SENATE BILL NO. 2566

AN ACT TO AMEND SECTION 83-1-39, MISSISSIPPI CODE OF 1972, TO AUTHORIZE THE BOARD OF SUPERVISORS OF EACH COUNTY TO USE INSURANCE REBATE MONIES FOR THE CONSTRUCTION OR RENOVATION OF A BUILDING FOR FIRE PROTECTION PURPOSES; AND FOR RELATED PURPOSES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

SECTION 1. Section 83-1-39, Mississippi Code of 1972, is amended as follows:

83-1-39. (1) The State Tax Commission shall pay over to the State Treasurer, to be credited to a fund entitled "County Volunteer Fire Department Fund," the sum of Four Million Six Hundred Thousand Dollars ($4,600,000.00) annually out of the insurance premium tax in addition to the amount collected by it under the provisions of Section 27-15-103 et seq. Such funds, hereinafter referred to as insurance rebate monies, are hereby earmarked for payment to the various counties of the state and shall be paid over to the counties by the Department of Insurance on the basis of the population of each county as it compares to the population of participating counties, not counting residents of any municipality. Such insurance rebate monies shall only be distributed to those counties which are in compliance with subsections (5) and (6) of this section.

(2) Using 1990 as a base year, the State Tax Commission shall pay to the State Treasurer, to be credited to the "County Volunteer Fire Department Fund," an amount representing one-half of ten percent (1/2 of 10%) of any growth after 1990 of the insurance premium tax collected annually from the taxes levied on the gross premium on fire insurance policies written on properties
in this state, in addition to the amount collected by it under Section 27-15-103 et seq.

(3) Insurance rebate monies shall be expended by the board of supervisors for fire protection purposes of each county as follows:

   (a) For training expenses;

   (b) Purchase of equipment, purchase of fire trucks, repair and refurbishing of fire trucks and fire fighting equipment, and capital construction anywhere in the county or pledging as security for a period of not more than ten (10) years for such purchases;

   (c) Purchase of insurance on county-owned fire fighting equipment;

   (d) Fire protection service contracts (including, but not limited to, municipalities, legal fire protection districts, and nonprofit corporations providing or coordinating fire service in or out of the county); or

   (e) Appropriations to legal fire protection districts located in counties subject to all restrictions applicable to the use of insurance rebate monies.

   (f) Construction or renovation of a building for fire protection purposes.

   Any county-owned equipment or other property, at the option of the board of supervisors, may be used by any legally created fire department.

(4) Insurance rebate monies not expended in a given fiscal year for fire protection purposes shall be placed in a special fund with a written plan for disposition and expenditure of such monies. After the contracts for fire protection services have been approved and accepted by the board of supervisors, the monies shall be released to be expended in such manner as provided by this section.
(5) No county shall receive payments pursuant to this section after July 1, 1988, unless such county:

   (a) Designates a county fire service coordinator who is responsible for seeing that standard guidelines established by the Commissioner of Insurance pursuant to Section 45-11-7(9), Mississippi Code of 1972, are followed. The county fire coordinator must demonstrate that he possesses fire-related knowledge and experience;
   
   (b) Designates one (1) member of the sheriff's department to be the county arson investigator and requires the designated member of the sheriff's department to attend the State Fire Academy to be trained in arson investigation;
   
   (c) Adheres to the standard guidelines established by the Commissioner of Insurance pursuant to Section 45-11-7(9); and
   
   (d) Counties shall levy a tax of not less than one-fourth (1/4) mill on all property of the county or appropriate avails of not less than one-fourth (1/4) mill from the county's general fund for fire protection purposes. Municipalities making a written declaration to the county that they fund and provide their own fire services shall be exempted from this levy. This levy may be used for fire protection purposes which include, but are not limited to, contracting with any provider of fire protection services.

(6) No funds shall be paid by the county to any provider of fire protection services except in accordance with a written contract entered into in accordance with guidelines established by the Commissioner of Insurance and properly approved by the board of supervisors and Commissioner of Insurance. No county shall distribute funds to any fire service provider which has not met the reporting requirements required by the Commissioner of Insurance. At such time that a fire protection services provider, particularly a county volunteer fire department, a municipality or a fire protection district, has fulfilled the obligations of the
written contract and has met the reporting requirements provided
for in this subsection and the board of supervisors has received
the insurance rebate monies, the board of supervisors shall
disburse the appropriate amount to the fire protection services
provider within a reasonable time, not to exceed six (6) weeks,
from the time such requirements are met. Insurance rebate monies
used for the purposes of contracting shall be expended by the fire
service provider for capital construction, training expenses,
purchase of fire fighting equipment including payments on any
loans made for the purpose of purchasing fire fighting equipment,
and purchase of insurance for any fire equipment owned or operated
by the provider.

(7) The board of supervisors of any county may contribute
funds directly to any provider of fire protection services serving
such county. Such contributions must be used for fire protection
purposes as may be reasonably established by the Commissioner of
Insurance.

(8) Any municipal, county or local water association or
other utility district supplying water may, upon adoption of a
resolution authorizing such action, contribute free of charge to a
volunteer fire department or fire protection district serving such
local government, political subdivision or utility district, such
water as is necessary for fire fighting or training activities of
such volunteer fire department or fire protection district.

(9) The board of supervisors of any county may, in its
discretion, grade, gravel, shell and/or maintain real property of
a county volunteer fire department, including roads or driveways
thereof, as necessary for the effective and safe operation of such
county volunteer fire department. Any action taken by the board
of supervisors under the authority of this subsection shall be
spread upon the minutes of the board of supervisors when the work
is authorized.
(10) For the purpose of this section, "fire protection district" means a district organized under Section 19-5-151 et seq., or pursuant to any other code section or by any local and private act authorizing the establishment of a fire protection district, unless the context clearly requires otherwise.

SECTION 2. This act shall take effect and be in force from and after its passage.