

By: Senator(s) Jackson (32nd)

To: Insurance

SENATE BILL NO. 2117

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

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

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

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

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

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

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

33 (a) For training expenses;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

125 (10) For the purpose of this section, "fire protection
126 district" means a district organized under Section 19-5-151 et
127 seq., or pursuant to any other code section or by any local and
128 private act authorizing the establishment of a fire protection
129 district, unless the context clearly requires otherwise.

130 **SECTION 2.** This act shall take effect and be in force from
131 and after July 1, 2004.