171043-2 : n : 08/03/2015 : MCS / th LRS2015-21218

SENATE LL1 SUBSTITUTE FOR SB11

9 A BILL

TO BE ENTITLED

11 AN ACT

Relating to Russell County; to provide for the support of volunteer fire departments delivering fire protection services and emergency medical services; to levy a fire protection service fee on certain owners of residences and commercial buildings outside the corporate limits of the City of Phenix City; to provide for certain exemptions; to provide for the purposes and uses of funds generated by the fee; to provide for the collection of funds derived from the fee; to provide for the distribution of funds derived from the fee to eligible volunteer fire departments and to the Russell County Firefighters Association; to provide for the expending and accounting of the funds; to provide for the treatment of funds upon dissolution or abandonment of an eligible volunteer

fire department; to provide that the county shall be immune from certain liability; and to provide for a referendum.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. This act shall apply to all portions of Russell County except that portion of Russell County which lies within the city limits of the City of Phenix City.

Section 2. The Legislature hereby declares that eligible volunteer fire departments and the Russell County Firefighters Association that receive funds pursuant to this act are nonprofit organizations which are public in nature, as they protect the health, safety, and welfare of the citizens of the county.

Section 3. For the purposes of this act, the following terms shall have the following meanings:

(1) COMMERCIAL BUILDING. Any building, unit, structure, or other improvement to real property used or expected to be used for commercial or business purposes, including rental or lease property. This term may not apply to any school, church, senior citizen facility, any local, county, state or federal government owned buildings, water authority owned buildings, or any building used primarily for volunteer fire services and may not apply to any building or structure used primarily for agricultural purposes or poultry production by the owner or an employee of an agricultural or poultry business or concern. The terms commercial building, commercial business, or residence shall not include any

utility distribution or transmission poles or towers, or
utility substations.

- (2) ELIGIBLE VOLUNTEER FIRE DEPARTMENT. A certified nonprofit volunteer fire department located in Russell County that is certified under the Alabama Forestry Commission guidelines and is a member in good standing of the Russell County Firefighters Association.
 - (3) RESIDENCE. Any building, structure, or other improvement to real property used or expected to be used as a dwelling or residence for one or more human beings, including, but not limited to, any of the following:
 - a. Any building, structure, or improvement assessed, for the purposes of state and county ad valorem taxation, as Class III single-family, owner-occupied residential property.
 - b. Any mobile home or house trailer used or expected to be used as a dwelling or residence for one or more human beings.
 - c. Any unit in a duplex or apartment building.
 - d. Any residential property used to generate revenue.
 - e. Any building, structure, or other improvement that is wholly or partially vacant or uninhabited at any time during the year for which a fire protection service fee with respect thereto is to be levied.
 - f. Any building, structure, or other improvement that is used or expected to be used simultaneously for a

purpose, whether or not commercial in nature, other than as a residence.

Section 4. The purposes and uses of the funds generated by this act are to enable all participating eligible volunteer fire departments in Russell County to lower their ISO ratings and to provide fire protection services and emergency medical services to the citizens of the county. All eligible volunteer fire departments shall attain and maintain an ISO rating of 8/10 or below within two years of the effective date of this act. If a department fails to maintain the minimum ISO rating, then the Russell County Commission may consider consolidating that department into the remaining eligible departments and distribute its funds based on the eligible residences and commercial buildings to the acquiring departments.

Section 5. (a) There is hereby levied on the owner of each residence in Russell County outside the corporate limits of the City of Phenix City, a fire protection service fee of fifty dollars (\$50) per year and on each commercial business at a specified location, a fire protection service fee of one hundred dollars (\$100) per year.

(b) The fire protection service fee shall not be construed as a tax on property. The fee shall be levied for the purposes of funding fire protection services and emergency medical services under this act.

(c) Any person age 65 or older exempted from paying property tax in Russell County in part or in whole shall also be exempted from paying the fee levied by this act.

- (d) (1) Any person less than the age of 65 and having an annual adjusted gross income of twelve thousand dollars (\$12,000) or less, as shown on the latest United States income tax return of the person or of the person and his or her spouse, may apply for an exemption annually and shall be exempted from paying the fee levied by this act for the principal residence of the household, provided the person seeking to claim the exemption shall present proof of income to the county administrator no later than July 1 of any year in which the exemption is desired.
- (2) In the event that a person or the person and his or her spouse are not required to file a United States income tax return, then an affidavit indicating that the annual gross income of the person or the person and his or her spouse for the preceding taxable year was twelve thousand dollars (\$12,000) or less shall be sufficient proof.
- (3) The exemption under this subsection shall apply only so long as the annual gross income of the person or of the person and his or her spouse is twelve thousand dollars (\$12,000) or less and shall be requested each year in which the exemption is desired.

(e) The fee levied by this act shall be assessed unless application for exemption is submitted to the Russell County Commission, or its designee, and approved.

(f) Any person who knowingly provides false or misleading information in order to obtain an exemption under this section shall lose his or her household exemption.

Section 6. (a) The fire protection service fee shall be collected, administered, and enforced in the same manner, and under the same requirements and laws, as are the ad valorem taxes of this state. In the case of mobile homes, the fee shall be collected, administered, and enforced at the same time, in the same manner, and under the same requirements and laws as the annual registration fee for manufactured homes provided in Section 40-12-255 of the Code of Alabama 1975.

- (b) The proceeds of the fee shall be paid into a special county fire services fund monthly. Within 30 days of payment into the special fund, the county commission shall transfer the funds to the Russell County Fire Fighters

 Association and within 20 days of receipt of the funds from the county commission, the Russell County Fire Fighters

 Association shall further distribute the funds to the eligible volunteer fire departments in the following manner:
- (1) 32.5 percent of the fee shall be distributed among the eligible volunteer fire departments in the county in equal shares.

(2) 67.5 percent of the fee shall be distributed among the eligible volunteer fire departments based on the number of eligible residences and commercial buildings in their respective fire districts as defined by E-911 protective districts or other methods approved by majority vote of the Russell County Commission based on the number of eligible residences and commercial buildings located outside the corporate limits of Phenix City.

Section 7. (a) Funds paid to the eligible volunteer fire departments shall only be expended for fire protection services and emergency medical services, including training, supplies, and equipment.

- (b) In addition to subsection (a), funds may be expended to purchase insurance, including liability insurance, to insure coverage of acts or omissions which are directly related to the functions of an eligible volunteer fire department which are committed by an eligible volunteer fire department and the personnel of an eligible volunteer fire department.
- (c) The funds may not be expended for food, social activities, or fund-raising activities.
- (d) After receiving the funds, the eligible volunteer fire departments shall keep accurate records to verify that the funds were properly expended.
- (e) With regard to the administration of the fees levied by this act, the Russell County Commission shall

exercise regulatory control and supervision over the fees and may adopt rules and regulations as needed to meet the requirements of this act, including an increase or decrease in the amount of the fire protection service fee needed to meet the requirements of this act.

- (f) Should the Russell County Commission, in its sole discretion, find or determine that funds provided for by this act have been improperly expended by an eligible volunteer fire department, the department that has improperly expended the funds shall reimburse and refund to the Russell County Commission all the funds found by the county commission to have been improperly expended and shall pay a penalty in the amount equal to 10 percent of all improperly expended funds. The returned improperly expended funds and any penalties shall be transferred from the Russell County Commission to the Russell County Fire Fighters Association for disbursement in equal amounts to the remaining eligible volunteer fire departments in Russell County.
- (g) Any eligible volunteer fire department that fails to comply with this act, at the discretion of the Russell County Commission, may be deemed to have forfeited the funds generated by this act and shall be subject to the penalties provided in this section.

Section 8. (a) Upon dissolution or abandonment of any eligible volunteer fire department, any remaining funds derived from this act or any assets purchased with funds

derived from this act, after all lawful indebtedness has been satisfied, shall be transferred to the county commission.

(b) If an eligible volunteer fire department is abandoned or dissolved, the county commission shall equally divide and transfer the funds to the remaining eligible volunteer fire departments in good standing with the Russell County Firefighters Association and the Alabama Forestry Commission.

Section 9. The personnel of eligible volunteer fire departments or the volunteer fire association provided for in this act may not be considered employees, servants, or agents of the county, absent their own negligence, willfulness, wantonness, or intentional conduct, and the members of the county commission and the officers and employees of the county may not be liable in either their official capacity or in a private or individual capacity for the actions of the eligible volunteer fire departments, volunteer fire association, or their personnel.

Section 10. This act shall be inoperative and void unless it is approved by the Russell County Commission and shall have been approved by a majority of the qualified electors of Russell County, except for those qualified electors who reside in the city limits of the City of Phenix City, who vote thereon at a referendum held for that purpose and conducted as nearly as may be in the same way as elections on amendments to the Constitution, and shall be held on the

same day as the next primary, general, or special countywide election following final passage of this act. Notice of the election shall be given by the Judge of Probate of Russell County, which notice shall be published in accordance with state law governing the publication of local bills of the Legislature. On the ballots to be used at the election, the proposition to be voted on shall be stated substantially as follows:

"Do you favor the local law authorizing the levy of a fire protection service fee of fifty dollars (\$50) per year on each residence and one hundred dollars (\$100) per year on each commercial business outside of the City of Phenix City, which shall be used to fund volunteer fire departments delivering fire protection services and emergency medical services outside of the City of Phenix City in Russell County?"

If the majority of the votes cast at the election are affirmative votes, this act shall be in full force and effect immediately thereafter. If the majority of the votes cast are in the negative, the act shall have no further effect. The Judge of Probate of Russell County shall certify the results of the election to the Secretary of State. The

Yes No "

- 1 cost of the election shall be paid out of the county general
- 2 fund.
- 3 Section 11. This act shall become effective
- 4 immediately following its passage and approval by the
- 5 Governor, or its otherwise becoming law.