



March 19, 2024

SUMMARY OF BILL AS AMENDED (015982): Authorizes a county with a county-wide fire department that has entered into a written mutual aid agreement with each municipality within the county relating to the provision of certain fire services to fund up to 50 percent of the cost to provide fire services to unincorporated portions of the county using county general funds.

FISCAL IMPACT OF BILL AS AMENDED:

NOT SIGNIFICANT

Assumptions for the bill as amended:

- Pursuant to Tenn. Code Ann. § 5-17-101(d), a county-wide fire department may be funded through one of the following methods:
 - Establish one or more fire and emergency services tax districts and levy an annual fire and emergency services tax;
 - Allocate revenue from the general fund of the county to fund fire protection services to be provided to the unincorporated portions of the county; and
 - Local governments are not limited in their ability to enter into interlocal agreements for the provision of fire protection services or to accept donations or charitable contributions, regardless of the method of funding selected.
- Based on information provided by the County Technical Assistance Service, the majority of counties do not have a county-wide fire department and instead rely on volunteer fire departments which the county funds through an annual donation.
- Tennessee Code Annotated §§ 5-1-113, 5-16-107, 6-54-601, and the *Interlocal Cooperation Act* authorize local governments to enter into mutual aid agreements to provide necessary services.
- The *Mutual Aid and Emergency and Disaster Assistance Agreement Act of 2004* (Act) governs the provision and receipt of mutual aid and assistance by participating governmental entities during declarations of emergency or disaster whereby such entities may enter into agreements by resolution of their governing bodies; however, the Act does not affect service agreements under the aforementioned statutes.
- The proposed legislation provides that when a county with a county-wide fire department enters into a written mutual aid agreement with each municipality within the county for the provision of emergency fire services, the county may pay up to 50 percent

of the cost to provide those emergency fire services to unincorporated portions of the county using county general funds.

- To the extent that counties pay for emergency fire services using county general funds, there will be a permissive shift in county expenditures from the fire and emergency services tax district to the county general fund. The net impact to county expenditures and municipal revenue is estimated to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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