

**Local Government Mandate Statement
Kentucky Legislative Research Commission
2025 Regular Session**

Part I: Measure Information

Bill Request #:	1001	Bill #:	HB 604
Document ID #:	4202	Sponsor:	Representative Mark Allen Hart
Bill Title:	AN ACT relating to property tax rates for emergency services.		

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

Office(s) Impacted: Sheriffs; County Fiscal Courts

Requirement: Mandatory Optional

Effect on Powers & Duties: Modifies Existing Adds New Eliminates Existing

Other Fiscal Statement(s) that may exist: Actuarial Analysis Corrections Impact
 Health Benefit Mandate State Employee Health Plan

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

HB 604 would amend KRS 75.040 by increasing the maximum property tax rate that may be levied by fire protection districts and volunteer fire department districts. It would limit any increase in the total tax levy beyond the initially approved amount to two cents per \$100 of assessed valuation annually, require a public hearing with proper public notification for any rate adjustments, and exempt these rates from the provisions of KRS 132.023. If a fire district does not have a website, the required notification would need to be advertised on the website of the local government where the district is located.

Additionally, HB 604 would amend KRS 75A.050 by raising the maximum property tax rate that may be levied by a consolidated emergency services district while imposing the same two-cent per \$100 annual cap on increases, requiring a public hearing with proper notification, and exempting such tax increases from KRS 132.023. If a consolidated emergency services district does not have a website, the required notification would need to be advertised on the website of the local government where the district is located.

The fiscal impact of HB 604 is indeterminable but is likely to be minimal.

Under existing provisions of KRS 75.040, sheriffs are responsible for collecting fire protection district taxes and receive a 1% fee from these taxes. Similarly, under KRS 75A.050, sheriffs collect taxes for consolidated emergency services districts. The fiscal court determines the exact percentage of the fee a sheriff may collect through an ordinance, but it may not exceed 4.25%. HB 604 would not alter these provisions.

If any of these districts increase taxes, the amount received by sheriffs would also increase. The impact of tax increases for consolidated emergency services districts would likely be greater than that of fire protection district tax increases.

Additionally, if a district does not have a website, local governments would be required to advertise tax notifications on their websites, which would likely result in a negligible cost.

Data Source(s): LRC Staff

Preparer: AS **Reviewer:** JB (MDA) **Date:** 2/26/25