

By: Senator(s) Kirby

To: Insurance

SENATE BILL NO. 2275

1 AN ACT TO AMEND SECTION 83-1-39, MISSISSIPPI CODE OF 1972, TO  
2 PROVIDE THAT NO COUNTY SHALL RECEIVE INSURANCE REBATE MONIES UNTIL  
3 THE COUNTY DESIGNATES A MEMBER OF THE SHERIFF'S DEPARTMENT TO BE  
4 THE COUNTY FIRE INVESTIGATOR AND REQUIRES THE DESIGNATED MEMBER TO  
5 ATTEND THE STATE FIRE ACADEMY FOR ARSON INVESTIGATION TRAINING;  
6 AND FOR RELATED PURPOSES.

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

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

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

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

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

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

35 (a) For training expenses;

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

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

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

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

50 Any county-owned equipment or other property, at the option of the  
51 board of supervisors, may be used by any legally created fire  
52 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 approved by the Commissioner of Insurance  
56 for disposition and expenditure of such monies. After the  
57 contracts for fire protection services have been approved and  
58 accepted by the board of supervisors, the monies shall be released  
59 to be expended in such manner as provided by 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 fire 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 shall 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) (a) No funds shall be paid by the county to any  
84 provider of fire protection services except in accordance with a  
85 written contract entered into in accordance with guidelines  
86 established by the Commissioner of Insurance and properly approved  
87 by the board of supervisors and Commissioner of Insurance. No  
88 county shall distribute funds to any fire service provider which  
89 has not met the reporting requirements required by the  
90 Commissioner of Insurance. At such time that a fire protection  
91 services provider, particularly a county volunteer fire  
92 department, a municipality or a fire protection district, has  
93 fulfilled the obligations of the written contract and has met the  
94 reporting requirements provided for in this subsection and the

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

105 (b) If the Commissioner of Insurance believes that a  
106 county is using the funds in a manner not consistent with  
107 subsections (5) and (6) of this section, the commissioner shall  
108 request the State Auditor to conduct an investigation pursuant to  
109 Section 7-7-211(e).

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

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

122 (9) The board of supervisors of any county may, in its  
123 discretion, grade, gravel, shell and/or maintain real property of  
124 a county volunteer fire department, including roads or driveways  
125 thereof, as necessary for the effective and safe operation of such  
126 county volunteer fire department. Any action taken by the board  
127 of supervisors under the authority of this subsection shall be

128 spread upon the minutes of the board of supervisors when the work  
129 is authorized.

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

135 **SECTION 2.** This act shall take effect and be in force from  
136 and after July 1, 2007.