

**Local Government Mandate Statement
Kentucky Legislative Research Commission
2018 Regular Session**

Part I: Measure Information

Bill Request #: 159

Bill #: HB 95 GA

Document ID #: 7343

Bill Subject/Title: AN ACT relating to fire protection and making an appropriation therefore.

Sponsor: Representative Rob Rothenburger

Unit of Government: City County Urban-County
 Charter County Consolidated Local Unified Local
Government

Office(s) Impacted: Sheriff Office

Requirement: Mandatory Optional

Effect on

Powers & Duties: Modifies Existing Adds New Eliminates Existing

Part II: Bill Provisions and the Estimated Fiscal Impact Relating to Local Government

“Fire District” is defined to mean a fire protection district or volunteer fire department district, or a subdistrict thereof.

The Commission of Fire Protection Personnel Standards and Education annually allots to qualifying fire departments \$8,250, referred to as a share.

HB 95 GA extends pre-merger payment amounts out to a period of twenty years. Starting in year 21 and afterwards, the merged district shall receive one share of aid. If the merged district does not remain qualified to receive aid, the district will be suspended for ninety days. If the merged district becomes compliant within that 90 days, the payments shall resume. If the merged district does not become compliant within 90 days, then the department’s aid will be reduced to one share.

Under HB 95 GA, when a new volunteer fire department created and merged within the territory of an existing fire department, the newly created volunteer fire district would receive one share of aid at the next disbursal date and the parent fire department's aid will be reduced by one share for the twenty years subsequent to the merger. Currently, the share reduction is one year.

HB 95 GA provides for the adoption of an alternative trustee board structure. Upon adoption of the alternative trustee board structure, the board will consist of seven member: one appointed by the county judge/executive or executive head of a merged government; two elected by firefighters, and four shall be property owners who reside in the district elected by the property owners of the districts. The terms shall be staggered. Procedures for the removal of an elected firefighter trustee are provided.

The election for the board will be held annually on the same day and the same hours as the regular election in November and located at the principal fire house in the district. Terms of current and future board members will be synchronized to accommodate the change of election date to the regular election in November. Procedures are provided regarding notification of the election and for election day signage placed in precincts containing all or a portion of the fire district of the trustee elections. The board will elect a chairman, secretary, and treasurer whom shall give bond.

HB 95 GA details tax rate provisions for districts and subdistricts. Initially, the board shall keep the tax rates in place immediately prior to adoption. The tax will be used for the establishment, maintenance, and operation of the fire department or to make contracts for protection for the districts, emergency ambulance services, and if certified as being needed, supplemental emergency medical services including EMR, EMT, EMT-A, and paramedic services. The district may request the Department of Local government calculate the compensating rate and the rate that would produce 4% above the compensating rate

The property valuation administrator shall update the tax rolls with the taxpayers' and valuation of the property subject to the new assessment and the county clerk shall certify the tax on the regular state and county tax bills. Any expenses should be easily absorbed.

KRS 75.040 (4) entitles the sheriff of the county to a fee of one percent of the amount of property taxes collected by him. Whereas the same property within the merged districts would be taxed at a higher rate, this would result in increased fee revenue for the Sheriff's Office.

The fiscal impact of HB 95 GA on local fire districts and counties is indeterminable.

Part III: Differences to Local Government Mandate Statement from Prior Versions

HB 95 GA keeps the changes made by HCS 1 and includes the changes made by HFA 1:

- The election for board of trustee members is changed from the forth Saturday of June between the hours of 11:00 a.m. and 2:00 p.m. to the same time and during the same hours as the regular November election. The terms of existing and future board members will be synchronized to accommodate this change.
- Provides guidelines for election day signage to be placed in the precincts having trustee elections.

HB 95 HCS 1 made the following changes to HB 95 as introduced:

- Removes the language regarding the change in the two rates which can be levied by a fire district or subdistrict.
- Provides for the adoption of an alternative trustee board structure.
- Provides compensating tax rate provisions.
- Adds language regarding merged fire districts; treatment of the funding received from the Commission of Fire Protection Personnel Standards and Education.
- "Fire District" is defined.

Data Source(s): LRC Staff

Preparer: Wendell F. Butler **Reviewer:** KHC **Date:** 3/20/18