



February 18, 2011

# HOUSE BILL No. 1439

DIGEST OF HB 1439 (Updated February 15, 2011 2:08 pm - DI 116)

**Citations Affected:** IC 36-8.

**Synopsis:** Volunteer fire department fees. Provides that a bill for a service charge by a volunteer fire department must contain: (1) verification that the bill has been approved by the chief of the volunteer fire department; and (2) language indicating that correspondence from the person being billed regarding the bill should be directed to the department. Provides that all bills sent by an agent of a volunteer fire department must be approved by the chief of the volunteer fire department before it is sent to the person being billed for services. Provides that the chief of the volunteer fire department must review a bill before authorizing an agent to proceed with collection efforts for that bill. Limits the total administrative fees charged by an agent of a volunteer fire department to 10% of the bill that the agent is processing. Provides that an agent that: (1) charges administrative fees that exceed 10% of a bill; (2) charges an unauthorized or excessive fee for volunteer fire department services; or (3) fails to send volunteer fire department bills to appropriate parties; commits a Class C misdemeanor.

**Effective:** July 1, 2011.

## Borders

January 18, 2011, read first time and referred to Committee on Veterans Affairs and Public Safety.  
February 17, 2011, amended, reported — Do Pass.

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HB 1439—LS 7389/DI 103+



February 18, 2011

First Regular Session 117th General Assembly (2011)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2010 Regular Session of the General Assembly.

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## HOUSE BILL No. 1439



A BILL FOR AN ACT to amend the Indiana Code concerning local government.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 36-8-12-16, AS AMENDED BY P.L.182-2009(ss),  
2 SECTION 436, IS AMENDED TO READ AS FOLLOWS  
3 [EFFECTIVE JULY 1, 2011]: Sec. 16. (a) A volunteer fire department  
4 that provides service within a jurisdiction served by the department  
5 may establish a schedule of charges for the services that the department  
6 provides not to exceed the state fire marshal's recommended schedule  
7 for services. The volunteer fire department or its agent may collect a  
8 service charge according to this schedule from the owner of property  
9 that receives service if the following conditions are met:

10 (1) At the following times, the department gives notice under  
11 IC 5-3-1-4(d) in each political subdivision served by the  
12 department of the amount of the service charge for each service  
13 that the department provides:

14 (A) Before the schedule of service charges is initiated.  
15 (B) When there is a change in the amount of a service charge.

16 (2) The property owner has not sent written notice to the  
17 department to refuse service by the department to the owner's

HB 1439—LS 7389/DI 103+



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property.

(3) The bill for payment of the service charge:

(A) is submitted to the property owner in writing within thirty (30) days after the services are provided; ~~and~~

(B) includes a copy of a fire incident report in the form prescribed by the state fire marshal, if the service was provided for an event that requires a fire incident report;

**(C) must contain verification that the bill has been approved by the chief of the volunteer fire department; and**

**(D) must contain language indicating that correspondence from the property owner regarding the bill should be directed to the department.**

(4) Payment is remitted directly to the governmental unit providing the service.

(b) A volunteer fire department shall use the revenue collected from the fire service charges under this section:

(1) for the purchase of equipment, buildings, and property for firefighting, fire protection, or other emergency services;

(2) for deposit in the township firefighting fund established under IC 36-8-13-4; or

(3) to pay principal and interest on a loan made by the department of homeland security established by IC 10-19-2-1 or a division of the department for the purchase of new or used firefighting and other emergency equipment or apparatus.

(c) Any administrative fees charged by a fire department's agent must be paid only from fees that are collected and allowed by Indiana law and the fire marshal's schedule of fees.

(d) An agent who processes fees on behalf of a fire department shall send all bills, notices, and other related materials to both the fire department and the person being billed for services. **The chief of the volunteer fire department must:**

**(1) approve all bills for services before an agent may send the bill to the person being billed for services; and**

**(2) review all bills for services before authorizing an agent to proceed with collection efforts for the bill.**

(e) All fees allowed by Indiana law and the fire marshal's fee schedule must be itemized separately from any other charges.

(f) If at least twenty-five percent (25%) of the money received by a volunteer fire department for providing fire protection or emergency services is received under one (1) or more contracts with one (1) or more political subdivisions (as defined in IC 34-6-2-110), the

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1 legislative body of a contracting political subdivision must approve the  
2 schedule of service charges established under subsection (a) before the  
3 schedule of service charges is initiated in that political subdivision.

4 (g) A volunteer fire department that:

5 (1) has contracted with a political subdivision to provide fire  
6 protection or emergency services; and

7 (2) charges for services under this section;

8 must submit a report to the legislative body of the political subdivision  
9 before April 1 of each year indicating the amount of service charges  
10 collected during the previous calendar year and how those funds have  
11 been expended.

12 (h) The state fire marshal shall annually prepare and publish a  
13 recommended schedule of service charges for fire protection services.

14 (i) The volunteer fire department or its agent may maintain a civil  
15 action to recover an unpaid service charge under this section.

16 SECTION 2. IC 36-8-12-16.5 IS ADDED TO THE INDIANA  
17 CODE AS A NEW SECTION TO READ AS FOLLOWS  
18 [EFFECTIVE JULY 1, 2011]: **Sec. 16.5. (a) An agent of a fire**  
19 **department that charges administrative fees under section 13 or 16**  
20 **of this chapter may not charge an administrative fee that is greater**  
21 **than ten percent (10%) of the total bill for services that the agent**  
22 **is processing.**

23 (b) An agent that:

24 (1) violates subsection (a);

25 (2) charges a fee for services provided by a volunteer fire  
26 department that:

27 (A) is not authorized by law; or

28 (B) exceeds the state fire marshal's recommended schedule  
29 for services; or

30 (3) violates section 13(d) or 16(d) of this chapter;

31 commits a Class C misdemeanor.

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## COMMITTEE REPORT

Mr. Speaker: Your Committee on Veterans Affairs and Public Safety, to which was referred House Bill 1439, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, delete lines 1 through 17.

Delete page 2.

Page 3, delete lines 1 through 6.

Page 3, between lines 6 and 7, begin a new paragraph and insert:

"SECTION 1. IC 36-8-12-16, AS AMENDED BY P.L.182-2009(ss), SECTION 436, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 16. (a) A volunteer fire department that provides service within a jurisdiction served by the department may establish a schedule of charges for the services that the department provides not to exceed the state fire marshal's recommended schedule for services. The volunteer fire department or its agent may collect a service charge according to this schedule from the owner of property that receives service if the following conditions are met:

(1) At the following times, the department gives notice under IC 5-3-1-4(d) in each political subdivision served by the department of the amount of the service charge for each service that the department provides:

(A) Before the schedule of service charges is initiated.

(B) When there is a change in the amount of a service charge.

(2) The property owner has not sent written notice to the department to refuse service by the department to the owner's property.

(3) The bill for payment of the service charge:

(A) is submitted to the property owner in writing within thirty (30) days after the services are provided; ~~and~~

(B) includes a copy of a fire incident report in the form prescribed by the state fire marshal, if the service was provided for an event that requires a fire incident report;

**(C) must contain verification that the bill has been approved by the chief of the volunteer fire department; and**

**(D) must contain language indicating that correspondence from the property owner regarding the bill should be directed to the department.**

(4) Payment is remitted directly to the governmental unit providing the service.

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(b) A volunteer fire department shall use the revenue collected from the fire service charges under this section:

- (1) for the purchase of equipment, buildings, and property for firefighting, fire protection, or other emergency services;
- (2) for deposit in the township firefighting fund established under IC 36-8-13-4; or
- (3) to pay principal and interest on a loan made by the department of homeland security established by IC 10-19-2-1 or a division of the department for the purchase of new or used firefighting and other emergency equipment or apparatus.

(c) Any administrative fees charged by a fire department's agent must be paid only from fees that are collected and allowed by Indiana law and the fire marshal's schedule of fees.

(d) An agent who processes fees on behalf of a fire department shall send all bills, notices, and other related materials to both the fire department and the person being billed for services. **The chief of the volunteer fire department must:**

- (1) approve all bills for services before an agent may send the bill to the person being billed for services; and**
- (2) review all bills for services before authorizing an agent to proceed with collection efforts for the bill.**

(e) All fees allowed by Indiana law and the fire marshal's fee schedule must be itemized separately from any other charges.

(f) If at least twenty-five percent (25%) of the money received by a volunteer fire department for providing fire protection or emergency services is received under one (1) or more contracts with one (1) or more political subdivisions (as defined in IC 34-6-2-110), the legislative body of a contracting political subdivision must approve the schedule of service charges established under subsection (a) before the schedule of service charges is initiated in that political subdivision.

(g) A volunteer fire department that:

- (1) has contracted with a political subdivision to provide fire protection or emergency services; and
- (2) charges for services under this section;

must submit a report to the legislative body of the political subdivision before April 1 of each year indicating the amount of service charges collected during the previous calendar year and how those funds have been expended.

(h) The state fire marshal shall annually prepare and publish a recommended schedule of service charges for fire protection services.

(i) The volunteer fire department or its agent may maintain a civil action to recover an unpaid service charge under this section."

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Page 3, line 12, delete "seven percent (7%)" and insert "**ten percent (10%)**".

Renumber all SECTIONS consecutively.  
and when so amended that said bill do pass.

(Reference is to HB 1439 as introduced.)

BORDERS, Chair

Committee Vote: yeas 5, nays 4.

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