MAINE STATE LEGISLATURE

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127th MAINE LEGISLATURE

FIRST REGULAR SESSION-2015

Legislative Document

No. 724

S.P. 254

In Senate, March 5, 2015

An Act To Authorize Municipal Fire Districts To Impose Service Charges

Reference to the Committee on State and Local Government suggested and ordered printed.

HEATHER J.R. PRIEST Secretary of the Senate

Heath Je Buit

Presented by Senator SAVIELLO of Franklin. Cosponsored by Senator: DAVIS of Piscataquis.

1 Be it enacted by the People of the State of Maine as follows:

Sec. 1. 30-A MRSA §3158 is enacted to read:

§3158. Municipal fire districts

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- 1. Ordinance. A municipal legislative body may enact an ordinance to create a municipal fire district within the municipality either as part of or independently from a fire district established pursuant to chapter 164, referred to in this section as "a multimunicipal fire district."
 - A. A municipal fire district established pursuant to this section, if independent from a multi-municipal fire district, may contain all or part of the municipality.
 - B. A municipal fire district established pursuant to this section by a municipality that is a member of a multi-municipal fire district must encompass the entire municipality. The financial administration of such a municipal fire district is governed by subsection 5.
- 2. Service charges. A municipal fire district ordinance under subsection 1 must establish service charges for fire protection within the municipal fire district based on an estimate of the cost of providing the services in the same manner as those costs are estimated pursuant to section 3537. The service charges must be levied against all property owners or parties in possession of property within the municipal fire district, including institutions and organizations otherwise exempt from taxation under Title 36, sections 651 and 652. Unless otherwise established by ordinance, the service charges to each owner or person in possession of property within the municipal fire district must be established on the basis of a fee per square foot of building determined by dividing the estimated total cost of providing fire services to the district by the total square footage of all built properties within the district. Any alternative to this method of calculation as established by ordinance must be reasonably designed to more accurately reflect the distribution of fire protection costs among different types and uses of properties within the municipal fire district. With respect to the calculation and levy of service charges, appeals must be made in accordance with an appeals process provided by municipal ordinance.
- 3. Unpaid service charges; collection. The collection of unpaid service charges levied pursuant to subsection 2 must be carried out in the same manner as provided in Title 38, section 1208.
- 4. Revenues; use. Municipalities must use the revenues accrued from service charges levied pursuant to subsection 2 to fund the cost of fire protection.
- 5. Participation by municipality in multi-municipal fire district. A municipality that is a member of a multi-municipal fire district that elects to create a municipal fire district to cover the costs of the municipal fire district is governed by this section, except as provided in this subsection.
- A. The municipality may participate in the funding of the multi-municipal fire district as provided in chapter 164.

- B. The municipality may participate in the funding of the multi-municipal fire district by establishing a service charge for fire protection within the municipal fire district. The service charge must be based on an estimate of the cost of providing the services in the same manner as those costs are estimated pursuant to section 3537.
 - C. The municipality must collect the service charges authorized by this section to cover the municipality's allocation to the multi-municipal fire district as provided in section 3537, subsection 3, but failure of a property owner or party in possession to pay such charges to the municipality does not alter a municipality's duty to remit full payment of its allocation to the multi-municipal fire district.
 - D. In the event a property owner or party in possession of property fails to pay its service charge to the municipality, the municipality may collect the service charges as provided in subsection 3.
- **Sec. 2. 30-A MRSA §3538,** as enacted by PL 1997, c. 698, §2, is amended to read:

§3538. Warrant for taxes; service charges

- 1. Warrant. The directors shall issue their warrant in the same form as the warrant of the Treasurer of State for taxes, with proper changes, to the assessors of the municipalities comprising the district. The warrant must require the municipalities to assess the sum allocated to each municipality for payment of the costs of the district upon the taxable estates within those municipalities and to or in accordance with a municipal fire district ordinance enacted by a municipality pursuant to section 3158. The municipalities must commit their assessment to the constable or collector of the municipalities. The constable or collector has all the authority and powers to collect these taxes as is vested by law to collect state, county and municipal taxes. Within 30 days after the date fixed by the municipality on which its taxes are due, the treasurer of the municipality shall pay the amount of the tax assessed under this section to the treasurer of the district.
- **2. Failure to pay.** If the treasurer of a municipality fails to pay the sum assessed under this section, or fails to pay any part of the sum by the date set in the year in which the tax <u>or service charge</u> is levied, the treasurer of the district may issue a warrant for the amount of the tax <u>or service charge</u>, or so much of the tax <u>or service charge that</u> remains unpaid, to the sheriff of the appropriate county, requiring the sheriff to levy the tax <u>or service charge</u> by distress and sale on real and personal property of any of the inhabitants of the municipality. The sheriff or a deputy shall execute the warrant.

35 SUMMARY

This bill authorizes municipalities to create by ordinance municipal fire districts that may charge service charges for fire protection. The bill also authorizes municipalities to collect service charge revenue, as an alternative to property tax revenue, for the purpose of financing multi-municipal fire districts.