

HB325 ENGROSSED



1 HB325
2 TBBND19-2
3 By Representative Yarbrough (N & P)
4 RFD: Local Legislation
5 First Read: 20-Feb-25



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A BILL
TO BE ENTITLED
AN ACT

Relating to Lawrence County; to provide for the formation of fire districts by the county commission; to provide for the funding of fire districts by voter approval of fire protection fees with collection by the revenue commissioner; to provide for election procedures; to further preserve the rights and obligations of existing fire districts; to repeal Act 92-409 of the 1992 Regular Session (Acts 1992, p. 838); and to amend Sections 45-40-141.02 and 45-40-141.04, Code of Alabama 1975, to make changes conforming to Act 93-533 of the 1993 Regular Session (Acts 1993, p. 878), Sections 3 and 5.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. This act applies only to Lawrence County.

Section 2. For the purposes of this act, the following words have the following meanings:

(1) COMMERCIAL BUILDING. Any building, structure, or other improvement to real property used for a commercial or business purpose. If there is more than one business, occupation, or enterprise occupying the building or structure, each business, occupation, or enterprise shall be treated as a



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29 separate commercial building for the purposes of assessing a
30 fire protection fee. The definition includes any structure in
31 which commercial, industrial, or other nonresidential activity
32 is conducted.

33 (2) COUNTY ASSOCIATION. Lawrence County Firefighters
34 and Rapid Responders Association, Incorporated.

35 (3) COUNTY COMMISSION. The Lawrence County Commission.

36 (4) DWELLING. A structure that is intended to be used
37 as a residence, regardless of whether the structure is also
38 used as a business, including all of the following:

39 a. A structure or improvement assessed for purposes of
40 ad valorem taxation as Class III single-family,
41 owner-occupied, residential property.

42 b. A unit in a condominium, duplex, or apartment
43 building.

44 c. Any manufactured home, mobile home, house trailer,
45 or camper with living quarters which has a connection to a
46 sewer or septic tank and electricity.

47 (5) ELIGIBLE MEMBER. An individual who has a business
48 or a dwelling that is in the service area of a fire district
49 and who is not in arrears on any assessed fire protection fee.

50 (6) LARGE COMMERCIAL ENTERPRISE. Any commercial
51 building as defined in this section that encloses an area of
52 50,000 square feet or more and which is occupied by one entity
53 for use as a plant, assembly facility, warehouse, distribution
54 center, or other commercial, industrial, or nonresidential
55 activity.

56 (7) SERVICE AREA. A territory that is under the fire



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57 protection of a volunteer fire department, municipality, or a
58 fire district. The territory that comprises a fire district.

59 (8) UNINCORPORATED AREA. Any territory outside of the
60 corporate limits of a municipality, regardless of whether the
61 territory is within the municipality's police jurisdiction.

62 (9) VOLUNTEER FIRE DEPARTMENT. A volunteer fire
63 department that is a member in good standing of the county
64 association and is certified by the Alabama Forestry
65 Commission pursuant to Section 9-3-17, Code of Alabama 1975.

66 Section 3. (a) A fire district in the county shall
67 provide fire protection services within its service area for
68 fires and related emergency incidents that are not the primary
69 responsibility of law enforcement or emergency medical
70 services.

71 (b) The county commission may request the county
72 association to develop a written plan for fire districts in
73 the county that provides for all of the following:

74 (1) Procedures for the number and selection of a board
75 of directors and officers.

76 (2) Procedures for operations, funds management, and
77 accounting.

78 (3) Procedures for the county association to monitor
79 compliance with the plan.

80 (4) Procedures for dissolution.

81 Section 4. (a) A fire district may be created when the
82 board of directors of a volunteer fire department submits a
83 request to the county association to incorporate the
84 department as a fire district, and the county association



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85 forwards the request to the county commission with a
86 recommendation for approval.

87 (b) The request by a volunteer fire department to the
88 county association shall include all of the following:

89 (1) A concise legal description of the service area of
90 the proposed fire district, including a map delineating the
91 fire district boundaries.

92 (2) Bylaws that provide for a board of directors,
93 including the number, method of election, and governance, in
94 accordance with the requirements adopted by the county
95 association pursuant to Section 3 or as otherwise required by
96 Section 6.

97 (3) The location of the fire district headquarters.

98 (4) A plan for dissolution of the fire district,
99 including the distribution of fire district funds and
100 property, in accordance with the requirements adopted by the
101 county association pursuant to Section 3 or as otherwise
102 provided by Section 16.

103 (5) A request by the board of directors of the
104 volunteer fire department to the county commission that it
105 adopt a resolution that authorizes incorporation of the fire
106 district.

107 (c) Upon adoption by the county commission of a
108 resolution authorizing incorporation of a fire district, the
109 board of directors of the volunteer fire department shall file
110 with the judge of probate of the county a certificate of
111 incorporation that shall include all of the following:

112 (1) The names of the individual board members



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113 organizing the district with a statement that each is a
114 qualified elector of the county.

115 (2) The fact that the fire district is to be perpetual,
116 subject to dissolution in accordance with the requirements
117 adopted by the county association pursuant to Section 3 or as
118 otherwise provided by Section 16.

119 (3) A copy of the request to create a fire district
120 that was submitted to the county association and forwarded to
121 the county commission, containing the information described in
122 subsection (b).

123 (4) A certified copy of the resolution of the county
124 commission authorizing incorporation of the fire district.

125 (5) A certificate from the Secretary of State that the
126 proposed name of the fire district is not identical or nearly
127 similar to that of any other corporation organized under the
128 laws of the State of Alabama.

129 (6) The notarized signatures of the individual board
130 members organizing the district as presented in subdivision
131 (1).

132 Section 5. (a) The geographical boundaries of a fire
133 district shall be the existing service area of the volunteer
134 fire department as defined by the Lawrence County E-911
135 District on the effective date of this act.

136 (b) In any case in which an unincorporated area is
137 within the service area of a municipality on the effective
138 date of this act, the fire district and the municipality may
139 enter into a cooperation agreement to determine whether all or
140 a part of the unincorporated area will be under the fire



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141 protection of the fire district or the municipality.

142 (c) A municipality that provides fire protection within
143 its corporate limits as of the effective date of this act
144 shall not be included in a fire district unless the governing
145 body of the municipality adopts a resolution requesting that
146 all or a part of its service area be added to a fire district
147 and the request is approved by both: (i) the county
148 commission; and (ii) the fire district.

149 Section 6.(a) The number and selection of the fire
150 district board of directors and officers shall be governed by
151 this section unless requirements are adopted by the county
152 association pursuant to Section 3.

153 (b) The existing members of the board of directors of
154 the volunteer fire department that incorporates the fire
155 district shall serve for one year as directors of the fire
156 district. After that time, the board of directors shall be
157 constituted pursuant to subsection (c).

158 (c) (1) After the incorporating board of directors, the
159 board of directors may be comprised of an odd number of
160 members, of which there shall be no fewer than three.

161 (2) The members shall each meet each of the following
162 qualifications: (i) be over 21 years of age; (ii) be a
163 qualified elector in Lawrence County; and (iii) be a resident
164 of the fire district.

165 (3) The members of the board of directors shall be
166 elected for a term of four years, except that for the first
167 elected members of the board of directors, at least one shall
168 be chosen for a two-year term, at least one shall be chosen



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169 for a three-year term, and at least one shall be chosen for a
170 four-year term.

171 (4) The members of the board of directors shall be
172 elected at a meeting of the fire district by secret ballot of
173 eligible members from among the individuals nominated from the
174 floor.

175 (5) A vacancy on the board may be filled by a qualified
176 individual appointed by the board until it shall be filled by
177 election at the next meeting for the unexpired term.

178 (6) The board shall select a president, secretary, and
179 treasurer who shall not receive any compensation but may be
180 reimbursed for expenses incurred in the performance of their
181 duties.

182 Section 7. Subject to any limitation or restriction
183 adopted by the county association pursuant to Section 3, a
184 fire district shall be a public corporation with powers that
185 include, but are not limited to, all of the following as
186 necessary to accomplish its purpose of providing fire
187 protection and related emergency service:

188 (1) To sue or be sued in its own name in civil actions,
189 except as otherwise provided in this act, and to defend civil
190 actions.

191 (2) To adopt, use, and change a corporate seal.

192 (3) To adopt and amend bylaws for regulating its
193 operations.

194 (4) To acquire, by purchase, gift, lease, devise, or
195 otherwise, any real, personal, or mixed property.

196 (5) To enter into any contract, agreement, lease, or



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197 other instrument, or to take any other action that may be
198 necessary or convenient.

199 (6) To borrow money or to assume the payment of debt
200 obligations, and to pledge all or any part of its revenue, or
201 to encumber all or any part of its property, for the purpose
202 of securing payment of the principal or interest of any loan
203 or obligation.

204 (7) To levy and collect a fire protection fee pursuant
205 to Section 11.

206 (8) To hire attorneys and other contractors to provide
207 services.

208 (9) To enter into an agreement of mutual assistance or
209 cooperation with political subdivisions, entities, other fire
210 districts or volunteer fire departments, or first responder
211 and emergency medical service providers.

212 (10) To purchase insurance.

213 (11) To invest any funds that are in excess of those
214 needed to maintain operations and satisfy obligations, in
215 bonds of the United States, the State of Alabama or any
216 political subdivision thereof, or in any interest-bearing
217 account insured by the FDIC.

218 (12) To sell or donate any property that is obsolete or
219 is no longer needed.

220 (13) To pay salaries to agents or employees subject to
221 Section 9(c).

222 Section 8. The Legislature declares that a fire
223 district organized under this act protects the health, safety,
224 and welfare of the public, thus providing a governmental



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225 function, and shall not be subject to the following:

226 (1) Liability for any tort committed by any director,
227 agent, servant, or employee of the district in the furnishing
228 of fire protection and emergency response for which immunity
229 is provided by Section 6-5-336, Code of Alabama 1975, the
230 Volunteer Service Act.

231 (2) Taxes levied by any county, municipality, or other
232 political subdivision of the state, including, but not limited
233 to, license, utility, and excise taxes imposed for engaging in
234 its operations or any fees, costs, or taxes related to
235 incorporation or the recording of any document in the office
236 of the judge of probate.

237 Section 9. (a) Funds, including fire service fees,
238 shall only be expended by the fire district for fire
239 protection and emergency response purposes, which may include
240 vehicles, equipment, clothing, supplies, training, and
241 insurance.

242 (b) Funds may not be expended for food, fundraising
243 events or activities, or dress uniforms.

244 (c) Three years after incorporation of a fire district,
245 and upon certification by the county association that a fire
246 district is fiscally stable, salaries may become approved
247 expenses.

248 Section 10. (a) A fire district shall manage and
249 account for its funds in compliance with all of the following:

250 (1) Section 9.

251 (2) The current Volunteer Fire Department Financial and
252 Compliance Guidelines of the Department of Examiners of Public



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253 Accounts.

254 (3) The standards established by the county association
255 pursuant to Section 3, which shall include the requirements
256 contained in subsections (b) and (c).

257 (b) The fiscal year of a fire district shall start on
258 October 1 and end the following September 30.

259 (c) (1) a. No later than December 1 of each year, a fire
260 district shall file a financial report with the county
261 commission that shall present for the previous fiscal year
262 receipts and expenditures, uncommitted funds, and unspent
263 funds that are obligated.

264 b. At least three directors of the county association
265 shall audit the report required under paragraph a. for
266 completeness, accuracy, and compliance with the requirements
267 and guidelines under subsection (a).

268 c. The financial report and accompanying audit report
269 to be signed by the auditors shall be posted on the website of
270 the county commission for at least 60 days and conspicuously
271 posted on at least four buildings within the fire district
272 which are frequented by the public.

273 (2) a. If an election has been set on a proposed change
274 to a fire service fee pursuant to Section 11, no more than 60
275 days nor less than 30 days before the election, the fire
276 district shall submit to the county commission a balance sheet
277 and a projected financial report for the current fiscal year,
278 in the same format as required under paragraph (c) (1) a., which
279 presents the financial condition of the fire district with and
280 without the projected income from the proposed change.



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281 b. The balance sheet and projected financial report may
282 be audited as provided in paragraph (c)(1)b.

283 c. For at least 30 days before the election, the
284 balance sheet, projected financial report, and any
285 accompanying signed audit report shall be posted on the
286 website of the county commission and conspicuously posted on
287 at least four buildings within the fire district which are
288 frequented by the public.

289 Section 11. (a) A fire protection fee may be levied by
290 a fire district for the purpose of funding fire protection
291 services to each dwelling and commercial building in a fire
292 district.

293 (b) A fire district may not levy a fire protection fee
294 unless the fee has been approved by a majority of the votes
295 cast by the qualified electors residing in the fire district
296 according to the following steps:

297 (1) The fire district board of directors may determine
298 the proposed amount of a fire protection fee to be assessed
299 annually, which may not initially exceed one hundred dollars
300 (\$100).

301 (2) When the fire district board of directors
302 determines the proposed amount of a fire protection fee
303 pursuant to subdivision (1), the board may also determine the
304 proposed amount of a fire protection fee that applies to any
305 large commercial enterprise in the service area, which shall
306 be: (i) a multiple of the fee proposed in subdivision (1); and
307 (ii) only assessed upon approval of the fee proposed in
308 subdivision (1).



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309 (3) Immediately upon determination of the proposed
310 amount by the fire district board of directors, the county
311 commission, by resolution, shall request the judge of probate
312 to call an election in the fire district on each of the
313 following questions as applicable:

314 a. "Do you favor the assessment of a fee in the amount
315 of \$___ annually on each dwelling and commercial building,
316 [and a fee in the amount of \$___ on each large commercial
317 enterprise], to be collected with property tax payments by the
318 county revenue commissioner for the purpose of funding fire
319 protection services in this fire district?

320 Yes___ No___."

321 b. "Do you favor raising the existing fire protection
322 fee from the current amount of \$___ annually to the amount of
323 \$___ annually on each dwelling and commercial building, [and
324 from the current amount of \$___ annually to the amount of \$___
325 annually on each large commercial enterprise], to be collected
326 with property tax payments by the county revenue commissioner?

327 Yes___ No___."

328 (4) If a majority of qualified electors in the fire
329 district approve the levy of the fire protection fee, another
330 election on the levy of a fire protection fee may not be held
331 within five years of the election. If a majority of qualified
332 electors in the fire district disapprove the levy of the fire
333 protection fee, another election on the levy of the fire
334 protection fee may not be held within two years of the
335 election.

336 (c) Upon approval by a majority of qualified electors



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337 in the fire district, the fire protection fee shall be
338 assessed on each commercial building and dwelling in the fire
339 district, except for the following:

340 (1) A church, school, hospital, or senior care
341 facility.

342 (2) A structure used for fire protection or emergency
343 medical services.

344 (3) A structure used primarily in a farm operation as
345 defined in Section 18-1A-3, Code of Alabama 1975.

346 (4) A structure or any part of a structure occupied by
347 a political subdivision of the State of Alabama or the federal
348 government.

349 (5) Any structure owned and used exclusively by any
350 fraternal veterans organization, community service
351 organization, or fraternal lodge as provided in Section
352 40-9-1, Code of Alabama 1975.

353 (6) Any structure owned or used by the Alabama National
354 Guard.

355 (7) A principal residence of any individual who is
356 granted an exemption from paying ad valorem property tax on
357 the grounds of permanent and total disability or who is 65
358 years of age or older having a net taxable income of twelve
359 thousand dollars (\$12,000) or less as provided under Sections
360 40-9-19 and 40-9-21, Code of Alabama 1975.

361 (8) Unimproved timberland.

362 (d) (1) Any fire protection fee levied pursuant to this
363 section is a special assessment and not a tax.

364 (2) The fire protection fee shall be assessed on the



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365 basis of a year beginning October 1 and ending September 30,
366 with an initial fire protection fee or a new rate to be
367 assessed starting on the October 1 immediately following
368 approval by the qualified electors.

369 (3) The fire protection fee shall be levied and
370 assessed at the same rate for a commercial building and for a
371 dwelling, and a fire protection fee applicable to a large
372 commercial enterprise shall be levied and assessed in the same
373 amount on each commercial building that meets the definition
374 of a large commercial enterprise.

375 (4) In the case of a commercial building in which more
376 than one business, occupation, or enterprise is being
377 conducted, a separate fire protection fee shall be assessed on
378 each business, occupation, or enterprise.

379 (5) A fire protection fee shall be collected by the
380 county revenue commissioner at the same time and in the same
381 manner as ad valorem property taxes unless a dwelling is a
382 motor vehicle under Article 5, Chapter 12, Title 40, Code of
383 Alabama 1975, in which case the fire protection fee shall be
384 collected at the same time and in the same manner as the
385 annual registration fee.

386 (6)a. A fire district board may impose a reasonable
387 late fee, subject to approval by the county commission, when
388 an individual or entity is delinquent for more than 90 days in
389 paying an assessed fire protection fee.

390 b. A fire district may undertake debt collection
391 efforts for an assessed fire protection fee that is delinquent
392 and any late fee, with recovery of costs and attorney fees



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393 incurred in collection.

394 (7) The county revenue commissioner shall distribute
395 the fire protection fee revenue to the fire district within 30
396 days of the last day of the period for collection under
397 subdivision (5).

398 Section 12. (a) Any election that may be necessitated
399 by requirements adopted by the county association pursuant to
400 Section 3, or any election authorized by Section 11, may
401 coincide with a general election, or may be a special
402 election, which shall be held on a date not less than 30 days
403 nor more than 90 days from entry of the order of the election
404 by the judge of probate.

405 (b) An election shall be governed by the laws
406 applicable to qualification and registration of electors,
407 polling equipment, election management, canvassing, and
408 election officers as regulated under Title 17, Code of Alabama
409 1975.

410 (c) In the case of an initial election for a fire
411 protection fee as provided in Section 11, the expenses for
412 advertising and holding the election shall be paid out of the
413 general fund of the county, and for any subsequent election
414 pursuant to Section 11, the expenses for advertising and
415 holding the election shall be shared equally by the general
416 fund of the county and the fire district.

417 (d) (1) The judge of probate shall give notice of an
418 election authorized under Section 11 or otherwise by
419 publication that shall include: (i) the election date; (ii)
420 the service area affected by the election; and (iii) the



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421 question to be decided by the qualified electors.

422 (2) Publication of the notice shall include all of the
423 following methods:

424 a. On the website of the county commission for no less
425 than 30 days before the election date.

426 b. In a newspaper of general circulation in the county
427 on the same day for three consecutive weeks, with the final
428 publication to be no less than 10 days before the election
429 date.

430 c. In a conspicuous place on at least four buildings
431 within the fire district that are frequented by the public.

432 Section 13. (a) The powers and obligations of any fire
433 district existing in the county on October 1, 2025, as
434 specified in its certificate of incorporation, bylaws,
435 existing contracts, and debts, and as provided under Chapter
436 89, Title 11, Code of Alabama 1975, shall not be affected or
437 impaired by this act.

438 (b) Notwithstanding Section 11(b), the established
439 annual amount of any fire protection fee or service fee
440 assessed by a fire district that is in existence on October 1,
441 2025, remains in effect, and the fee may be assessed and
442 collected pursuant to Section 11(c) and (d).

443 (c) Any fire district existing in the county on October
444 1, 2025, may comply with any plan for fire districts adopted
445 by the county association as described in Section 3.

446 Section 14. Any individual serving as chief of a fire
447 district created pursuant to this act, at the request of the
448 State Fire Marshal, shall provide support and assistance in



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449 carrying out the duties imposed by Article 1, Chapter 19,
450 Title 36, Code of Alabama 1975.

451 Section 15. The individual firefighters who serve as
452 personnel of fire districts in the county, regardless of
453 whether the fire district is created pursuant to this act,
454 shall not be considered employees, agents, or servants of the
455 county, and the members of the county commission and the
456 employees of the county shall not be liable either in their
457 official capacity or their private capacity for the actions of
458 the individuals affiliated with fire districts.

459 Section 16. (a) A fire district may be dissolved
460 pursuant to this section unless procedures for dissolution are
461 adopted by the county association pursuant to Section 3.

462 (b) A fire district may be dissolved by a resolution of
463 the county commission in response to a request by the district
464 board of directors which has received the approval of the
465 county association.

466 (c) The dissolving fire district shall transfer any
467 funds and property remaining after the satisfaction of the
468 district's outstanding debts or obligations to the county
469 association, which, within 90 days, shall redistribute to any
470 fire district, volunteer fire department, or municipal fire
471 department that is providing fire protection to the service
472 area of the dissolved district.

473 (d) The assessment of any fire protection fee to be
474 collected for the fiscal year current upon dissolution shall
475 cease unless the incorporation of a successor fire district is
476 authorized by the county commission within 60 days of the



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477 county commission's resolution dissolving the fire district.

478 Section 17. The fire services protection fee in effect
479 which is provided for the county association and the volunteer
480 fire departments by Act 93-533 shall not be affected or
481 impaired by this act.

482 Section 18. Act 92-409 of the 1992 Regular Session
483 (Acts 1992, p. 838), providing for the levy of a fire
484 protection services fee, which was never ratified as a
485 constitutional amendment as required by Section 12 of that
486 act, is expressly repealed.

487 Section 19. Sections 45-40-141.02 and 45-40-141.04,
488 Code of Alabama 1975, are amended to read as follows to
489 conform to Act 93-533 of the 1993 Regular Session (Acts 1993,
490 p. 878), Sections 3 and 5:

491 "§45-40-141.02

492 For the purposes of this part, the following words
493 ~~shall~~ have the following meanings:

494 (1) COMMERCIAL BUILDING. Any building that houses one
495 or more separate business ~~enterprise~~enterprises that ~~are~~
496 ~~required by law to~~ purchase and display a business license
497 applicable to each business enterprise. In the case of a
498 commercial building with more than one business located in the
499 building, a separate fee shall be assessed on the building for
500 each business located in the building, but in no case shall a
501 fee be assessed more than one time on the same place.

502 (2) DWELLING. Any building, structure, or other
503 improvement to real property used for, or expected to be used
504 as, a dwelling or residence for one or more human beings,



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505 including specifically, but not limited to:

506 a. Any building, structure, or improvement assessed,
507 for purposes of state and county ad valorem taxation as
508 single-family, owner-occupied residential property.

509 b. Any other residential building with each residential
510 unit to be considered a separate dwelling.

511 c. Any mobile home or house trailer."

512 "§45-40-141.04

513 The fee provided in this part shall be levied,
514 collected, administered, and enforced as closely as possible
515 at the same time, in the same manner, and under the same
516 requirements and laws as state ad valorem taxes. Any exemption
517 of property from ad valorem tax shall be recognized in
518 determining whether the fee provided by this part is due. The
519 officials collecting or assessing the fee shall be entitled to
520 the same fees and compensation as are provided for collecting
521 and assessing ad valorem taxes. The proceeds of the fee shall
522 be paid into the county general fund. Within 30 days after
523 payment into the county general fund, the county governing
524 body shall pay the funds to the Lawrence County Firefighters
525 and Rapid Responders, Inc., hereafter referred to as the
526 county association. The county association shall distribute
527 the funds among all eligible volunteer fire departments as
528 follows:

529 (1) Fifty percent of the money shall be divided equally
530 among all eligible volunteer fire departments.

531 (2) Fifty percent of the money shall be divided
532 according to a percentage based upon the number of owners of



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533 dwellings and commercial buildings in a fire district compared
534 to the total number of owners of dwellings and commercial
535 buildings in the county as a whole. The county association may
536 establish rules and procedures regarding the transfer,
537 accounting, and handling of the funds, and the assessing of
538 administration costs."

539 Section 20. This act shall become effective on October
540 1, 2025.



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House of Representatives

Read for the first time and referred20-Feb-25
to the House of Representatives
committee on Local Legislation

Read for the second time and placed05-Mar-25
on the calendar:
1 amendment

Read for the third time and passed18-Mar-25
as amended
Yeas 4
Nays 0
Abstains 95

John Treadwell
Clerk