

By: Representative Hughes

To: Insurance; Ways and Means

HOUSE BILL NO. 35

1 AN ACT TO PROVIDE THAT THE DEPARTMENT OF REVENUE SHALL  
 2 ANNUALLY DEPOSIT INTO A SPECIAL FUND CREATED IN THIS ACT AN AMOUNT  
 3 EQUAL TO A PORTION OF THE INSURANCE PREMIUM TAX REVENUE COLLECTED  
 4 FROM THE INSURANCE PREMIUM TAX LEVIED ON THE GROSS PREMIUMS ON  
 5 HOMEOWNERS INSURANCE POLICIES WRITTEN ON PROPERTIES IN THIS STATE;  
 6 TO CREATE THE "COUNTY FIRE PROTECTION ASSISTANCE FUND" AS A  
 7 SPECIAL FUND IN THE STATE TREASURY; TO PROVIDE THAT MONIES IN THE  
 8 SPECIAL FUND MAY BE DISBURSED BY THE DEPARTMENT OF INSURANCE, UPON  
 9 APPROPRIATION BY THE LEGISLATURE, TO PROVIDE ASSISTANCE TO  
 10 COUNTIES FOR FIRE PROTECTION SERVICE PURPOSES; TO PROVIDE THAT THE  
 11 DEPARTMENT OF INSURANCE SHALL DISBURSE MONIES IN THE SPECIAL FUND  
 12 TO THE COUNTIES BASED ON THE LOCATION OF THE PROPERTY ON WHICH A  
 13 HOMEOWNERS INSURANCE POLICY WAS WRITTEN THAT GENERATED THE  
 14 INSURANCE PREMIUM TAX REVENUE; AND FOR RELATED PURPOSES.

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

16 **SECTION 1.** (1) The Department of Revenue shall annually  
 17 deposit into the special fund created in subsection (2) of this  
 18 section, an amount equal to one-half (1/2) of the insurance  
 19 premium tax revenue collected from the taxes levied under Section  
 20 27-15-103 et seq. on the gross premiums on homeowners insurance  
 21 policies written on properties in this state.

22 (2) (a) (i) A special fund, to be designated as the  
 23 "County Fire Protection Assistance Fund," is created within the  
 24 State Treasury. The fund shall be maintained by the State



25 Treasurer as a separate and special fund, separate and apart from  
26 the General Fund of the state. The fund shall consist of monies  
27 deposited therein under this section and monies from any other  
28 source designated for deposit into the fund. Unexpended amounts  
29 remaining in the fund at the end of a fiscal year shall not lapse  
30 into the State General Fund, and any interest earned or investment  
31 earnings on amounts in the fund shall be deposited into such fund.

32 (ii) Monies deposited into the fund may be  
33 disbursed by the Department of Insurance, upon appropriation by  
34 the Legislature, for the purpose of providing assistance to  
35 counties for the purposes described in paragraph (b) of this  
36 subsection (2). The Department of Insurance shall distribute  
37 monies in the fund to counties based on the location of the  
38 property on which a homeowners insurance policy was written that  
39 generated the insurance premium tax revenue and an amount equal to  
40 one-half (1/2) of such insurance premium tax revenue shall be  
41 disbursed to the county in which such property is located.

42 (b) Monies disbursed to a county under this section may  
43 be used by the county for any of the following fire protection  
44 service purposes:

- 45 (i) Training expenses;
- 46 (ii) Purchase of equipment, purchase of fire  
47 trucks, repair and refurbishing of fire trucks and firefighting  
48 equipment, and capital construction anywhere in the county or



49 pledged as security for a period of not more than ten (10) years  
50 for such purchases, repairs and/or refurbishment;

51 (iii) Purchase of insurance on county-owned fire  
52 fighting equipment and facilities;

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

57 (v) Other purposes related to providing fire  
58 protection service in the county.

59 **SECTION 2.** This act shall take effect and be in force from  
60 and after July 1, 2019.

