

**LEGISLATIVE SERVICES AGENCY**  
**OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**  
**FISCAL IMPACT STATEMENT**

**LS 6996**

**BILL NUMBER:** HB 1352

**NOTE PREPARED:** Jan 5, 2026

**BILL AMENDED:**

**SUBJECT:** County Fire Protection.

**FIRST AUTHOR:** Rep. May

**BILL STATUS:** As Introduced

**FIRST SPONSOR:**

**FUNDS AFFECTED:**  **GENERAL**  
**DEDICATED**  
**FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** This bill requires each county, excluding a county containing a consolidated city or a county that is entirely within a fire protection district, to establish a county fire and emergency service board (board) and requires the board to develop a county fire and emergency service plan (county plan). The bill requires the board, on January 1, 2028, to establish a county fire and emergency service district (district) to provide fire protection to: (1) the unincorporated territory of each township located in the county in which the township provides fire protection; and (2) any other territory within the county that is transferred to the district in accordance with the county plan. The bill provides that a township, excluding a township in a county containing a consolidated city, may not impose a property tax levy for fire services for property taxes first due and payable after December 31, 2027. It also provides that a fire protection district that includes all of the unincorporated area of the county may establish a nine member governing board.

**Effective Date:** July 1, 2026.

**Explanation of State Expenditures:** *Department of Local Government Finance (DLGF):* This bill's provisions will result in an increased workload for the DLGF. The DLGF would be required to adjust the maximum permissible property tax levy and tax rates of units of local government to account for transfers of duties to a county's fire and emergency service district.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** This bill's provisions will result in a shift of fire protection and emergency service related costs from township governments to county governments. The magnitude of the shift is not readily determinable. Cost savings may potentially be realized should the county determine that not all township employees need to be transferred to the county payroll for purposes of working on behalf of the district. Conversely, those potential cost savings might be offset - at least, partly - by the administrative costs related to the board established to oversee the district. The actual fiscal impact will vary from county to county and will depend on the number of townships and the size of their respective fire protection budgets that will potentially be transferred to the district.

The administrative workload for those township governments that have their fire protection services

transferred to the district will decrease since they will no longer be required to oversee these services within their respective jurisdictions.

**Explanation of Local Revenues:** If the township fire protection services are transferred to the county district, there would be a corresponding transfer of certain township funds and changes in levies. Local units that currently share taxing districts with the township fire departments may have reduced tax cap losses. If the property tax rates (for fire protection) are reduced in the townships by spreading the levy over all the county district-served properties, taxpayers in those districts who are currently at the tax caps, may not reach the caps resulting in less tax cap losses to the other units in those districts. The actual fiscal impact will vary from county to county and will depend on the certified tax rates for the county district - in particular how they compare to the previous township fire rates.

**State Agencies Affected:** Department of Local Government Finance.

**Local Agencies Affected:** Counties & townships.

**Information Sources:**

**Fiscal Analyst:** James Johnson, 317-232-9869.