

## Senate Amendments to House Bill No. 521

TO THE CLERK OF THE HOUSE:

THIS IS TO INFORM YOU THAT THE SENATE HAS ADOPTED THE AMENDMENTS SET OUT BELOW:

### AMENDMENT NO. 1

Amend by striking all after the enacting clause and inserting in lieu thereof the following:

22        SECTION 1. (1) The Mississippi Insurance Department shall  
23 establish the Mississippi Length-of-Service Award Program (LOSAP)  
24 for the recruitment and the retention of volunteer firefighters.  
25 Such program shall provide paid Length-of-Service Awards to  
26 eligible volunteer firefighters and shall be open to all  
27 Mississippi volunteer fire department members.

28        (2) The following words and phrases shall have the meanings  
29 as defined in this section unless the context clearly indicates  
30 otherwise:

31           (a) "Length-of-Service Award Program" means a program  
32 to provide paid length-of-service awards to eligible volunteer  
33 firefighters.

34           (b) "Eligible volunteer firefighter" means a bona fide  
35 volunteer firefighter who is registered with the State of  
36 Mississippi or a political subdivision thereof and is an active  
37 part-time or on-call member of a volunteer fire department or a  
38 volunteer firefighter. Eligible volunteer firefighter shall not

39 include full-time firefighters or career firefighters unless such  
40 firefighters are also active eligible volunteer firefighters when  
41 they are not acting as full-time or career firefighters and meet  
42 all other required qualifications as provided by the Mississippi  
43 Length-of-Service Award Program Board of Trustees in collaboration  
44 with the Mississippi Insurance Department.

45 (c) "Defined contribution" means the predefined  
46 contribution that the Mississippi Length-of-Service Award Program  
47 Board of Trustees in collaboration with the Mississippi Insurance  
48 Department establishes as a yearly contribution to an eligible  
49 volunteer firefighter's LOSAP account.

50 (3) (a) The LOSAP shall be administered by the Mississippi  
51 Length-of-Service Award Program Board of Trustees, which shall be  
52 comprised of the following members:

53 (i) The Commissioner of Insurance, or his or her  
54 designee;

55 (ii) The State Fire Coordinator, or his or her  
56 designee;

57 (iii) The State Treasurer, or his or her designee;

58 (iv) One (1) member from the state at large  
59 appointed by the Governor; and

60 (v) One (1) member from the state at large  
61 appointed by the Lieutenant Governor.

62 (b) The LOSAP Board of Trustees, in collaboration with  
63 the Mississippi Insurance Department, shall have the following  
64 powers and duties:

65 (i) Establish a points system to be awarded to  
66 volunteer firefighters for their performance of certain activities  
67 as determined by the board and award LOSAP service credit based  
68 upon that points system;

69 (ii) Create a list of the activities that points  
70 will be awarded for. Such list shall include, at a minimum, the  
71 number of emergency and nonemergency calls responded to by the  
72 volunteer member; the activities and training of each member as  
73 determined on an annual basis; and the volunteer fire department  
74 members eligible time to be considered as an active member of the  
75 department before the establishment of the LOSAP on July 1, 2023;

76 (iii) Determine the annual contribution to each  
77 volunteer's LOSAP account; and

78 (iv) Promulgate any rules and regulations as  
79 necessary to implement the provisions of this section. All such  
80 rules and regulations shall be in compliance with Sections 83-1-37  
81 and 83-1-39 and Section 457(e)(11) of the United States Internal  
82 Revenue Code.

83 (4) There is hereby created in the State Treasury a special  
84 fund to be known as the "Mississippi Volunteer Firefighter  
85 Length-of-Service Awards Program Fund" (LOSAP Fund) to be  
86 maintained by the State Treasurer. The Treasurer of the State of  
87 Mississippi may invest the monies deposited in the special fund.  
88 The amounts to be invested shall be determined by the Treasurer  
89 and shall be in the approximate amount of the total monies  
90 deposited in said special fund less the anticipated withdrawals

91 and disbursements from the Mississippi Length-of-Service Award  
92 Program to be made within the following ninety-day period. Such  
93 funds shall be invested by said Treasurer in short-term bonds,  
94 Treasury Bills, or other direct obligations of the United States  
95 of America, or any national or state banks in the State of  
96 Mississippi. Monies may be deposited into the fund by the State  
97 Insurance Commissioner as authorized from collections as set forth  
98 under the Municipal Fire Protection Fund in Section 83-1-37 and  
99 the County Volunteer Fire Fund in Section 83-1-39. Monies may  
100 also be deposited into the fund by the State Insurance  
101 Commissioner from any state source funds or special funds  
102 appropriated by the Legislature, including the Annual Fire Fund.  
103 Monies in the fund shall first be used for the purpose of  
104 providing retirement benefits as a defined contribution to  
105 volunteer firefighters for the purpose of recruiting and retaining  
106 volunteer firefighters as provided in this section. Any other  
107 unexpended amounts remaining in the fund at the end of a fiscal  
108 year shall not lapse into the State General Fund, and any interest  
109 earned on amounts in the fund shall be deposited to the credit of  
110 the fund.

111 (5) The Mississippi Insurance Department shall notify the  
112 Mississippi Length-of-Service Award Program Board of Trustees and  
113 the State Fire Marshal of any volunteer fire department member  
114 that is ineligible to receive LOSAP funds due to the member or  
115 department's failure to file required documentation or financial  
116 reports or failure to comply with an audit or review by the

117 Mississippi Insurance Department. A volunteer fire department  
118 member or department reported by the Mississippi Insurance  
119 Department shall be ineligible to receive funds under this section  
120 until the Mississippi Insurance Department notifies the  
121 Mississippi Length-of-Service Award Program Board of Trustees and  
122 the State Fire Marshal that the volunteer member or department has  
123 come into compliance.

124 (6) A member of the Mississippi Length-of-Service Award  
125 Program may receive the funds allocated on their behalf to the  
126 program upon their withdrawal from the program.

127 (7) The Mississippi Length-of-Service Award Program may  
128 allocate a maximum of Five Hundred Dollars (\$500.00) in yearly  
129 defined contributions to each member's LOSAP account.

130 **SECTION 2.** Section 83-1-37, Mississippi Code of 1972, is  
131 amended as follows:

132 83-1-37. (1) The Department of Revenue shall pay for credit  
133 to a fund known as the "Municipal Fire Protection Fund," the sum  
134 of Four Million Eight Hundred Fifty Thousand Dollars  
135 (\$4,850,000.00) annually out of the insurance premium tax  
136 collected annually from the taxes levied on the gross premiums on  
137 fire insurance policies written on properties in this state, under  
138 Sections 27-15-103 through 27-15-127. The State Treasurer shall  
139 credit this amount to the Municipal Fire Protection Fund. This  
140 fund shall be set aside and earmarked for payment to  
141 municipalities in this state, as hereinafter provided.

142           (2) Using 1990 as a base year, the Department of Revenue  
143 shall pay over annually to the State Treasurer, for credit to the  
144 "Municipal Fire Protection Fund," an amount representing one-half  
145 of ten percent (1/2 of 10%) of any growth after 1990 of the  
146 insurance premium tax collected annually from the taxes levied on  
147 the gross premium on fire insurance policies written on properties  
148 in this state, under Sections 27-15-103 through 27-15-127.

149           (3) The fund hereby created and denominated "Municipal Fire  
150 Protection Fund" shall be apportioned and paid over by the  
151 Department of Insurance to the incorporated municipalities  
152 certified as eligible to participate in the fund by the  
153 Commissioner of Insurance, and shall be distributed in the  
154 following manner annually: each municipality shall be paid Six  
155 Thousand Dollars (\$6,000.00), with the remainder of the monies to  
156 be paid on a population basis, to be determined by the most recent  
157 federal census. Municipalities receiving these funds shall  
158 earmark such monies for fire protection services.

159           (4) The amount paid under subsections (1) and (2) of this  
160 section to a municipality shall be used and expended in accordance  
161 with the guidelines established by the Commissioner of Insurance  
162 authorized by Section 45-11-7, for the training of municipal  
163 personnel as needed for the adoption of and compliance with the  
164 minimum building codes as established and promulgated by the  
165 Mississippi Building Codes Council, for windstorm mitigation  
166 programs as approved by the Commissioner of Insurance, \* \* \* for  
167 emergency medical service training and equipment as provided by

168 municipal fire protection services, and for the Mississippi  
169 Length-of-Service Awards Program as provided in Section 1 of this  
170 act. A municipality may provide reasonable remuneration to  
171 municipal volunteer firefighters in accordance with the guidelines  
172 established by the Commissioner of Insurance authorized by Section  
173 45-11-7.

174 (5) Each municipality shall levy a tax of not less than  
175 one-fourth (1/4) mill on all property of the municipality or  
176 appropriate the avails of not less than one-fourth (1/4) mill from  
177 the municipality's general fund for fire protection purposes.  
178 Municipalities may allow such millage to be collected by the  
179 county. Each municipality shall annually provide the Commissioner  
180 of Insurance and the State Fire Coordinator on a form provided by  
181 the State Fire Coordinator a report stating whether the  
182 municipality is levied the one-fourth (1/4) mill hereby required  
183 or in lieu thereof is allowing such millage to be collected by the  
184 county.

185 (6) The Commissioner of Insurance may promulgate rules and  
186 regulations to establish guidelines for the use of fire rebate  
187 funds.

188 **SECTION 3.** Section 83-1-39, Mississippi Code of 1972, is  
189 amended as follows:

190 83-1-39. (1) The Department of Revenue shall pay over to  
191 the State Treasurer, to be credited to a fund entitled "County  
192 Volunteer Fire Department Fund," the sum of Four Million Eight  
193 Hundred Fifty Thousand Dollars (\$4,850,000.00) annually out of the

194 insurance premium tax in addition to the amount collected by it  
195 under the provisions of Section 27-15-103 et seq. Such funds,  
196 hereinafter referred to as insurance rebate monies, are hereby  
197 earmarked for payment to the various counties of the state and  
198 shall be paid over to the counties by the Department of Insurance  
199 in the following manner: each county shall be paid Thirty  
200 Thousand Dollars (\$30,000.00), with the remainder of the monies to  
201 be paid on the basis of the population of each county as it  
202 compares to the population of participating counties, not counting  
203 residents of any municipality. Such insurance rebate monies shall  
204 only be distributed to those counties which are in compliance with  
205 subsections (5) and (6) of this section.

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

214 (3) Insurance rebate monies shall be expended by the board  
215 of supervisors for fire protection purposes of each county for the  
216 following categories:

217 (a) For training expenses, including emergency medical  
218 services training;



219           (b) Purchase of equipment, purchase of fire trucks,  
220 repair and refurbishing of fire trucks and firefighting equipment,  
221 for emergency medical services equipment, and capital construction  
222 anywhere in the county or pledging as security for a period of not  
223 more than ten (10) years for such purchases;

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

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

230           (e) Appropriations to legal fire protection districts  
231 located in counties subject to all restrictions applicable to the  
232 use of insurance rebate monies;

233           (f) Training of any county personnel as needed for the  
234 adoption of and compliance with the codes established and  
235 promulgated by the Mississippi Building Codes Council or for  
236 windstorm mitigation programs as approved by the Commissioner of  
237 Insurance;

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

241           (h) At the option of the board of supervisors, a county  
242 may provide reasonable remuneration to volunteer firefighters in  
243 accordance with the guidelines established by the Commissioner of  
244 Insurance authorized by Section 45-11-7; \* \* \*

245 (i) For the Mississippi Length-of-Service Awards  
246 Program as provided in Section 1 of this act; or

247 ( \* \* \*j) For any use allowed in accordance with the  
248 guidelines as established by the Commissioner of Insurance.

249 (4) Insurance rebate monies not expended in a given fiscal  
250 year for fire protection purposes shall be placed in a special  
251 fund with a written plan approved by the Commissioner of Insurance  
252 for disposition and expenditure of such monies. After the  
253 contracts for fire protection services have been approved and  
254 accepted by the board of supervisors, the monies shall be released  
255 to be expended in such manner as provided by this section.

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

258 (a) Designates a county fire service coordinator who is  
259 responsible for seeing that standard guidelines established by the  
260 Commissioner of Insurance pursuant to Section 45-11-7(9),  
261 Mississippi Code of 1972, are followed. The county fire  
262 coordinator must demonstrate that he possesses fire-related  
263 knowledge and experience;

264 (b) Designates one (1) member of the sheriff's  
265 department to be the county fire investigator and, from and after  
266 July 1, 2008, requires the designated member of the sheriff's  
267 department to attend the State Fire Academy to be trained in arson  
268 investigation; however, in the event of a loss of the county fire  
269 investigator due to illness, death, resignation, discharge or  
270 other legitimate cause, notice shall be immediately given to the

271 Commissioner of Insurance and the county may continue to receive  
272 payments on an interim basis for a period not to exceed one (1)  
273 year;

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

276 (d) Counties shall levy a tax of not less than  
277 one-fourth (1/4) mill on all property of the county or appropriate  
278 avails of not less than one-fourth (1/4) mill from the county's  
279 general fund for fire protection purposes. Municipalities making  
280 a written declaration to the county that they fund and provide  
281 their own fire services shall be exempted from this levy. This  
282 levy shall be used for fire protection purposes which include, but  
283 are not limited to, contracting with any provider of fire  
284 protection services.

285 (6) (a) No funds shall be paid by the county to any  
286 provider of fire protection services except in accordance with a  
287 written contract entered into in accordance with guidelines  
288 established by the Commissioner of Insurance and properly approved  
289 by the board of supervisors and Commissioner of Insurance. No  
290 county shall distribute funds to any fire service provider which  
291 has not met the reporting requirements required by the  
292 Commissioner of Insurance. At such time that a fire protection  
293 services provider, particularly a county volunteer fire  
294 department, a municipality or a fire protection district, has  
295 fulfilled the obligations of the written contract and has met the  
296 reporting requirements provided for in this subsection and the

297 board of supervisors has received the insurance rebate monies, the  
298 board of supervisors shall disburse the appropriate amount to the  
299 fire protection services provider within a reasonable time, not to  
300 exceed six (6) weeks, from the time such requirements are met.

301 Insurance rebate monies used for the purposes of contracting shall  
302 be expended by the fire service provider for capital construction,  
303 training expenses, purchase of firefighting equipment, including  
304 payments on any loans made for the purpose of purchasing  
305 firefighting equipment, purchase of insurance for any fire  
306 equipment owned or operated by the provider, and for training and  
307 equipment of emergency medical services as provided by fire  
308 protection services.

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

314 (7) The board of supervisors of any county may contribute  
315 funds directly to any provider of fire protection services serving  
316 such county. Such contributions must be used for fire protection  
317 purposes as may be reasonably established by the Commissioner of  
318 Insurance.

319 (8) Any municipal, county or local water association or  
320 other utility district supplying water may, upon adoption of a  
321 resolution authorizing such action, contribute free of charge to a  
322 volunteer fire department or fire protection district serving such

323 local government, political subdivision or utility district such  
324 water as is necessary for firefighting or training activities of  
325 such volunteer fire department or fire protection district.

326 (9) The board of supervisors of any county may, in its  
327 discretion, grade, gravel, shell and/or maintain real property of  
328 a county volunteer fire department, including roads or driveways  
329 thereof, as necessary for the effective and safe operation of such  
330 county volunteer fire department. Any action taken by the board  
331 of supervisors under the authority of this subsection shall be  
332 spread upon the minutes of the board of supervisors when the work  
333 is authorized.

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

339 (11) The Commissioner of Insurance may promulgate rules and  
340 regulations to establish guidelines for the use of fire rebate  
341 funds.

342 **SECTION 4.** Section 17-23-21, Mississippi Code of 1972, is  
343 amended as follows:

344 17-23-21. There is created in the State Treasury a special  
345 fund to be designated as the "Annual Fire Fund" to be administered  
346 by the Commissioner of Insurance. Monies in the fund, upon  
347 appropriation by the Legislature, may be used by the commissioner  
348 only for the purpose of his or her discretion in requesting the

349 State Fiscal Officer, and notifying the Legislative Budget Office  
350 of such, to transfer funds from this fund to the Mississippi  
351 Volunteer Firefighter Length-of-Service Awards Program Fund if any  
352 additional amounts are required above Three Million Dollars  
353 (\$3,000,000.00), Rural Fire Truck Fund, the Supplementary Rural  
354 Fire Truck Fund, the Municipal Fire Protection Fund and/or the  
355 County Volunteer Fire Department Fund; however, the commissioner  
356 shall request the State Fiscal Officer to transfer at least One  
357 Million Five Hundred Thousand Dollars (\$1,500,000.00) annually to  
358 the Rural and Supplementary Rural Fire Truck Funds. This fund  
359 shall consist of monies provided to it through the provisions of  
360 Section 83-34-4(6), and any monies which may be appropriated to it  
361 by the Legislature. Unexpended amounts remaining in the fund at  
362 the end of a fiscal year shall not lapse into the State General  
363 Fund, and any interest earned on amounts in the fund shall be  
364 deposited to the credit of the fund.

365 **SECTION 5.** This act shall take effect and be in force from  
366 and after July 1, 2023, and shall stand repealed on June 30, 2023.

**Further, amend by striking the title in its entirety and  
inserting in lieu thereof the following:**

1 AN ACT TO AUTHORIZE THE MISSISSIPPI INSURANCE DEPARTMENT TO  
2 CREATE THE MISSISSIPPI LENGTH-OF-SERVICE AWARD PROGRAM (LOSAP) FOR  
3 THE RECRUITMENT AND RETENTION OF VOLUNTEER FIREFIGHTERS; TO  
4 PROVIDE THAT THE PROGRAM WILL PROVIDE PAID LENGTH-OF-SERVICE  
5 AWARDS TO ELIGIBLE VOLUNTEER FIREFIGHTERS; TO PROVIDE DEFINITIONS;  
6 TO PROVIDE THAT THE LOSAP SHALL BE ADMINISTERED BY THE MISSISSIPPI  
7 LENGTH-OF-SERVICE AWARD PROGRAM BOARD OF TRUSTEES AND TO PROVIDE  
8 THE MEMBERS WHO WILL SERVE ON THE BOARD; TO PROVIDE THE POWERS AND  
9 DUTIES OF THE LOSAP BOARD OF TRUSTEES; TO CREATE THE "MISSISSIPPI  
10 VOLUNTEER FIREFIGHTER LENGTH-OF-SERVICE AWARDS PROGRAM FUND"

11 (LOSAP FUND) MAINTAINED BY THE STATE TREASURER AND TO PROVIDE WHAT  
12 MONIES IN THE FUND MAY BE USED FOR; TO PROVIDE THAT THE  
13 MISSISSIPPI INSURANCE DEPARTMENT SHALL NOTIFY THE STATE FIRE  
14 MARSHAL AND THE LOSAP BOARD OF TRUSTEES OF ANY VOLUNTEER FIRE  
15 DEPARTMENT MEMBER WHO IS INELIGIBLE TO RECEIVE THE LOSAP FUNDS; TO  
16 AMEND SECTIONS 83-1-37 AND 83-1-39, MISSISSIPPI CODE OF 1972, TO  
17 PROVIDE FOR THE FUNDING MECHANISM OF THE PROGRAM AND TO CONFORM;  
18 TO AMEND SECTION 17-23-21, MISSISSIPPI CODE OF 1972, TO PROVIDE  
19 THAT THE COMMISSIONER MAY TRANSFER FUNDS FROM THE ANNUAL FIRE FUND  
20 TO THE LOSAP FUND; AND FOR RELATED PURPOSES.

SS36\HB521PS.J

Eugene S. Clarke  
Secretary of the Senate