

1 ENGROSSED SENATE
2 BILL NO. 605

By: Bingman of the Senate

3 and

4 Peters and Armes of the
5 House

6
7 [fire protection districts - enacting the Municipal
8 Fire Protection District Act and the Local Fire
9 Protection District Act - codification -
10 effective date]

11
12 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

13 SECTION 1. NEW LAW A new section of law to be codified in
14 the Oklahoma Statutes as Section 29-401 of Title 11, unless there is
15 created a duplication in numbering, reads as follows:

16 Sections 1 through 11 of this act shall be known and may be cited
17 as the "Municipal Fire Protection District Act".

18 SECTION 2. NEW LAW A new section of law to be codified in
19 the Oklahoma Statutes as Section 29-402 of Title 11, unless there is
20 created a duplication in numbering, reads as follows:

21 A. The governing body of a municipality may create a municipal
22 fire protection district for the purpose of providing fire protection
23 or both fire protection and fire department-based emergency medical
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1 service within the boundaries of the district in the manner set forth
2 in the Municipal Fire Protection District Act.

3 B. If approved by the voters within the district, the governing
4 body of the municipality may make an assessment annually on the value
5 of property not otherwise exempt from ad valorem taxes for the
6 purposes set forth in the Municipal Fire Protection District Act.

7 SECTION 3. NEW LAW A new section of law to be codified in
8 the Oklahoma Statutes as Section 29-403 of Title 11, unless there is
9 created a duplication in numbering, reads as follows:

10 A. The governing body of a municipality may approve, by majority
11 vote, a resolution to create a municipal fire protection district and
12 set the matter for hearing at a time not less than twenty (20) days
13 nor more than forty (40) days from the date of the resolution.

14 B. The resolution shall set forth and particularly describe the
15 proposed boundaries of the district and shall be accompanied by a map
16 of the proposed district, drawn to a scale of not less than one (1)
17 inch to the mile.

18 C. The resolution shall direct the city clerk to give notice of
19 the hearing by publication in a newspaper of general circulation in
20 the county in which the proposed district is located. The notice
21 shall be published for two (2) consecutive weeks next preceding the
22 date of the hearing. The notice shall describe the boundaries of the
23 proposed district, state the time and place of the hearing, and state
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1 that any person may appear and protest the organization of the
2 district or the proposed boundaries of the district.

3 D. The governing body of the municipality shall hold the hearing
4 described in the notice and shall have jurisdiction to hear and
5 determine all protests to the creation of the district and all
6 matters pertaining to the district. The governing body may amend the
7 plan of the district by excluding from within the boundaries of the
8 district any lands which may not be benefited by the formation of the
9 district or by including other land as a part of the district upon
10 application of the owners of the land. The governing body shall not
11 exclude from the district any land which is completely surrounded by
12 land which is included in the proposed district.

13 E. At the conclusion of the hearing, the governing body of the
14 municipality may approve or disapprove the creation of the district
15 and alter the boundaries of the district. If the governing body
16 approves the creation of a district, it shall make an order
17 determining the boundaries of the proposed district, particularly
18 describing the boundaries, and shall determine whether the formation
19 of the district will be in the best interests of the citizens within
20 the district. The governing body shall call an election of the
21 qualified electors residing in the area comprising the proposed
22 district on the question of whether the district shall be organized.
23 The election date shall be set within one (1) year of the order
24 organizing the district.

1 F. The boundaries of a municipal fire protection district may
2 include all land inside the municipal corporate limits or any portion
3 thereof as the governing body of the municipality deems appropriate.

4 SECTION 4. NEW LAW A new section of law to be codified in
5 the Oklahoma Statutes as Section 29-404 of Title 11, unless there is
6 created a duplication in numbering, reads as follows:

7 The city clerk shall cause notice of the election to be given by
8 publication once a week for two (2) successive weeks in a newspaper
9 of general circulation in the area comprising the proposed district.
10 The notice shall state the time and place of holding the election and
11 set forth the description of the boundaries of the proposed district
12 and its general purpose and intention. The notice shall require the
13 electors to cast ballots which contain the words: "Municipal Fire
14 Protection District - Yes" and "Municipal Fire Protection District -
15 No" or words equivalent thereto. All persons who reside in the
16 proposed district, who are qualified electors in their respective
17 precincts, shall be qualified to vote on the proposition.

18 SECTION 5. NEW LAW A new section of law to be codified in
19 the Oklahoma Statutes as Section 29-405 of Title 11, unless there is
20 created a duplication in numbering, reads as follows:

21 A. The election shall be conducted in accordance with the
22 general election laws of this state, and the regular election
23 officials shall be in charge at the usual polling place of each
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1 regular precinct, or part of a precinct, which covers the land within
2 the boundaries of the proposed district.

3 B. The returns of the election shall be made directly to the
4 governing body of the municipality which shall meet at its next
5 regularly scheduled meeting following the election to canvass the
6 vote cast. If, upon the canvass, it appears that over fifty percent
7 (50%) of the votes cast are "Municipal Fire Protection District -
8 Yes", the district shall be approved.

9 SECTION 6. NEW LAW A new section of law to be codified in
10 the Oklahoma Statutes as Section 29-406 of Title 11, unless there is
11 created a duplication in numbering, reads as follows:

12 A. Each fiscal year, during the regular course of drafting a
13 municipal budget, after separate hearing, the governing body of the
14 municipality shall levy an annual assessment on property not
15 otherwise exempt from ad valorem taxes, sufficient to meet the costs
16 of providing fire protection or both fire protection and fire
17 department-based emergency medical service or such portion of the
18 costs that the governing body deems advisable.

19 B. No annual assessment for operations shall exceed seven (7)
20 mills on the dollar of net assessed value of the property not
21 otherwise exempt from ad valorem taxes in the district. The
22 governing body may levy an assessment over seven (7) mills but not to
23 exceed ten (10) mills upon approval for the increase at an election
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1 held at such time and in such manner as provided by Section 5 of this
2 act.

3 C. Until paid, any assessment levied pursuant to this section
4 shall be a lien against the tract of land on which the assessment has
5 been levied. The lien shall be coequal with the lien of ad valorem
6 and other taxes, including special assessments, and prior and
7 superior to all other liens.

8 SECTION 7. NEW LAW A new section of law to be codified in
9 the Oklahoma Statutes as Section 29-407 of Title 11, unless there is
10 created a duplication in numbering, reads as follows:

11 If any assessment remains unpaid, the county treasurer shall
12 provide for the collection under the same procedure for the
13 collection of delinquent ad valorem taxes.

14 SECTION 8. NEW LAW A new section of law to be codified in
15 the Oklahoma Statutes as Section 29-408 of Title 11, unless there is
16 created a duplication in numbering, reads as follows:

17 If a municipal fire protection district includes all the land
18 located inside a municipality, and the municipality annexes new land,
19 the newly annexed portion shall be subject to the assessment that is
20 in effect for the municipality at the time of the annexation unless
21 such land is otherwise exempt from ad valorem taxes.

22 SECTION 9. NEW LAW A new section of law to be codified in
23 the Oklahoma Statutes as Section 29-409 of Title 11, unless there is
24 created a duplication in numbering, reads as follows:

1 A. The governing body of the municipality may issue revenue
2 bonds based upon the projected assessment revenues for facilities or
3 equipment as may be deemed necessary. The issuance shall be pursuant
4 to a resolution approved by not less than three-fourths (3/4) of the
5 governing body.

6 B. The county treasurer in the county or counties in which the
7 municipal fire protection district is located shall collect and remit
8 to the clerk of the governing body of the municipality the
9 assessments provided for in the Municipal Fire Protection District
10 Act within thirty (30) days from December 31 of each year for those
11 payments received by the county treasurer by December 31 and within
12 thirty (30) days after March 31 for those payments received between
13 January 1 and March 31 of each year.

14 SECTION 10. NEW LAW A new section of law to be codified
15 in the Oklahoma Statutes as Section 29-410 of Title 11, unless there
16 is created a duplication in numbering, reads as follows:

17 The governing body of the municipality shall cause an annual
18 audit to be made of, including, but not limited to, the funds,
19 accounts, and fiscal affairs of the municipal fire protection
20 district. The audit shall be ordered within thirty (30) days of the
21 close of each fiscal year of the district which shall commence July
22 1, and end on June 30. The audit may be made in conjunction with
23 other audits required by law or ordinances.

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1 SECTION 11. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 29-411 of Title 11, unless there
3 is created a duplication in numbering, reads as follows:

4 A. Nothing in the Municipal Fire Protection District Act shall
5 prohibit a municipality from entering into Interlocal Agreements
6 pursuant to the Interlocal Cooperation Act for the purpose of
7 providing fire protection or both fire protection and fire
8 department-based emergency medical service.

9 B. Nothing in the Municipal Fire Protection District Act shall
10 prohibit or prevent a public body, authority, jurisdiction, or
11 municipality from receiving third-party reimbursement for services
12 provided for fire protection or both fire protection and fire
13 department-based emergency medical service.

14 SECTION 12. NEW LAW A new section of law to be codified
15 in the Oklahoma Statutes as Section 901.70 of Title 19, unless there
16 is created a duplication in numbering, reads as follows:

17 Sections 12 through 25 of this act shall be known and may be
18 cited as the "Local Fire Protection District Act".

19 SECTION 13. NEW LAW A new section of law to be codified
20 in the Oklahoma Statutes as Section 901.71 of Title 19, unless there
21 is created a duplication in numbering, reads as follows:

22 Any combination of cities, towns, counties, or rural fire
23 protection districts organized pursuant to Section 901.1 et seq. of
24 Title 19 of the Oklahoma Statutes or municipal fire protection

1 districts organized pursuant to the Oklahoma Volunteer Firefighters
2 Act may by resolution of their governing bodies jointly petition the
3 board of county commissioners to create a local fire protection
4 district. If more than one county has joined in the petition, the
5 petition must be presented to each county commission pursuant to the
6 terms of the Local Fire Protection District Act.

7 SECTION 14. NEW LAW A new section of law to be codified
8 in the Oklahoma Statutes as Section 901.72 of Title 19, unless there
9 is created a duplication in numbering, reads as follows:

10 A. The petition to form a local fire protection district
11 pursuant to Section 13 of this act shall set forth and particularly
12 describe the proposed boundaries of the district and shall be
13 accompanied by a map of the proposed district, drawn to a scale of
14 not less than one (1) inch to the mile. The proposed boundaries
15 shall not include any territory of any jurisdiction that is not a
16 petitioner.

17 B. The petitioners shall accompany the petition with a good and
18 sufficient bond, the amount and sureties of which shall be approved
19 by the board of county commissioners, the sum of which is sufficient
20 to cover the costs of the publications and of the election. The
21 petitioners shall share the cost of the bond in proportion equal to
22 its population compared to the population of the district as a whole.

23 C. The petition shall also be accompanied by an agreement
24 creating a Local Fire District Public Trust Authority drafted in

1 conformity with Section 18 of this act. The agreement creating the
2 Authority shall be duly executed by the governing body of each
3 petitioner according to the terms of Section 176 et seq. of Title 60
4 of the Oklahoma Statutes.

5 D. The petition shall be filed with the county clerk who shall
6 present it to the board of county commissioners at their next regular
7 or special meeting. Upon the presentation of the petition, the board
8 of county commissioners shall set the petition for hearing at a time
9 not less than twenty (20) days nor more than forty (40) days from the
10 date of presentation and shall direct the county clerk to give notice
11 of the hearing by publication in a newspaper of general circulation
12 in the county in which the proposed district is located. The notice
13 shall be published for two (2) consecutive weeks next preceding the
14 date of the hearing. The notice shall describe the boundaries of the
15 proposed district, state the time and place of the hearing, and state
16 that any person may appear and protest the organization of the
17 district or the proposed boundaries of the district.

18 E. The board of county commissioners shall hold the hearing
19 described in the notice, and shall have jurisdiction to hear and
20 determine all protests to the creation of the district and all
21 matters pertaining to the district. The board of county
22 commissioners may alter the boundaries of the district only in the
23 unincorporated areas inside the county. At the conclusion of the
24 hearing, the board of county commissioners shall enter an order

1 organizing the district and call for an election of the qualified
2 electors residing in the area comprising the proposed district on the
3 question of whether the district shall be organized. The election
4 date must be set within one (1) year of the order organizing the
5 district.

6 SECTION 15. NEW LAW A new section of law to be codified
7 in the Oklahoma Statutes as Section 901.73 of Title 19, unless there
8 is created a duplication in numbering, reads as follows:

9 The boundaries of the proposed local fire protection district may
10 include all or part of the territory within the county boundaries.
11 The boundaries of a local fire protection district shall not overlap
12 with the boundaries of another local fire protection district.

13 SECTION 16. NEW LAW A new section of law to be codified
14 in the Oklahoma Statutes as Section 901.74 of Title 19, unless there
15 is created a duplication in numbering, reads as follows:

16 The county clerk shall cause notice of the election to be given
17 by publication once a week for two (2) successive weeks in a
18 newspaper of general circulation in the area comprising the proposed
19 district. The notice shall state the time and place of holding the
20 election and set forth the description of the boundaries of the
21 proposed district and its general purpose and intention. The notice
22 shall require the electors to cast ballots which contain the words:
23 "Local Fire Protection District - Yes" and "Local Fire Protection
24 District - No" or words equivalent thereto. All persons who reside

1 in the proposed district, who are qualified electors in their
2 respective precincts, shall be qualified to vote on the proposition.

3 SECTION 17. NEW LAW A new section of law to be codified
4 in the Oklahoma Statutes as Section 901.75 of Title 19, unless there
5 is created a duplication in numbering, reads as follows:

6 The election shall be conducted in accordance with the general
7 election laws of this state, and the regular election officials shall
8 be in charge at the usual polling place of each regular precinct, or
9 part of a precinct, which includes the land within the boundaries of
10 the proposed district. The returns of the election shall be made
11 directly to the board of county commissioners which shall meet at its
12 next regularly scheduled meeting following the election to canvass
13 the vote cast. If, upon the canvass, it appears that over fifty
14 percent (50%) of the votes cast are "Local Fire Protection District -
15 Yes", the district shall be approved.

16 SECTION 18. NEW LAW A new section of law to be codified
17 in the Oklahoma Statutes as Section 901.76 of Title 19, unless there
18 is created a duplication in numbering, reads as follows:

19 A. At the time of submitting the petition to the board of county
20 commissioners, petitioners shall also submit a duly executed
21 agreement creating a public trust for the purpose of administering
22 the local fire protection district if approved by the voters. The
23 public trust shall have the powers granted pursuant to the provisions
24 of Section 176 of Title 60 of the Oklahoma Statutes in addition to

1 the powers and duties granted pursuant to the Local Fire Protection
2 District Act. The boundaries of the Local Fire Protection District
3 Public Trust Authority shall be coterminous with the boundaries of
4 the proposed local fire protection district. The terms of the trust
5 shall provide:

6 1. Each jurisdiction that petitioned for the creation of the
7 local fire protection district must be a beneficiary of the public
8 trust;

9 2. Only petitioning jurisdictions may be beneficiaries or
10 trustees of the public trust;

11 3. Each petitioning political subdivision must have one trustee
12 that serves on the board of trustees of the public trust;

13 4. Each trustee of the public trust shall have only one vote;

14 5. Trustees shall serve for a term determined by the bylaws of
15 the trust. The bylaws shall provide for staggered terms of the
16 trustees so that only a predefined subset of the board of trustees
17 shall be newly elected each year;

18 6. In the event of a tie vote, any measure before the board of
19 trustees shall fail; and

20 7. In case the voters do not approve the creation of the local
21 fire protection district, the trust agreement shall provide terms for
22 the orderly dissolution of the trust.

23 B. The trust agreement may contain other terms as the
24 petitioning jurisdictions decide.

1 C. The Local Fire Protection District Public Trust Authority
2 shall be a political subdivision pursuant to the terms of the
3 Governmental Tort Claims Act.

4 SECTION 19. NEW LAW A new section of law to be codified
5 in the Oklahoma Statutes as Section 901.77 of Title 19, unless there
6 is created a duplication in numbering, reads as follows:

7 A. The purpose of the Local Fire Protection District Public
8 Trust Authority shall be to assess, receive, and disburse an annual
9 assessment as provided in this section. The Authority may have such
10 other duties as the trustees may agree to by unanimous vote.

11 B. Each year during the regular course of drafting the budget of
12 the Authority, after public hearing, the board of trustees of the
13 Authority shall levy an annual assessment on property not otherwise
14 exempt from ad valorem taxes sufficient to meet the cost of providing
15 fire protection or both fire protection and fire department-based
16 emergency medical service or such portion of the costs that the board
17 of trustees deems advisable.

18 C. No annual assessment for operations shall exceed seven (7)
19 mills on the dollar of net assessed value of the property not
20 otherwise exempt from ad valorem taxes in the district. The
21 Authority may levy an assessment over seven (7) mills but not to
22 exceed ten (10) mills upon approval for the increase at an election
23 held at such time and in such manner as provided by Section 16 of
24 this act.

1 D. All assessments levied pursuant to this section shall be a
2 lien against the tract of land on which they have been levied until
3 paid, and the lien shall be coequal with the lien of ad valorem and
4 other taxes, including special assessments, and prior and superior to
5 all other liens.

6 SECTION 20. NEW LAW A new section of law to be codified
7 in the Oklahoma Statutes as Section 901.78 of Title 19, unless there
8 is created a duplication in numbering, reads as follows:

9 A. The board of trustees of the Local Fire Protection District
10 Public Trust Authority may issue revenue bonds based upon the
11 projected assessment revenues for facilities or equipment as may be
12 deemed necessary. The issuance shall be pursuant to a resolution
13 approved by not less than three-fourths (3/4) of the board of
14 trustees.

15 B. The county treasurer in the county or counties in which the
16 local fire protection district is located shall collect and remit to
17 the clerk of the governing body, the assessments provided for herein
18 within thirty (30) days from December 31 of each year for those
19 payments received by the county treasurer by December 31 and within
20 thirty (30) days after March 31 for those payments received between
21 January 1 and March 31 of each year.

22 C. Until paid, all assessments levied under the authority of the
23 provisions of Section 19 of this act shall be a lien against the
24 tract of land on which they have been levied. The lien shall be

1 coequal with the lien of ad valorem and other taxes, including
2 special assessments, and prior and superior to all other liens, and
3 shall be collected by the county treasurer in like fashion as
4 delinquent ad valorem taxes.

5 SECTION 21. NEW LAW A new section of law to be codified
6 in the Oklahoma Statutes as Section 901.79 of Title 19, unless there
7 is created a duplication in numbering, reads as follows:

8 If any assessment remains unpaid, the county treasurer shall
9 provide for the collection under the same procedures for the
10 collection of delinquent ad valorem taxes.

11 SECTION 22. NEW LAW A new section of law to be codified
12 in the Oklahoma Statutes as Section 901.80 of Title 19, unless there
13 is created a duplication in numbering, reads as follows:

14 The Local Fire Protection District Public Trust Authority shall
15 annually determine the total net assessed value of property of each
16 beneficiary jurisdiction of the local fire protection district. It
17 shall distribute the proceeds from the annual assessment set pursuant
18 to Section 19 of this act in the proportion of net assessed value of
19 each beneficiary bears to the total net assessed value of the entire
20 local fire protection district.

21 SECTION 23. NEW LAW A new section of law to be codified
22 in the Oklahoma Statutes as Section 901.81 of Title 19, unless there
23 is created a duplication in numbering, reads as follows:

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1 Municipal or rural fire districts may join as petitioners for the
2 creation of a local fire protection district under the terms of the
3 Local Fire Protection District Act. No municipal or rural fire
4 district assessment shall be affected by any provision of the Local
5 Fire Protection District Act. If a municipal or rural fire district
6 expands into a local fire protection district or chooses to
7 participate in a local fire protection district, the rural or
8 municipal fire districts shall receive an assessment in that
9 overlapping territory in an amount that equals the difference between
10 the municipal or rural fire district assessment and the local fire
11 protection district assessment, if any.

12 SECTION 24. NEW LAW A new section of law to be codified
13 in the Oklahoma Statutes as Section 901.82 of Title 19, unless there
14 is created a duplication in numbering, reads as follows:

15 A Local Fire Protection District Public Trust Authority shall
16 annually cause an audit to be made of, including, but not limited to,
17 the funds, accounts, and fiscal affairs of the Authority. The audit
18 shall be ordered within thirty (30) days of the close of each fiscal
19 year of the Authority which shall commence July 1 and end on June 30.

20 SECTION 25. NEW LAW A new section of law to be codified
21 in the Oklahoma Statutes as Section 901.83 of Title 19, unless there
22 is created a duplication in numbering, reads as follows:

23 A. Nothing in the Local Fire Protection District Act prohibits
24 public bodies from entering into Interlocal Agreements pursuant to

1 the Interlocal Cooperation Act for the purpose of providing fire
2 protection or both fire protection and fire department-based
3 emergency medical services.

4 B. Nothing in the Local Fire Protection District Act shall
5 prohibit or prevent any public body, authority, or jurisdiction from
6 receiving third-party reimbursement for services provided for fire
7 protection or both fire protection and fire department-based
8 emergency medical services.

9 SECTION 26. This act shall become effective November 1, 2007.

10 Passed the Senate the 12th day of March, 2007.

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Presiding Officer of the Senate

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14 Passed the House of Representatives the ____ day of _____,

15 2007.

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Presiding Officer of the House
of Representatives

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