit charge, the equitable division of cost means higher risk properties pay more for the benefit of emergency services that meet their unique needs and lower risk properties pay less to reflect their lower burden on the emergency response system.

How is the fire benefit charge calculated?

Consistent with the statutory requirements, the fire benefit charge is based on the principle that the basic unit of public fire service is delivery of water to a fire. Accordingly, the Puget Sound Fire FBC formula focuses on correlating fire flow to the deployment of resources necessary for the "delivery of water to the fire".

Puget Sound Fire's fire benefit charge formula can be summarized as follows:

1. The beginning point, which is driven by the size of the structure, established the minimum amount of water that is needed to put out a fire in each structure.

Size is determined by finding the total square footage of all improvements on a property. Total square footage is determined by adding all gross square footage (outside measurements of building(s) and all floors, basements, garages, and mezzanine spaces are added to determine total square footage) on the property.

2. The Puget Sound Fire then uses the formula to determine the resources (personnel and equipment) needed to deliver that base fire flow to a given (or group of) structure(s) on a parcel of land.

The Puget Sound Fire's formula breaks down structures by categories using four types: single and double family occupancies, manufactured homes, multi-family or apartments and commercial structures.



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The Fire Benefit Charge formula used is:

The square root of the square feet X (18)* X (category factor) X (response factor) X (discount) X (fire flow factor) *18 is a coefficient value based on empirical test by the Insurance Services Organization (ISO)

When the structural improvement(s) on a property have higher than normal risk as defined by the National Fire Protection Association in Standard 13, the fire benefit charge formula adds to the base fire benefit charge as follows:

- A 30% increase when products or uses with high combustibility or high rates of heat release are present.
- A 40% increase when products or uses with high quantities of flammable, combustible or hazardous materials are present.

Does every property owner pay the FBC?

The fire benefit charge is not a tax, so property tax-exempt entities (e.g., governments and charitable organizations) are not necessarily exempt from the FBC. However, certain exemptions do apply, and only improvements to property are assessed. The fire benefit charge does not apply to land values.

Additional Questions?

If you have additional questions, please contact Division Chief Greg Markley at 253-856-4408.