CHAPTER 883
SENATE BILL 1150

AN ACT TO ALLOW UNION COUNTY TO CREATE FIRE PROTECTION DISTRICTS IN WHICH FIRE PROTECTION IS FUNDED BY FEES RATHER THAN TAXES.

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

(c) Fees. – The fees imposed by the county may not exceed the cost of providing fire protection services within the district and may be imposed on owners of all real property that benefits from the availability of fire protection. For the purpose of this section, the term 'fire protection' includes furnishing emergency medical, rescue, and ambulance services to protect persons in the district from injury or death. The county shall establish a schedule of fees for different classes of property and the fee for each class of property shall be proportional to the estimated cost of providing fire protection

services to that class of property. The schedule of fees shall include the following classes of property and the fee on each class of property shall not exceed the following maximums:

       (1)   A single-family dwelling or manufactured home, and appurtenant structures, plus up to five acres of surrounding land. The fee on this class of property may not exceed fifty dollars ($50.00) per site per year.

       (2)   Unimproved land other than the five acres of land classified as part of a single-family dwelling or manufactured home. The fee on this class of property may not exceed two cents (2¢) per acre per year. The county may establish a minimum fee for unimproved land of not more than five dollars ($5.00) per year.

       (3)   An animal production or horticultural operation. The fee on this class of property may not exceed ten dollars ($10.00) per site per year.

       (4)   A commercial facility other than an animal production or horticultural operation. The fee on this class of property may not exceed fifty dollars ($50.00) per site per year for commercial facilities with structures encompassing less than 5,000 square feet and one hundred dollars ($100.00) per site per year for commercial facilities with structures encompassing 5,000 square feet or more.

       (5)   A multiple-family dwelling. The fee on a duplex may not exceed fifty dollars ($50.00) per building per year. The fee on a triplex may not exceed seventy-five dollars ($75.00) per building per year. The fee on any other multiple-family dwelling may not exceed one hundred dollars ($100.00) per building per year.

       (6)   Any other class of property selected by the county. The fee on these classes of property may not exceed fifty dollars ($50.00) per year.

(d)   Billing of Fees. – The county may include a fee imposed under this section on the property tax bill for the real property on which the fee is imposed.

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

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

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

       (3)   Establishing a fire department in the district.

(f)   Audit of Fire Department. – If the county contracts with a fire department to provide fire protection services in a fee-supported fire district, the fire department shall prepare an annual budget based on anticipated revenues and shall submit the budget to the county for processing and approval through the county's regular budget procedure. Upon request of the county, the fire department shall make quarterly or semiannual

reports to the county detailing its revenues, expenditures, and activities. The county may audit the fire department's financial records upon reasonable notice to the fire department.

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

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

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

The county may also by resolution annex to any fee-supported fire district any territory it could include in a new district under subsection (c) if one hundred percent (100%) of the real property owners in the territory to be annexed have petitioned the board of commissioners for annexation to the service district.

The area of any fee-supported fire district may be increased by including within the boundaries of the district any adjoining territory lying within a municipality if the territory is not already included in another fire protection district, and both the municipal governing body and the county commissioners of the county in which the district is located agree by resolution to the inclusion. However, it is not necessary to obtain the consent of a municipality if the municipality has not levied a tax, performed any official act, nor held any elections within a period of 10 years preceding the adoption of the resolution including the area within the district.

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

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

Sec. 2. This act applies to Union County only.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 8th day of July, 1992.

James C. Gardner
President of the Senate

Daniel Blue, Jr.
Speaker of the House of Representatives