
Detailed Fiscal Analysis

Current law permits municipal corporations and townships, or two or more townships, to combine to form a joint fire district by adopting a joint resolution. The board of a joint fire district may establish reasonable charges for the use of ambulance or emergency medical services, and those charges may differ for residents and nonresidents of the district. In addition, the board of a joint fire district may waive all or part of the charge for any resident of the district.

The bill permits two or more municipalities to form a joint fire district. The bill permits political subdivisions that create a joint fire district to allow member subdivisions to pay any charges for service on behalf of their residents. The bill requires residents to pay any charges for service they receive from the district, unless the district board has agreed to waive the charges or the relevant political subdivision has agreed to pay charges for its residents in the resolution creating the fire district. (Sec. 505.371(C)(2)).

Any joint fire district already in existence when the bill goes into effect may amend its joint resolution to permit any of the political subdivisions involved to agree to pay those charges for their residents.

Municipalities and townships that are, or become, members of a joint fire district and that choose to pay district service charges on behalf of their residents could incur additional costs. The actual cost could vary significantly, depending upon the fee charged by a joint district and the number of service charges that a particular subdivision had to pay on behalf of its residents. There are about 20 joint fire districts in the state.

□ *LBO staff: Alexander C. Heckman, Budget/Policy Analyst*

\\budget_office\isis_vol1.lbo\fn123\HB0204HP.doc