

By: Representative Zuber

To: Insurance

COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 819

1 AN ACT TO AMEND SECTION 83-1-37, MISSISSIPPI CODE OF 1972, TO
2 INCREASE FUNDS UNDER THE MUNICIPAL FIRE PROTECTION FUND; TO ALLOW
3 USE OF FIRE REBATE MONIES FOR EMERGENCY MEDICAL SERVICES TRAINING
4 AND EQUIPMENT; TO AMEND SECTION 83-1-39, MISSISSIPPI CODE OF 1972,
5 TO INCREASE FUNDS UNDER THE COUNTY VOLUNTEER FIRE PROTECTION FUND;
6 TO ALLOW USE OF FIRE REBATE MONIES FOR EMERGENCY MEDICAL SERVICES
7 TRAINING AND EQUIPMENT; AND FOR RELATED PURPOSES.

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

9 **SECTION 1.** Section 83-1-37, Mississippi Code of 1972, is
10 amended as follows:

11 83-1-37. (1) The Department of Revenue shall pay for credit
12 to a fund known as the "Municipal Fire Protection Fund," the sum
13 of * * * Seven Million Five Hundred Thousand Dollars
14 (\$7,500,000.00) annually out of the insurance premium tax
15 collected annually from the taxes levied on the gross premiums on
16 fire insurance policies written on properties in this state, under
17 Sections 27-15-103 through 27-15-127. The State Treasurer shall
18 credit this amount to the Municipal Fire Protection Fund. This
19 fund shall be set aside and earmarked for payment to
20 municipalities in this state, as hereinafter provided.



21 (2) Using 1990 as a base year, the Department of Revenue
22 shall pay over annually to the State Treasurer, for credit to the
23 "Municipal Fire Protection 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, under Sections 27-15-103 through 27-15-127.

28 (3) The fund hereby created and denominated "Municipal Fire
29 Protection Fund" shall be apportioned and paid over by the
30 Department of Insurance to the incorporated municipalities
31 certified as eligible to participate in the fund by the
32 Commissioner of Insurance, and shall be distributed once each year
33 on a population basis, to be determined by the most recent federal
34 census * * *. Municipalities receiving these funds shall earmark
35 such monies for fire protection services.

36 * * *

37 (* * *4) The amount paid under subsections (1) and (2) of
38 this section to a municipality shall be used and expended in
39 accordance with the guidelines established by the Commissioner of
40 Insurance authorized by Section 45-11-7, * * * for the training of
41 municipal personnel as needed for the adoption of and compliance
42 with the minimum building codes as established and promulgated by
43 the Mississippi Building Codes Council, * * * for windstorm
44 mitigation programs as approved by the Commissioner of Insurance,
45 and for emergency medical service training and equipment as



46 provided by municipal fire protection services. A municipality
47 may provide reasonable remuneration to municipal volunteer
48 firefighters in accordance with the guidelines established by the
49 Commissioner of Insurance authorized by Section 45-11-7.

50 (* * *5) Each municipality shall levy a tax of not less
51 than one-fourth (1/4) mill on all property of the municipality or
52 appropriate the avails of not less than one-fourth (1/4) mill from
53 the municipality's general fund for fire protection purposes.
54 Municipalities may allow such millage to be collected by the
55 county. Each municipality shall annually provide the Commissioner
56 of Insurance and the State Fire Coordinator on a form provided by
57 the State Fire Coordinator a report stating whether the
58 municipality is levied the one-fourth (1/4) mill hereby required
59 or in lieu thereof is allowing such millage to be collected by the
60 county.

61 (6) The Commissioner of Insurance may promulgate rules and
62 regulations to establish guidelines for the use of fire rebate
63 funds.

64 **SECTION 2.** Section 83-1-39, Mississippi Code of 1972, is
65 amended as follows:

66 83-1-39. (1) The Department of Revenue shall pay over to
67 the State Treasurer, to be credited to a fund entitled "County
68 Volunteer Fire Department Fund," the sum of * * * Seven Million
69 Five Hundred Thousand Dollars (\$7,500,000.00) annually out of the
70 insurance premium tax in addition to the amount collected by it



71 under the provisions of Section 27-15-103 et seq. Such funds,
72 hereinafter referred to as insurance rebate monies, are hereby
73 earmarked for payment to the various counties of the state and
74 shall be paid over to the counties by the Department of Insurance
75 in the following manner: each county shall be paid Thirty
76 Thousand Dollars (\$30,000.00), with the remainder of the monies to
77 be paid on the basis of the population of each county as it
78 compares to the population of participating counties, not counting
79 residents of any municipality. Such insurance rebate monies shall
80 only be distributed to those counties which are in compliance with
81 subsections (5) and (6) of this section. * * *

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

90 (3) Insurance rebate monies shall be expended by the board
91 of supervisors for fire protection purposes of each county for the
92 following categories:

93 (a) For training expenses, including emergency medical
94 services training;



95 (b) Purchase of equipment, purchase of fire trucks,
96 repair and refurbishing of fire trucks and firefighting equipment,
97 for emergency medical services equipment, and capital construction
98 anywhere in the county or pledging as security for a period of not
99 more than ten (10) years for such purchases;

100 (c) Purchase of insurance on county-owned firefighting
101 or emergency medical services equipment;

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

106 (e) Appropriations to legal fire protection districts
107 located in counties subject to all restrictions applicable to the
108 use of insurance rebate monies; * * *

109 (f) Training of any county personnel as needed for the
110 adoption of and compliance with the codes established and
111 promulgated by the Mississippi Building Codes Council or for
112 windstorm mitigation programs as approved by the Commissioner of
113 Insurance * * *;

114 (g) Any county-owned equipment or other property, at
115 the option of the board of supervisors, may be used by any legally
116 created fire department * * *;

117 (h) At the option of the board of supervisors, a county
118 may provide reasonable remuneration to volunteer firefighters in



119 accordance with the guidelines established by the Commissioner of
120 Insurance authorized by Section 45-11-7; or

121 (i) For any use allowed in accordance with the
122 guidelines as established by the Commissioner of Insurance.

123 (4) Insurance rebate monies not expended in a given fiscal
124 year for fire protection purposes shall be placed in a special
125 fund with a written plan approved by the Commissioner of Insurance
126 for disposition and expenditure of such monies. After the
127 contracts for fire protection services have been approved and
128 accepted by the board of supervisors, the monies shall be released
129 to be expended in such manner as provided by this section.

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

132 (a) Designates a county fire service coordinator who is
133 responsible for seeing that standard guidelines established by the
134 Commissioner of Insurance pursuant to Section 45-11-7(9),
135 Mississippi Code of 1972, are followed. The county fire
136 coordinator must demonstrate that he possesses fire-related
137 knowledge and experience;

138 (b) Designates one (1) member of the sheriff's
139 department to be the county fire investigator and, from and after
140 July 1, 2008, requires the designated member of the sheriff's
141 department to attend the State Fire Academy to be trained in arson
142 investigation; however, in the event of a loss of the county fire
143 investigator due to illness, death, resignation, discharge or



144 other legitimate cause, notice shall be immediately given to the
145 Commissioner of Insurance and the county may continue to receive
146 payments on an interim basis for a period not to exceed one (1)
147 year;

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

150 (d) Counties shall levy a tax of not less than
151 one-fourth (1/4) mill on all property of the county or appropriate
152 avails of not less than one-fourth (1/4) mill from the county's
153 general fund for fire protection purposes. Municipalities making
154 a written declaration to the county that they fund and provide
155 their own fire services shall be exempted from this levy. This
156 levy shall be used for fire protection purposes which include, but
157 are not limited to, contracting with any provider of fire
158 protection services.

159 (6) (a) No funds shall be paid by the county to any
160 provider of fire protection services except in accordance with a
161 written contract entered into in accordance with guidelines
162 established by the Commissioner of Insurance and properly approved
163 by the board of supervisors and Commissioner of Insurance. No
164 county shall distribute funds to any fire service provider which
165 has not met the reporting requirements required by the
166 Commissioner of Insurance. At such time that a fire protection
167 services provider, particularly a county volunteer fire
168 department, a municipality or a fire protection district, has



169 fulfilled the obligations of the written contract and has met the
170 reporting requirements provided for in this subsection and the
171 board of supervisors has received the insurance rebate monies, the
172 board of supervisors shall disburse the appropriate amount to the
173 fire protection services provider within a reasonable time, not to
174 exceed six (6) weeks, from the time such requirements are met.
175 Insurance rebate monies used for the purposes of contracting shall
176 be expended by the fire service provider for capital construction,
177 training expenses, purchase of firefighting equipment, including
178 payments on any loans made for the purpose of purchasing
179 firefighting equipment, * * * purchase of insurance for any fire
180 equipment owned or operated by the provider, and for training and
181 equipment of emergency medical services as provided by fire
182 protection services.

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

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



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

200 (9) The board of supervisors of any county may, in its
201 discretion, grade, gravel, shell and/or maintain real property of
202 a county volunteer fire department, including roads or driveways
203 thereof, as necessary for the effective and safe operation of such
204 county volunteer fire department. Any action taken by the board
205 of supervisors under the authority of this subsection shall be
206 spread upon the minutes of the board of supervisors when the work
207 is authorized.

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

213 (11) The Commissioner of Insurance may promulgate rules and
214 regulations to establish guidelines for the use of fire rebate
215 funds.



216 **SECTION 3.** This act shall take effect and be in force from
217 and after July 1, 2022, and shall stand repealed from and after
218 June 30, 2022.

