

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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HOUSE BILL 379

Committee Substitute Favorable 3/31/93

Senate Local Government and Regional Affairs Committee Substitute Adopted 6/2/93

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Short Title: Fire District Fees.

(Local)

Sponsors:

Referred to: Finance.

March 1, 1993

A BILL TO BE ENTITLED

AN ACT TO ALLOW HALIFAX COUNTY TO CREATE FIRE PROTECTION DISTRICTS IN WHICH FIRE PROTECTION IS FUNDED BY FEES RATHER THAN TAXES AND TO RESTRICT EXPENDITURES OF FUNDS DONATED TO THE FIRE DEPARTMENT OF THE TOWN OF BETHEL.

The General Assembly of North Carolina enacts:

Section 1. Article 11 of Chapter 153A of the General Statutes is amended by adding a new section to read:

**"§ 153A-236. Fee-supported fire districts.**

(a) Request for Fee-Supported District. – A county may create a fee-supported fire district for insurance grading purposes if it receives one of the following:

(1) A written request to create the district signed by at least two-thirds of the members of the board of directors of a fire department that contracts with the county to provide fire protection within an area of the county.

(2) A petition requesting creation of a district signed by fifteen percent (15%) of the resident freeholders living in an area in the county. The petition must describe the area to be designated as the district.

(b) Creation of Fee-Supported District. – Upon receipt of a request as provided in subsection (a) of this section, the county may adopt a resolution establishing a fee-supported fire district and imposing annual fees for the provision of fire protection

1 services within the district. The district may not include any area that is within (i) a tax-  
2 supported fire district established under Article 3A of Chapter 69 of the General  
3 Statutes; (ii) a county service district established under Article 16 of this Chapter for fire  
4 protection purposes; or (iii) another fee-supported fire district. The district may not  
5 include any area that is within the corporate limits of a municipality unless the  
6 governing body of the municipality agrees to the inclusion. However, it is not necessary  
7 to obtain the consent of a municipality if the municipality has not levied a tax,  
8 performed any official act, nor held any elections within a period of 10 years preceding  
9 the adoption of the resolution including the area within the district.

10 (c) Fees. – The fees imposed by the county may not exceed the cost of providing  
11 fire protection services within the district. The fees may be imposed on the owners of  
12 all property that benefits from the availability of fire protection and is either real  
13 property or a mobile or other manufactured home that is classified as personal property.  
14 For the purpose of this section, the term 'fire protection' includes furnishing emergency  
15 medical, rescue, and ambulance services to protect persons in the district from injury or  
16 death. The county shall establish a schedule of fees for different classes of property,  
17 and the fee for each class of property shall be proportional to the estimated cost of  
18 providing fire protection services to that class of property. The schedule of fees shall  
19 include the following classes of property, and the fee on each class of property shall not  
20 exceed the following maximums:

- 21 (1) A single-family dwelling or manufactured home, and appurtenant  
22 structures, plus up to five acres of surrounding land. The fee on this  
23 class of property may not exceed seventy-five dollars (\$75.00) per site  
24 per year.
- 25 (2) Unimproved land other than the five acres of land classified as part of  
26 a single-family dwelling or manufactured home. The fee on this class  
27 of property may not exceed ten cents (10¢) per acre per year. The  
28 county may establish a minimum fee for unimproved land of not more  
29 than ten dollars (\$10.00) per year.
- 30 (3) An animal production, poultry production, or horticultural operation.  
31 The fee on this class of property may not exceed twenty-five dollars  
32 (\$25.00) per structure per year.
- 33 (4) A commercial, industrial, or agricultural facility that is not included  
34 under subdivision (3) of this section. The fee on this class of property  
35 may not exceed seventy-five dollars (\$75.00) per site per year for  
36 facilities with structures encompassing less than 5,000 square feet, and  
37 one hundred fifty dollars (\$150.00) per site per year for facilities with  
38 structures encompassing 5,000 square feet or more.
- 39 (5) A multiple-family dwelling. The fee on a duplex may not exceed  
40 seventy-five dollars (\$75.00) per building per year. The fee on a  
41 triplex may not exceed one hundred dollars (\$100.00) per building per  
42 year. The fee on any other multiple-family dwelling may not exceed  
43 one hundred fifty dollars (\$150.00) per building per year.

1           (6) Any other class of property selected by the county. The fee on these  
2           classes of property may not exceed seventy-five dollars (\$75.00) per  
3           year.

4           (d) Billing of Fees. – The county may include a fee imposed under this section on  
5           the property tax bill for the property on which the fee is imposed. The fees are payable  
6           in the same manner as property taxes and become a lien on the property for which they  
7           were imposed. In case of nonpayment, the fees may be collected in any manner by  
8           which delinquent personal and real property taxes can be collected.

9           (e) Use of Fees. – The county shall credit the fees collected within the district to  
10          a separate fund to be used only to furnish fire protection in the district. The board of  
11          commissioners shall administer the fund to provide fire protection by one or more of the  
12          following methods:

13           (1) Contracting with any municipality, any incorporated nonprofit  
14           volunteer or community fire department, or the Department of  
15           Environment, Health, and Natural Resources.

16           (2) Furnishing fire protection itself if it maintains an organized fire  
17           department.

18           (3) Establishing a fire department in the district.

19          (f) Audit of Fire Department. – If the county contracts with a fire department to  
20          provide fire protection services in a fee-supported fire district, the fire department shall  
21          prepare an annual budget based on anticipated revenues and shall submit the budget to  
22          the county for processing and approval through the county's regular budget procedure.  
23          Upon request of the county, the fire department shall make quarterly or semiannual  
24          reports to the county detailing its revenues, expenditures, and activities. The county  
25          may audit the fire department's financial records upon reasonable notice to the fire  
26          department.

27          (g) Extension of Area of District. – The county may by resolution annex to any  
28          fee-supported fire district any territory that it could include in a new district under  
29          subsection (b) of this section, upon finding that:

30           (1) The area to be annexed is contiguous to the district, with at least one-  
31           eighth of the area's aggregate external boundary coincident with the  
32           existing boundary of the district; and

33           (2) The area to be annexed requires the services of the district.

34          The county may also by resolution annex to any fee-supported fire district any  
35          territory it could include in a new district under subsection (b) of this section if one  
36          hundred percent (100%) of the property owners in the territory to be annexed that would  
37          be subject to the fees have petitioned the board of commissioners for annexation to the  
38          service district.

39          The area of any fee-supported fire district may be increased by including within the  
40          boundaries of the district any adjoining territory lying within a municipality if the  
41          territory is not already included in another fire protection district, and both the  
42          municipal governing body and the county commissioners of the county in which the  
43          district is located agree by resolution to the inclusion. However, it is not necessary to  
44          obtain the consent of a municipality if the municipality has not levied a tax, performed

1 any official act, nor held any elections within a period of 10 years preceding the  
2 adoption of the resolution including the area within the district.

3 (h) Annexation of District. – When any portion of a fee-supported fire district has  
4 been annexed by a municipality furnishing fire protection to its citizens, and the  
5 municipality has not agreed to allow territory within it to be in the district, then the  
6 portion of the district annexed is no longer part of a fee-supported district. For the  
7 purposes of this section and regardless of the actual effective date of annexation, the  
8 date of annexation shall be considered to be a date in the month of June.

9 (i) Abolition of District. – Upon finding that there is no longer a need for a given  
10 fee-supported fire district, the board of commissioners may repeal the resolution  
11 establishing the district and thus abolish the district."

12 Sec. 2. Funds previously donated to the Bethel Fire Department or raised by  
13 fire department fund-raising events and now on hand in the amount of seventy-eight  
14 thousand one hundred twenty-six dollars and seventy-five cents (\$78,126.75), plus any  
15 interest that has accrued since March 31, 1993, are hereby made subject to the  
16 restrictions set forth in Section 3 of this act.

17 Sec. 3. The donated funds identified in Section 2 of this act shall be kept by  
18 the Town of Bethel in a fund separate from other municipal funds. The donated funds  
19 shall be spent only upon the advice and authorization of a committee appointed by the  
20 governing body of the Town of Bethel. The committee shall consist of no less than  
21 three and no more than seven members, as determined by the governing board, who  
22 shall be appointed from those persons recommended by the volunteer members of the  
23 Bethel Fire Department. Expenditures from the funds shall be limited to expenditures in  
24 the following categories:

- 25 (1) Food;
- 26 (2) Purchase, repair, and maintenance of furniture, appliances, and  
27 equipment;
- 28 (3) Uniform accessories;
- 29 (4) Training aids and subscriptions;
- 30 (5) Professional dues;
- 31 (6) Florist costs;
- 32 (7) Printing, office equipment, and supplies;
- 33 (8) Charitable donations; and
- 34 (9) Services provided to citizens who reside outside the corporate limits of  
35 town.

36 Sec. 4. Upon authorization of expenditures pursuant to this act, the governing  
37 body of the Town of Bethel shall include such expenditures in its budget ordinance or  
38 amendments thereto, and the funds shall be accounted for and audited as are all other  
39 municipal funds.

40 Sec. 5. Section 1 of this act applies to Halifax County only. Sections 2  
41 through 4 of this act apply to the Town of Bethel only.

42 Sec. 6. This act is effective upon ratification.