## Local Government Mandate Statement Kentucky Legislative Research Commission 2020 Regular Session

## **Part I: Measure Information**

Bill Request #: 45
Bill #: HB 18 HCS 1
<b>Document ID #:</b> 3674
Bill Subject/Title: AN ACT relating fire districts.
Sponsor: Representative Jason M. Nemes
Unit of Government: X City X County X Urban-County Unified Local X Charter County X Consolidated Local X Government
Office(s) Impacted:
Requirement: X Mandatory Optional
Effect on  Powers & Duties: Modifies ExistingX Adds New Eliminates Existing

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

Currently and unchanged by HB 18 HCS 1, fire protection districts or volunteer fire department districts that don't operate an emergency ambulance service may levy a property tax not to exceed ten cents per \$100 of valuation. If the districts operates a service, then they can levy a property tax exceeding the ten cent rate, but not to exceed twenty cents per \$100.

For purposes of this Local Government Mandate Statement, references to districts shall mean the fire protection district or a volunteer fire department district, or subdistrict of the county containing the majority of the population server by the district or subdistrict.

HB 18 HCS 1 clarifies the tax levying abilities of primary and secondary emergency ambulance service providers. Districts are the primary service providers of emergency ambulance services within their district unless the board of trustees deems otherwise. If the district is not the primary service provider, the district cannot levy a property tax in excess of ten cents per hundred dollar value.

If the district is the primary provider of emergency ambulance service, any other ambulance service provider within that district shall be a secondary service provider. A district can be deemed a secondary provider to another district and still be a primary provider within its own district.

The fiscal impact of HB 18 HCS 1 on local governments is undeterminable. We are unable to ascertain the fire districts that might position themselves within the parameter of this proposal, nor the amount of tax they might levy.

There are 34 counties that have one or more fire districts with a tax rate of 10 cents per \$100 valuation or less and 79 counties that do not have fire districts.

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

HB 18 HCS 1 retains the provisions of HB 18 as introduced except for the deletion of subparagraph 1(b)(4) providing for a property tax offset. **Deletion of the offset ensures that the local government having the primary provider of EMS services will not be impacted.** 

**Data Source(s):** LRC Staff, Department of Property Taxation

**Preparer:** Wendell F. Butler **Reviewer:** KHC **Date:** 1/29/20