

By: Senator(s) Michel

To: Insurance;
Appropriations

SENATE BILL NO. 2656

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

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

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

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



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

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

37 * * *

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



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

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

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

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

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



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

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

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

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



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

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

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

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

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

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

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



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

122 (i) For any use allowed pursuant to the guidelines as
123 established by the Commissioner of Insurance.

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

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

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

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



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

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

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

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



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

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

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



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

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

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

214 (11) The Commissioner of Insurance may establish rules and
215 regulations to implement guidelines as required by this section.

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

