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[HF 2479](#) – Emergency Medical Services, Township Referendum (LSB5918HZ)  
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Fiscal Note Version – New

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**Description**

[House File 2479](#) establishes a process for voter approval of a proposition to require a township to provide emergency medical services. The Bill also authorizes a higher township property tax rate for areas that provide emergency medical services, but only if that higher rate is approved by voters. The additional levy authorized is a maximum of \$0.2025 per \$1,000 of taxed property value.

Referendums submitted to the voters must be for a period of at least four years. Any renewal follows the same voter approval process. The change is effective July 1, 2018.

**Background**

Current law requires a township to provide fire protection services to areas of the township not included in a city or a benefited fire district. Current law also allows a county, and in limited instances a city or other township, to assume the responsibility for fire protection within the unincorporated areas of a township.

Current law allows, but does not require, townships to also provide emergency medical services, and in counties with a population of 300,000 or more, an emergency warning system. Polk County is the only Iowa county with a population of 300,000 or more.

To finance fire protection and the optional emergency medical services and emergency warning systems, a township is allowed under current law to levy taxes at the following maximum rates, including an allowed additional levy:

- For Polk County townships, \$0.8775 per \$1,000 of taxed valuation.
- For townships in all other counties, where the township has a fire protection and/or emergency medical services agreement with a special charter city that has a paid fire department, \$0.7425 per \$1,000 of taxed valuation.
- For all other townships, \$0.6075 per \$1,000 of taxed valuation.

Information provided by the Department of Management (DOM) indicates that Iowa townships will receive \$28.8 million in property tax revenue for fire protection services, emergency medical services, and emergency warning systems in FY 2018. In addition to that amount, benefited fire districts rates will raise \$2.2 million in property tax during the fiscal year.

**Fiscal Impact**

The DOM calculates that if all townships levied tax rates at the maximum amount allowed under current law for fire services, emergency medical services, and emergency warning systems, a maximum of an additional \$8.9 million in property tax revenue would be raised statewide. This amount is available under current law to townships that are not at their maximum property tax rate.

The total FY 2018 taxed value of Iowa rural property is \$66.399 billion. An additional property tax rate of \$0.2025 would raise \$13.4 million if applied to all rural property. The potential property tax revenue impact is likely much less than the maximum amount, as many townships do not fully utilize the fire protection and emergency medical services tax rates currently available and the additional \$0.2025 authorized in the Bill is only available after a successful voter referendum in eligible townships.

**Sources**

Iowa Department of Management  
Legislative Services Agency analysis

*/s/ Holly M. Lyons*

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April 5, 2018

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The fiscal note for this Bill was prepared pursuant to Joint Rule 17 and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

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