

By: Representatives Stevens, Chism,
Masterson, Montgomery (74th)

To: Insurance; Ways and
Means

HOUSE BILL NO. 668

1 AN ACT TO AMEND SECTION 83-1-39, MISSISSIPPI CODE OF 1972, TO
2 REQUIRE THAT CERTAIN TAXES LEVIED BY THE COUNTIES SHALL BE USED
3 FOR FIRE PROTECTION PURPOSES; AND FOR RELATED PURPOSES.

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

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

7 83-1-39. (1) The State Tax Commission shall pay over to the
8 State Treasurer, to be credited to a fund entitled "County
9 Volunteer Fire Department Fund," the sum of Four Million Six
10 Hundred Thousand Dollars (\$4,600,000.00) annually out of the
11 insurance premium tax in addition to the amount collected by it
12 under the provisions of Section 27-15-103 et seq. Such funds,
13 hereinafter referred to as insurance rebate monies, are hereby
14 earmarked for payment to the various counties of the state and
15 shall be paid over to the counties by the Department of Insurance
16 on the basis of the population of each county as it compares to
17 the population of participating counties, not counting residents
18 of any municipality. Such insurance rebate monies shall only be
19 distributed to those counties which are in compliance with
20 subsections (5) and (6) of this section.

21 (2) Using 1990 as a base year, the State Tax Commission
22 shall pay to the State Treasurer, to be credited to the "County
23 Volunteer Fire Department Fund," an amount representing one-half
24 of ten percent (1/2 of 10%) of any growth after 1990 of the
25 insurance premium tax collected annually from the taxes levied on
26 the gross premium on fire insurance policies written on properties



27 in this state, in addition to the amount collected by it under
28 Section 27-15-103 et seq.

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

32 (a) For training expenses;

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

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

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

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

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

50 (4) Insurance rebate monies not expended in a given fiscal
51 year for fire protection purposes shall be placed in a special
52 fund with a written plan for disposition and expenditure of such
53 monies. After the contracts for fire protection services have
54 been approved and accepted by the board of supervisors, the monies
55 shall be released to be expended in such manner as provided by
56 this section.

57 (5) No county shall receive payments pursuant to this
58 section after July 1, 1988, unless such county:



59 (a) Designates a county fire service coordinator who is
60 responsible for seeing that standard guidelines established by the
61 Commissioner of Insurance pursuant to Section 45-11-7(9),
62 Mississippi Code of 1972, are followed. The county fire
63 coordinator must demonstrate that he possesses fire-related
64 knowledge and experience;

65 (b) Designates one (1) member of the sheriff's
66 department to be the county arson investigator and requires the
67 designated member of the sheriff's department to attend the State
68 Fire Academy to be trained in arson investigation;

69 (c) Adheres to the standard guidelines established by
70 the Commissioner of Insurance pursuant to Section 45-11-7(9); and

71 (d) Counties shall levy a tax of not less than
72 one-fourth (1/4) mill on all property of the county or appropriate
73 avails of not less than one-fourth (1/4) mill from the county's
74 general fund for fire protection purposes. Municipalities making
75 a written declaration to the county that they fund and provide
76 their own fire services shall be exempted from this levy. This
77 levy shall be used for fire protection purposes which include but
78 are not limited to contracting with any provider of fire
79 protection services.

80 (6) No funds shall be paid by the county to any provider of
81 fire protection services except in accordance with a written
82 contract entered into in accordance with guidelines established by
83 the Commissioner of Insurance and properly approved by the board
84 of supervisors and Commissioner of Insurance. No county shall
85 distribute funds to any fire service provider which has not met
86 the reporting requirements required by the Commissioner of
87 Insurance. At such time that a fire protection services provider,
88 particularly a county volunteer fire department, a municipality or
89 a fire protection district, has fulfilled the obligations of the
90 written contract and has met the reporting requirements provided
91 for in this subsection and the board of supervisors has received



92 the insurance rebate monies, the board of supervisors shall
93 disburse the appropriate amount to the fire protection services
94 provider within a reasonable time, not to exceed six (6) weeks,
95 from the time such requirements are met. Insurance rebate monies
96 used for the purposes of contracting shall be expended by the fire
97 service provider for capital construction, training expenses,
98 purchase of fire fighting equipment including payments on any
99 loans made for the purpose of purchasing fire fighting equipment,
100 and purchase of insurance for any fire equipment owned or operated
101 by the provider.

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

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

114 (9) The board of supervisors of any county may, in its
115 discretion, grade, gravel, shell and/or maintain real property of
116 a county volunteer fire department, including roads or driveways
117 thereof, as necessary for the effective and safe operation of such
118 county volunteer fire department. Any action taken by the board
119 of supervisors under the authority of this subsection shall be
120 spread upon the minutes of the board of supervisors when the work
121 is authorized.

122 (10) For the purpose of this section, "fire protection
123 district" means a district organized under Section 19-5-151 et
124 seq., or pursuant to any other Code section or by any local and



125 private act authorizing the establishment of a fire protection
126 district, unless the context clearly requires otherwise.

127 **SECTION 2.** This act shall take effect and be in force from
128 and after July 1, 2002.

