

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS
FISCAL IMPACT STATEMENT**

LS 6388
BILL NUMBER: HB 1113

NOTE PREPARED: Feb 18, 2025
BILL AMENDED: Jan 21, 2025

SUBJECT: Fire Protection Districts.

FIRST AUTHOR: Rep. Zimmerman
FIRST SPONSOR:

BILL STATUS: 2nd Reading - 1st House

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill expands the purposes for which a fire protection district may be established.

Effective Date: July 1, 2025.

Explanation of State Expenditures: This bill's provisions may result in an increase in the administrative workload for both the Department of Local Government Finance (DLGF) and the State Board of Accounts (SBOA). Special fire protection districts are required to have their annual adopted budgets and property tax rates and levies reviewed and certified by the DLGF. Additionally, these districts must submit an annual financial report to the SBOA for their review. Expanding the purposes for which a fire protection district may be established may result in additional local units being created, thereby increasing the number of local units subject to budget review by the DLGF and annual financial report review by the SBOA.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: This bill adds:

- 1) Fire-based emergency medical services regulated under IC 16-31-3, basic life support, advanced life support and
- 2) Prevention of hazards that may cause loss of life, injury or other health impacts, property damage, loss of livelihoods and services, social and economic disruption, or environmental damage

to the list of purposes for which a county may establish a fire protection district. Should a county legislative body decide to establish a fire protection district for one of these purposes, the district could adopt a property tax rate and levy to help fund these services. The actual amount of property tax revenue generated from a newly created district will vary by jurisdiction and will be contingent on the certified levy and tax rate for

each district.

[For CY 2024, there are 74 special fire protection districts throughout the state that have a total certified property tax levy of approximately \$204 M.]

State Agencies Affected: Department of Local Government Finance; State Board of Accounts.

Local Agencies Affected: County special fire protection districts.

Information Sources: Local Government Budget Database.

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