- 75.022 Definitions -- Respective rights of city and fire district to provide certain fire protection services within city boundaries -- Fire protection services for newly annexed city territory -- Financing of fire protection services -- Written agreements between fire district and city -- Provision of fire service to territory annexed by city that does not maintain a regular fire department.
- (1) (a) As used in subsections (2) to (4) of this section, "city" means any city government that maintains a regular fire department as defined in KRS 95.010(3)(b).
  - (b) As used in subsections (2) to (5) of this section, "fire district" means a fire protection district or a volunteer fire department district created in accordance with the procedures of KRS 65.182, county volunteer fire department established under the authority of KRS 67.083, and volunteer fire departments created as nonprofit corporations under KRS Chapter 273.
- (2) Except as provided in subsection (4) of this section, a fire district shall not contain or later include within its boundaries any territory that is located within the corporate limits of a city. Subject to the limitations of subsections (3) and (4) of this section, a city shall have the primary right to provide fire service to all territories located within its corporate limits.
- (3) (a) In order for a city to assume the provision of fire service to annexed or newly incorporated territory that is being served by a fire district, the city shall pay the fire district for the proportionate share of the fire district's indebtedness that was incurred while the annexed or newly incorporated territory was included within the fire district.
  - (b) Unless otherwise agreed to in writing by the city and the fire district, the proportionate share of the fire district's debt attributable to annexed or newly incorporated territory shall be calculated based upon the ratio of the total value of taxable real property included within the annexed or newly incorporated territory to the total value of all taxable real property located within the entire fire district as it existed prior to the annexation or incorporation by the city. The resulting quotient shall be multiplied by the fire district's total indebtedness to determine the amount of liability that the city is responsible for paying to the fire district.
  - (c) Unless otherwise agreed to in writing by the city and the fire district, the city shall pay the entire amount of the proportionate share of the indebtedness to the fire district prior to assuming service in the annexed or newly incorporated territory or shall pay the total amount in equal yearly installments over no more than three (3) consecutive years. The first installment shall be due to the fire district prior to the city assuming the provision of fire services.
  - (d) If a city meets the requirements of this subsection, the annexed or newly incorporated territory shall be stricken from the boundaries of the fire district, and the fire district shall no longer be authorized to collect any taxes from property owners within the stricken territory.
- (4) A city shall cede its primary right to provide fire services to annexed or newly

incorporated territory located within a fire district if:

- (a) The city does not comply with the requirements of subsection (3) of this section to pay the fire district for the proportionate share of the indebtedness attributable to the annexed or newly incorporated territory;
- (b) The fire district has no indebtedness at the time of the annexation or incorporation, and the fire district and city agree in writing that it is in the best interests of the citizens and property owners within the annexed or incorporated territory to continue to have fire service provided by the fire district. The agreement entered into by the fire district and the city may contain any agreed-upon term, conditions, and limitations; or
- (c) Any circumstance exists where the fire district and city agree in writing that it is more appropriate and beneficial to the citizens and property owners within the territory for the fire district to continue the provision of fire services within the annexed or newly incorporated territory. The agreement entered into by the fire district and the city may contain any agreed-upon term, conditions, and limitations.
- (5) (a) As used in this subsection, "regular fire department" has the same meaning as in KRS 95.010(3)(b).
  - (b) A city that does not maintain a regular fire department, but maintains its own volunteer fire department:
    - 1. Shall have the right to assume the provision of fire service to territory annexed by the city that, at the time of the annexation, is being served by a fire district that does not maintain a regular fire department. A city that elects to assume the provision of fire service pursuant to this subsection shall follow the procedures established in subsections (3) and (4) of this section; and
    - 2. Shall not have the primary right to provide fire services to any territory that is being served by a fire district that maintains a regular fire department, unless the fire district strikes the territory from the district boundaries as authorized in KRS 75.020.

Effective: July 15, 2016

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