

By: Senator(s) Parker

To: Insurance

SENATE BILL NO. 2402

1 AN ACT TO BRING FORWARD SECTIONS 17-23-1, 17-23-11, 17-23-21,
2 19-5-95, 21-25-25, 21-25-27, 83-1-37, 83-1-39, 83-2-33, 83-3-24,
3 83-5-72, 83-5-73 AND 84-34-4, MISSISSIPPI CODE OF 1972, RELATING
4 TO THE RURAL FIRE TRUCK ACQUISITION ASSISTANCE PROGRAM, FOR
5 POSSIBLE AMENDMENT; AND FOR RELATED PURPOSES.

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

7 **SECTION 1.** Section 17-23-1, Mississippi Code of 1972, is
8 brought forward as follows:

9 17-23-1. (1) There is established the Rural Fire Truck
10 Acquisition Assistance Program to be administered by the
11 Department of Insurance for the purpose of assisting counties and
12 municipalities in the acquisition of fire trucks.

13 (2) There is created in the State Treasury a special fund to
14 be designated as the "Rural Fire Truck Fund." The Legislature may
15 appropriate that amount necessary to fulfill the obligations
16 created under this section by the Department of Insurance, from
17 the State General Fund to such special fund, which sum shall be
18 added to the remainder of the money transferred on July 1, 1995,
19 and during the 1996 Regular Session to the Rural Fire Truck Fund.



Unexpended amounts remaining in the fund at the end of a fiscal year shall not lapse into the State General Fund, and any interest earned on amounts in the fund shall be deposited to the credit of the fund. Unobligated amounts remaining in the Rural Fire Truck Fund, Fund No. 3507, or in any fund created for funds appropriated or otherwise made available for this program, may be used as matching funds by any county with remaining eligibility as provided herein. It is the intent of the Legislature that the Department of Insurance continue to accept applications from the counties for fire trucks as provided in subsection (3) of this section.

(3) (a) A county that meets the requirements provided herein may receive an amount not to exceed One Million Ten Thousand Dollars (\$1,010,000.00) as provided in subparagraphs (i), (ii), (iii), (iv), (v), (vi), (vii), (viii), (ix), (x), (xi), (xii) and (xiii) of this paragraph, and such amount shall be divided as follows: an amount of not more than Fifty Thousand Dollars (\$50,000.00) per fire truck for the first six (6) trucks and not more than Seventy Thousand Dollars (\$70,000.00) per fire truck for the seventh, eighth, ninth, tenth and eleventh trucks, and not more than Ninety Thousand Dollars (\$90,000.00) per fire truck for the twelfth, thirteenth, fourteenth and fifteenth truck. Monies distributed under this chapter shall be expended only for the purchase of new or used fire trucks and such trucks must meet the National Fire Protection Association (NFPA) standards in the



45 1900 series and be approved by the Rural Fire Truck Review
46 Committee.

47 (i) Any county that has not applied for a fire
48 truck under this section is eligible to submit applications for
49 fifteen (15) fire trucks as follows: six (6) fire trucks at not
50 more than Fifty Thousand Dollars (\$50,000.00) per truck and five
51 (5) fire trucks at not more than Seventy Thousand Dollars
52 (\$70,000.00) per truck, and four (4) fire trucks at not more than
53 Ninety Thousand Dollars (\$90,000.00) per truck or a total of One
54 Million Ten Thousand Dollars (\$1,010,000.00).

55 (ii) Any county that has received one (1) fire
56 truck under this section is eligible to submit applications for
57 fourteen (14) fire trucks as follows: five (5) fire trucks at not
58 more than Fifty Thousand Dollars (\$50,000.00) per truck and five
59 (5) fire trucks at not more than Seventy Thousand Dollars
60 (\$70,000.00) per truck, and four (4) fire trucks at not more than
61 Ninety Thousand Dollars (\$90,000.00) per truck or a total of Nine
62 Hundred Sixty Thousand Dollars (\$960,000.00).

63 (iii) Any county that has received two (2) fire
64 trucks under this section is eligible to submit an application for
65 thirteen (13) fire trucks as follows: four (4) fire trucks at not
66 more than Fifty Thousand Dollars (\$50,000.00) per truck and five
67 (5) fire trucks at not more than Seventy Thousand Dollars
68 (\$70,000.00) per truck, and four (4) fire trucks at not more than



69 Ninety Thousand Dollars (\$90,000.00) per truck or a total of not
70 more than Nine Hundred Ten Thousand Dollars (\$910,000.00).

71 (iv) Any county that has received three (3) fire
72 trucks under this section is eligible to submit an application for
73 twelve (12) fire trucks as follows: three (3) fire trucks at not
74 more than Fifty Thousand Dollars (\$50,000.00) per truck and five
75 (5) fire trucks at not more than Seventy Thousand Dollars
76 (\$70,000.00) per truck, and four (4) fire trucks at not more than
77 Ninety Thousand Dollars (\$90,000.00) per truck or a total of not
78 more than Eight Hundred Sixty Thousand Dollars (\$860,000.00).

79 (v) Any county that has received four (4) fire
80 trucks under this section is eligible to submit an application for
81 eleven (11) fire trucks as follows: two (2) fire trucks at not
82 more than Fifty Thousand Dollars (\$50,000.00) per truck and five
83 (5) fire trucks at not more than Seventy Thousand Dollars
84 (\$70,000.00) per truck, and four (4) fire trucks at not more than
85 Ninety Thousand Dollars (\$90,000.00) per truck or a total of not
86 more than Eight Hundred Ten Thousand Dollars (\$810,000.00).

87 (vi) Any county that has received five (5) fire
88 trucks under this section is eligible to submit an application for
89 ten (10) fire trucks as follows: one (1) fire truck at not more
90 than Fifty Thousand Dollars (\$50,000.00) per truck and five (5)
91 fire trucks at not more than Seventy Thousand Dollars (\$70,000.00)
92 per truck, and four (4) fire trucks at not more than Ninety



Thousand Dollars (\$90,000.00) per truck or a total of not more than Seven Hundred Sixty Thousand Dollars (\$760,000.00).

(vii) Any county that has received six (6) fire trucks under this section is eligible to submit an application for nine (9) fire trucks as follows: five (5) fire trucks at not more than Seventy Thousand Dollars (\$70,000.00) per truck, and four (4) fire trucks at not more than Ninety Thousand Dollars (\$90,000.00) per truck or a total of not more than Seven Hundred Ten Thousand Dollars (\$710,000.00).

(viii) Any county that has received seven (7) fire trucks under this section is eligible to submit an application for eight (8) fire trucks as follows: four (4) fire trucks at not more than Seventy Thousand Dollars (\$70,000.00) per truck, and four (4) fire trucks at not more than Ninety Thousand Dollars (\$90,000.00) per truck or a total of not more than Six Hundred Forty Thousand Dollars (\$640,000.00).

(ix) Any county that has received eight (8) fire trucks under this section is eligible to submit an application for seven (7) fire trucks as follows: three (3) fire trucks at not more than Seventy Thousand Dollars (\$70,000.00) per truck, and four (4) fire trucks at not more than Ninety Thousand Dollars (\$90,000.00) per truck or a total of not more than Five Hundred Seventy Thousand Dollars (\$570,000.00).

(x) Any county that has received nine (9) fire trucks under this section is eligible to submit an application for



six (6) fire trucks as follows: two (2) fire trucks at not more than Seventy Thousand Dollars (\$70,000.00) per truck, and four (4) fire trucks at not more than Ninety Thousand Dollars (\$90,000.00) per truck or a total of not more than Five Hundred Thousand Dollars (\$500,000.00).

(xi) Any county that has received ten (10) fire trucks under this section is eligible to submit an application for five (5) fire trucks as follows: one (1) fire truck at not more than Seventy Thousand Dollars (\$70,000.00) per truck, and four (4) fire trucks at not more than Ninety Thousand Dollars (\$90,000.00) per truck or a total of not more than Four Hundred Thirty Thousand Dollars (\$430,000.00).

(xii) Any county that has received eleven (11) fire trucks under this section is eligible to submit an application for four (4) fire trucks at not more than Ninety Thousand Dollars (\$90,000.00) per truck.

(xiii) Any county may apply for four (4) fire trucks at not more than Ninety Thousand Dollars (\$90,000.00) per truck as provided in subparagraph (xii), provided that the county agrees to forego any previous fire truck under subparagraphs (i) through (xi) for which the county has not previously applied, and that the county has received approval from the Rural Fire Truck Acquisition Assistance Program Committee to apply for and receive a truck under subparagraph (xii).



(b) The board of supervisors of the county shall submit its request for the receipt of monies to the Department of Insurance. A committee composed of the Commissioner of Insurance, the State Fire Coordinator, the Director of the Rating Bureau and the Director of the State Fire Academy shall review the requests by the boards of supervisors and shall determine whether the county or municipality for which the board of supervisors has requested a truck meets the requirements of eligibility under this chapter.

(c) To be eligible to receive monies under this chapter:

(i) A county or municipality must pledge to set aside or dedicate each year as matching funds, for a period not to extend over ten (10) years, local funds in an amount equal to or not less than one-tenth (1/10) of the amount of monies for which it is requesting distribution from the Rural Fire Truck Fund, which pledged monies may be derived from local ad valorem tax authorized by law or from any other funds available to the county or municipality, except for those funds received by municipalities or counties from the Municipal Fire Protection Fund or the County Volunteer Fire Department Fund, as defined in Sections 83-1-37 and 83-1-39.

(ii) A municipality must provide adequate documentation of its contract with the county that requires the municipality to provide fire protection in rural areas. The term



"rural areas" means any area within the county located outside the boundaries of an incorporated municipality or any incorporated municipality with a population of two thousand five hundred (2,500) or less.

(d) The Department of Insurance shall maintain an accurate record of all monies distributed to counties and municipalities and the number of fire trucks purchased and the cost for each fire truck, such records to be kept separate from other records of the Department of Insurance; notify counties and municipalities of the Rural Fire Truck Acquisition Assistance Program and the requirements for them to become eligible to participate; adopt and promulgate such rules and regulations as may be necessary and desirable to implement the provisions of this chapter; and file with the Legislature a report detailing how monies made available under this chapter were distributed and spent during the preceding portion of the fiscal year in each county and municipality, the number of fire trucks purchased, the counties and municipalities making such purchases, and the cost of each fire truck purchased.

(4) There is created in the State Treasury a special fund to be designated as the "Rural Fire Truck Matching Assistance Fund," which shall consist of funds appropriated by the Legislature from the State General Fund or any other special source fund. The Department of Insurance shall use the funds for matching assistance to counties and municipalities with remaining



eligibility in accordance with the provisions of subsection (5) of this section. Unexpended amounts remaining in the fund at the end of a fiscal year shall not lapse into the State General Fund, and any interest earned on amounts in the fund shall be deposited to the credit of the fund.

(5) Subject to appropriation by the Legislature, the Department of Insurance may provide funds to counties and municipalities out of the Rural Fire Truck Matching Assistance Fund in an amount exceeding the amount authorized in subsection (3) of this section. However, the total amount of funds allowed under this subsection combined with the funds provided in subsection (3) of this section shall not exceed eighty percent (80%) of the purchase price of the rural fire truck. A county or municipality is eligible for such matching assistance upon meeting the following criteria:

(a) The county or municipality's application is approved for funding in accordance with the criteria in subsection (3) of this section;

(b) The department determines that the county or municipality does not have sufficient funds available for the purchase of a rural fire truck with the funds authorized in subsection (3) of this section; and

(c) The county has received funding for no more than eight (8) rounds from the Rural Fire Truck Acquisition Assistance Program.



217 **SECTION 2.** Section 17-23-11, Mississippi Code of 1972, is
218 brought forward as follows:

219 17-23-11. (1) There is established a supplementary rural
220 fire truck acquisition assistance program to be administered by
221 the Department of Insurance for the purpose of assisting counties
222 and municipalities in the acquisition of fire trucks. The
223 supplementary rural fire truck acquisition assistance program is
224 in addition to the rural fire truck acquisition assistance program
225 established in Section 17-23-1 or any other program by which
226 counties and municipalities acquire fire trucks.

227 (2) There is created in the State Treasury a special fund to
228 be designated as the "Supplementary Rural Fire Truck Fund" which
229 shall consist of funds appropriated or otherwise made available by
230 the Legislature in any manner, and funds from any other source
231 designated for deposit into such fund. Monies in the fund shall
232 be used for the purpose of assisting counties and municipalities
233 in the acquisition of fire trucks. Unexpended amounts remaining
234 in the fund at the end of a fiscal year shall not lapse into the
235 State General Fund, and any interest earned on amounts in the fund
236 shall be deposited to the credit of the fund.

237 (3) (a) A county that meets the requirements provided
238 herein may receive an amount of not more than Seventy Thousand
239 Dollars (\$70,000.00) per fire truck. Monies distributed under
240 this section shall be expended only for the purchase of new fire



trucks and such trucks must meet the National Fire Protection Association (NFPA) standards in the 1900 series.

(b) The board of supervisors of the county shall submit its request for the receipt of monies to the Department of Insurance. A committee composed of the Commissioner of Insurance, the State Fire Coordinator, the Director of the Rating Bureau and the Director of the State Fire Academy shall review the requests by the boards of supervisors and shall determine whether the county or municipality for which the board of supervisors has requested a truck meets the requirements of eligibility under this section.

(c) To be eligible to receive monies under this section:

(i) A county or municipality must pledge to set aside or dedicate each year as matching funds, for a period not to extend over ten (10) years, local funds in an amount equal to or not less than one-tenth (1/10) of the amount of monies for which it is requesting distribution from the Supplementary Rural Fire Truck Fund, which pledged monies may be derived from local ad valorem tax authorized by law or from any other funds available to the county or municipality, except for those funds received by municipalities or counties from the Municipal Fire Protection Fund or the County Volunteer Fire Department Fund, as defined in Sections 83-1-37 and 83-1-39.



265 (ii) A municipality must provide adequate
266 documentation of its contract with the county that requires the
267 municipality to provide fire protection in rural areas. The term
268 "rural areas" means any area within the county located outside the
269 boundaries of an incorporated municipality or any incorporated
270 municipality with a population of two thousand five hundred
271 (2,500) or less.

272 (iii) A county or a municipality, designated by
273 the county, must have exhausted all rounds of applications for
274 fire trucks available to it under Section 17-23-1.

275 (d) The Department of Insurance shall maintain an
276 accurate record of all monies distributed to counties and
277 municipalities and the number of fire trucks purchased and the
278 cost for each fire truck, such records to be kept separate from
279 other records of the Department of Insurance; notify counties and
280 municipalities of the supplementary rural fire truck acquisition
281 assistance program and the requirements for them to become
282 eligible to participate; adopt and promulgate such rules and
283 regulations as may be necessary and desirable to implement the
284 provisions of this section; and file with the Legislature a report
285 detailing how monies made available under this chapter were
286 distributed and spent during the preceding portion of the fiscal
287 year in each county and municipality, the number of fire trucks
288 purchased, the counties and municipalities making such purchases
289 and the cost of each fire truck purchased.



290 **SECTION 3.** Section 17-23-21, Mississippi Code of 1972, is
291 brought forward as follows:

292 17-23-21. There is created in the State Treasury a special
293 fund to be designated as the "Annual Fire Fund" to be administered
294 by the Commissioner of Insurance. Monies in the fund, upon
295 appropriation by the Legislature, may be used by the commissioner
296 only for the purpose of his or her discretion in requesting the
297 State Fiscal Officer, and notifying the Legislative Budget Office
298 of such, to transfer funds from this fund to the Rural Fire Truck
299 Fund, the Supplementary Rural Fire Truck Fund, the Municipal Fire
300 Protection Fund and/or the County Volunteer Fire Department Fund;
301 however, the commissioner shall request the State Fiscal Officer
302 to transfer at least One Million Five Hundred Thousand Dollars
303 (\$1,500,000.00) annually to the Rural and Supplementary Rural Fire
304 Truck Funds. Upon the request of the commissioner, the State
305 Fiscal Officer shall transfer the requested amounts from the
306 Annual Fire Fund to the Rural Fire Truck Fund, the Supplementary
307 Rural Fire Truck Fund, the Municipal Fire Protection Fund and/or
308 the County Volunteer Fire Department Fund. The total amount of
309 all such transfers shall not exceed the amount appropriated by the
310 Legislature from the Annual Fire Fund for the fiscal year in which
311 the transfers are made, and those transfers shall not reduce the
312 amount of the spending authority provided to the commissioner by
313 that appropriation. The commissioner shall document those
314 transfers through a reconciliation with the Department of Finance



and Administration. The Annual Fire Fund shall consist of monies provided to it through the provisions of Section 83-34-4(6), and any monies which may be appropriated to it by the Legislature. Unexpended amounts remaining in the fund at the end of a fiscal year shall not lapse into the State General Fund, and any interest earned on amounts in the fund shall be deposited to the credit of the fund.

SECTION 4. Section 19-5-95, Mississippi Code of 1972, is brought forward as follows:

19-5-95. (1) The board of supervisors of any county in this state having a population of less than one hundred fifty thousand (150,000), according to the most recent federal census, is hereby empowered and authorized to appropriate out of the county treasury annually a sum not in excess of Two Hundred Fifty Dollars (\$250.00) in aid of any fire department for services and protection by such fire department, and, in its discretion, to appropriate out of the county treasury annually a sum not in excess of the amount which would be produced by a levy of one-fourth (1/4) mill on all taxable property within the county in aid of municipal fire departments in the county, or in aid of fire protection districts and volunteer fire departments within the county which meet the requirements set forth in Section 83-1-39(6), but in no event shall the aggregate amount appropriated annually under this section exceed an amount equal to



the amount which would be produced by a levy of one-fourth (1/4) mill on all taxable property within the county.

(2) The board of supervisors of any county in this state having a population of one hundred fifty thousand (150,000) or greater, according to the most recent federal census, is hereby empowered and authorized to appropriate out of the county treasury annually a sum not in excess of One Thousand Dollars (\$1,000.00) in aid of any fire department for services and protection by such fire department, and, in its discretion, to appropriate out of the county treasury annually a sum not in excess of the amount which would be produced by a levy of three-quarters (3/4) mill on all taxable property within the county in aid of municipal fire departments in the county, or in aid of fire protection districts and volunteer fire departments within the county which meet the requirements set forth in Section 83-1-39(6), but in no event shall the aggregate amount appropriated annually under this section exceed an amount equal to the amount which would be produced by a levy of three-quarters (3/4) mill on all taxable property within the county.

(3) Any appropriation that may be provided as prescribed under this section shall be additional and supplemental to any other funds provided or made available for such purposes under this section or any other section of law and shall not be construed to restrict any such other funds that may be provided to municipal fire departments in the county, fire protection



districts and volunteer fire departments within the county which meet the requirements of Section 83-1-39(6).

SECTION 5. Section 21-25-25, Mississippi Code of 1972, is brought forward as follows:

21-25-25. The governing authorities of any two (2) or more municipalities may, in their discretion, contract to create a consolidated fire district, which shall consist of the whole, or a part, of the territory of such municipalities joining therein. Such contract entered into by the governing authorities of such municipalities shall embrace all of the essential terms, and shall state the amount to be contributed by each participating municipality, and the control and operation of same. An ordinance containing the contract as to control of equipment, supervision of the district, and the amount of money to be contributed by each municipality, shall be passed by the governing authorities of all participating municipalities in the same form and substance. Such ordinance shall be duly published as now required by law, and shall go into effect unless twenty percent (20%) of the qualified electors of one (1) of the participating municipalities shall petition against same and file said petition with the proper clerk on or before the next regular meeting of said governing authorities, to be held not less than fifteen (15) days thereafter. If such petition be duly filed, said governing authorities may either cancel said prior ordinance or order an election on said question. Said ordinance shall go into effect



389 immediately if a majority of the qualified electors voting in said
390 election vote therefor; otherwise, said ordinance shall remain
391 void and of no effect, and no like ordinance shall be passed
392 within four (4) years thereafter.

393 Such consolidated fire district shall be given a name, and
394 the supervision of protecting said district shall be vested in the
395 governing authorities of the municipality decided upon and stated
396 in the ordinance creating the consolidated fire district. The
397 governing authorities of the municipalities in a consolidated fire
398 district created under the provisions of this section shall have
399 the same powers and duties as the governing authorities in any
400 other fire district.

401 **SECTION 6.** Section 21-25-27, Mississippi Code of 1972, is
402 brought forward as follows:

403 21-25-27. The municipal governing authorities are vested
404 with full power to raise the levy on the property, both personal
405 and real, by special assessment within such fire district
406 sufficient to pay for laying such water mains, and to meet the
407 contracted annual rental for such service. Such authorities shall
408 have all power to enforce and collect said taxes as provided by
409 statutes empowering municipalities to collect special assessments,
410 and it shall be done in the same general way and may be assessed
411 at any time and cover such length of time as the governing
412 authorities may deem proper.



413 **SECTION 7.** Section 83-1-37, Mississippi Code of 1972, is
414 brought forward as follows:

415 83-1-37. (1) The Department of Revenue shall pay for credit
416 to a fund known as the "Municipal Fire Protection Fund," the sum
417 of Four Million Eight Hundred Fifty Thousand Dollars
418 (\$4,850,000.00) annually out of the insurance premium tax
419 collected annually from the taxes levied on the gross premiums on
420 fire insurance policies written on properties in this state, under
421 Sections 27-15-103 through 27-15-127. The State Treasurer shall
422 credit this amount to the Municipal Fire Protection Fund. This
423 fund shall be set aside and earmarked for payment to
424 municipalities in this state, as hereinafter provided.

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

432 (3) The fund hereby created and denominated "Municipal Fire
433 Protection Fund" shall be apportioned and paid over by the
434 Department of Insurance to the incorporated municipalities
435 certified as eligible to participate in the fund by the
436 Commissioner of Insurance, and shall be distributed in the
437 following manner annually: each municipality shall be paid Six



Thousand Dollars (\$6,000.00), with the remainder of the monies to be paid on a population basis, to be determined by the most recent federal census. Municipalities receiving these funds shall earmark such monies for fire protection services.

(4) The amount paid under subsections (1) and (2) of this section to a municipality shall be used and expended in accordance with the guidelines established by the Commissioner of Insurance authorized by Section 45-11-7, for the training of municipal personnel as needed for the adoption of and compliance with the minimum building codes as established and promulgated by the Mississippi Building Codes Council, for windstorm mitigation programs as approved by the Commissioner of Insurance, and for emergency medical service training and equipment as provided by municipal fire protection services. A municipality may provide reasonable remuneration to municipal volunteer firefighters in accordance with the guidelines established by the Commissioner of Insurance authorized by Section 45-11-7.

(5) Each municipality shall levy a tax of not less than one-fourth (1/4) mill on all property of the municipality or appropriate the avails of not less than one-fourth (1/4) mill from the municipality's general fund for fire protection purposes. Municipalities may allow such millage to be collected by the county. Each municipality shall annually provide the Commissioner of Insurance and the State Fire Coordinator on a form provided by the State Fire Coordinator a report stating whether the



municipality is levied the one-fourth (1/4) mill hereby required or in lieu thereof is allowing such millage to be collected by the county.

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

SECTION 8. Section 83-1-39, Mississippi Code of 1972, is brought forward as follows:

83-1-39. (1) The Department of Revenue shall pay over to the State Treasurer, to be credited to a fund entitled "County Volunteer Fire Department Fund," the sum of Four Million Eight Hundred Fifty Thousand Dollars (\$4,850,000.00) annually out of the insurance premium tax in addition to the amount collected by it under the provisions of Section 27-15-103 et seq. Such funds, hereinafter referred to as insurance rebate monies, are hereby earmarked for payment to the various counties of the state and shall be paid over to the counties by the Department of Insurance in the following manner: each county shall be paid Thirty Thousand Dollars (\$30,000.00), with the remainder of the monies to be paid on the basis of the population of each county as it compares to the population of participating counties, not counting residents of any municipality. Such insurance rebate monies shall only be distributed to those counties which are in compliance with subsections (5) and (6) of this section.



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

495 (3) Insurance rebate monies shall be expended by the board
496 of supervisors for fire protection purposes of each county for the
497 following categories:

498 (a) For training expenses, including emergency medical
499 services training;

500 (b) Purchase of equipment, purchase of fire trucks,
501 repair and refurbishing of fire trucks and firefighting equipment,
502 for emergency medical services equipment, and capital construction
503 anywhere in the county or pledging as security for a period of not
504 more than ten (10) years for such purchases;

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

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



511 (e) Appropriations to legal fire protection districts
512 located in counties subject to all restrictions applicable to the
513 use of insurance rebate monies;

514 (f) Training of any county personnel as needed for the
515 adoption of and compliance with the codes established and
516 promulgated by the Mississippi Building Codes Council or for
517 windstorm mitigation programs as approved by the Commissioner of
518 Insurance;

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

522 (h) At the option of the board of supervisors, a county
523 may provide reasonable remuneration to volunteer firefighters in
524 accordance with the guidelines established by the Commissioner of
525 Insurance authorized by Section 45-11-7; or

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

528 (4) Insurance rebate monies not expended in a given fiscal
529 year for fire protection purposes shall be placed in a special
530 fund with a written plan approved by the Commissioner of Insurance
531 for disposition and expenditure of such monies. After the
532 contracts for fire protection services have been approved and
533 accepted by the board of supervisors, the monies shall be released
534 to be expended in such manner as provided by this section.



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

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

(b) Designates one (1) member of the sheriff's department to be the county fire investigator and, from and after July 1, 2008, requires the designated member of the sheriff's department to attend the State Fire Academy to be trained in arson investigation; however, in the event of a loss of the county fire investigator due to illness, death, resignation, discharge or other legitimate cause, notice shall be immediately given to the Commissioner of Insurance and the county may continue to receive payments on an interim basis for a period not to exceed one (1) year;

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

(d) Counties shall levy a tax of not less than one-fourth (1/4) mill on all property of the county or appropriate avails of not less than one-fourth (1/4) mill from the county's general fund for fire protection purposes. Municipalities making a written declaration to the county that they fund and provide



their own fire services shall be exempted from this levy. This levy shall be used for fire protection purposes which include, but are not limited to, contracting with any provider of fire protection services.

(6) (a) No funds shall be paid by the county to any provider of fire protection services except in accordance with a written contract entered into in accordance with guidelines established by the Commissioner of Insurance and properly approved by the board of supervisors and Commissioner of Insurance. No county shall distribute funds to any fire service provider which has not met the reporting requirements required by the Commissioner of Insurance. At such time that a fire protection services provider, particularly a county volunteer fire department, a municipality or a fire protection district, has fulfilled the obligations of the written contract and has met the reporting requirements provided for in this subsection and the board of supervisors has received the insurance rebate monies, the board of supervisors shall disburse the appropriate amount to the fire protection services provider within a reasonable time, not to exceed six (6) weeks, from the time such requirements are met. Insurance rebate monies used for the purposes of contracting shall be expended by the fire service provider for capital construction, training expenses, purchase of firefighting equipment, including payments on any loans made for the purpose of purchasing firefighting equipment, purchase of insurance for any fire



equipment owned or operated by the provider, and for training and equipment of emergency medical services as provided by fire protection services.

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

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

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

(9) The board of supervisors of any county may, in its discretion, grade, gravel, shell and/or maintain real property of a county volunteer fire department, including roads or driveways thereof, as necessary for the effective and safe operation of such county volunteer fire department. Any action taken by the board



610 of supervisors under the authority of this subsection shall be
611 spread upon the minutes of the board of supervisors when the work
612 is authorized.

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

618 (11) The Commissioner of Insurance may promulgate rules and
619 regulations to establish guidelines for the use of fire rebate
620 funds.

621 **SECTION 9.** Section 83-2-33, Mississippi Code of 1972, is
622 brought forward as follows:

623 83-2-33. All property and casualty insurance companies doing
624 business in this state shall contribute annually, at such times as
625 the Insurance Commissioner shall determine, in proportion to their
626 gross premiums collected within the State of Mississippi during
627 the preceding year, to a special fund in the State Treasury to be
628 known as the "Insurance Department Fund" to be expended by the
629 Insurance Commissioner in the payment of the expenses of the
630 Department of Insurance as the commissioner may deem necessary.
631 The commissioner is hereby authorized to employ such actuarial and
632 other assistance as shall be necessary to carry out the duties of
633 the department; and such employees shall be under the authority
634 and direction of the Insurance Commissioner. The amount to be



635 contributed annually to the fund shall be fixed each year by the
636 Insurance Commissioner at a percentage of the gross premiums so
637 collected during the preceding year. However, a minimum
638 assessment of One Hundred Dollars (\$100.00) shall be charged to
639 each licensed property and casualty insurance company regardless
640 of the gross premium amount collected during the preceding year.

641 The total contributions collected for the Insurance
642 Department Fund shall not exceed the sum of Seven Hundred Fifty
643 Thousand Dollars (\$750,000.00) in each fiscal year.

644 From and after July 1, 2016, the expenses of this agency
645 shall be defrayed by appropriation from the State General Fund and
646 all user charges and fees authorized under this section shall be
647 deposited into the State General Fund as authorized by law.

648 From and after July 1, 2016, no state agency shall charge
649 another state agency a fee, assessment, rent or other charge for
650 services or resources received by authority of this section.

651 **SECTION 10.** Section 83-3-24, Mississippi Code of 1972, is
652 brought forward as follows:

653 83-3-24. (1) When rating a municipality or fire district,
654 including evaluations of rural or volunteer fire departments, the
655 Rating Bureau shall consider the mileage, condition and
656 maintenance of the fire trucks rather than the age of the fire
657 trucks. For the purpose of grading municipalities or fire
658 districts, including rural and volunteer fire departments, and
659 awarding credits that are considered in determining an overall



660 fire rating based upon the condition of their fire trucks, the
661 Rating Bureau shall publish guidelines for use in the grading of
662 fire trucks not later than January 30 of the calendar year during
663 which the Rating Bureau will apply the guidelines. These
664 guidelines shall be published and made available to each
665 municipality and fire district, including rural and volunteer fire
666 departments, on the Rating Bureau's website not later than January
667 30 of the calendar year during which the Rating Bureau will apply
668 the guidelines. If a fire truck in a municipality or fire
669 district, including rural and volunteer fire departments,
670 satisfies the guidelines, then the Rating Bureau shall not
671 recommend the replacement of the fire truck before the next
672 grading process.

673 (2) For the purpose of grading fire departments, the
674 alternative water supply standard shall be two hundred fifty (250)
675 gallons per minute for a sustained period of one (1) hour.

676 **SECTION 11.** Section 83-5-72, Mississippi Code of 1972, is
677 brought forward as follows:

678 83-5-72. All life, health and accident insurance companies
679 and health maintenance organizations doing business in this state
680 shall contribute annually, at such times as the Insurance
681 Commissioner shall determine, in proportion to their gross
682 premiums collected within the State of Mississippi during the
683 preceding year, to a special fund in the State Treasury to be
684 known as the "Insurance Department Fund" to be expended by the



685 Insurance Commissioner in the payment of the expenses of the
686 Department of Insurance as the commissioner may deem necessary.
687 The commissioner is hereby authorized to employ such actuarial and
688 other assistance as shall be necessary to carry out the duties of
689 the department; and the employees shall be under the authority and
690 direction of the Insurance Commissioner. The amount to be
691 contributed annually to the fund shall be fixed each year by the
692 Insurance Commissioner at a percentage of the gross premiums so
693 collected during the preceding year. However, a minimum
694 assessment of One Hundred Dollars (\$100.00) shall be charged each
695 licensed life, health and accident insurance company regardless of
696 the gross premium amount collected during the preceding year.

697 The total contributions collected for the Insurance
698 Department Fund shall not exceed the sum of Seven Hundred Fifty
699 Thousand Dollars (\$750,000.00) in each fiscal year.

700 From and after July 1, 2016, the expenses of this agency
701 shall be defrayed by appropriation from the State General Fund and
702 all user charges and fees authorized under this section shall be
703 deposited into the State General Fund as authorized by law.

704 From and after July 1, 2016, no state agency shall charge
705 another state agency a fee, assessment, rent or other charge for
706 services or resources received by authority of this section.

707 **SECTION 12.** Section 83-5-73, Mississippi Code of 1972, is
708 brought forward as follows:



83-5-73. The commissioner shall collect and pay into the special fund in the State Treasury designated as the "Insurance Department Fund" the following fees: for certificate of authority to each general or district agent or manager, Twenty-five Dollars (\$25.00); for filing and processing an agent's certificate of authority, Twenty-five Dollars (\$25.00); for filing and examining statement preliminary to admission, One Thousand Dollars (\$1,000.00); for filing and processing a Form A application, Two Thousand Dollars (\$2,000.00); for filing and auditing annual statement, Five Hundred Dollars (\$500.00); for filing any other paper required by law, Fifty Dollars (\$50.00); for continuing education courses or programs filed by the providers for approval, Fifty Dollars (\$50.00); for each certification company licensed status, Forty Dollars (\$40.00); for each seal when required, Twenty Dollars (\$20.00); for service of process on the commissioner as attorney, Twenty-five Dollars (\$25.00).

From and after July 1, 2016, the expenses of this agency shall be defrayed by appropriation from the State General Fund and all user charges and fees authorized under this section shall be deposited into the State General Fund as authorized by law.

From and after July 1, 2016, no state agency shall charge another state agency a fee, assessment, rent or other charge for services or resources received by authority of this section.

SECTION 13. Section 83-34-4, Mississippi Code of 1972, is brought forward as follows:



83-34-4. (1) Nonadmitted insurers shall not be assessable insurers of the association. All surplus lines insurance producers placing insurance through nonadmitted insurers shall collect from the insured and remit to the association a nonadmitted policy fee on all premiums for all insurance written by such surplus lines insurance producer for a policy from a nonadmitted insurer for any and all risks in this state, except that policies or portions thereof that cover residential earthquake risks or residential flood risks that are not written through the National Flood Insurance Program shall be exempt from the nonadmitted policy fee. By procuring or selling insurance on property in this state from a nonadmitted insurer, each surplus lines insurance producer placing insurance through a nonadmitted insurer agrees to be bound by the provisions of this chapter and to collect and remit the nonadmitted policy fee provided for herein.

(2) The nonadmitted policy fee shall be a percentage of the total policy premium but the nonadmitted policy fee shall not be considered premium and is not subject to premium taxes or commissions. However, failure to pay the nonadmitted policy fee shall be treated the same as failure to pay premium. "Total policy premium" includes taxes and commissions.

(3) The nonadmitted policy fee percentage shall be three percent (3%).



(4) Within twenty (20) days of the end of the quarter, surplus lines insurance producers placing insurance through nonadmitted insurers shall remit directly to the association all nonadmitted policy fees collected in the preceding quarter. In addition to the nonadmitted policy fee provided for herein, surplus lines insurance producers placing insurance through nonadmitted insurers shall collect and remit excess deficit surcharges as provided by this chapter. Surplus lines insurance producers placing insurance through nonadmitted insurers may designate another surplus lines insurance producer that actually procured the insurance from the nonadmitted carrier to collect and remit the nonadmitted policy fees.

(5) Each insured in this state who directly procures or renews insurance with a nonadmitted insurer on properties, risks or exposures located or to be performed, in whole or in part, in this state, other than insurance procured through a surplus lines licensee, shall be subject to the nonadmitted policy fee which shall be paid by the insured according to the procedures provided for premium taxes in Section 83-21-17(5).

(6) Monies derived from the nonadmitted policy fee collected under this section shall not be considered public funds and may be used by the association, in addition to any uses provided for in Section 83-34-3(4), for education, public outreach, training of building officials and other programs targeted to reduce the number of policies within the association; however, beginning on



783 July 1, 2018, and ending on June 30, 2019, before any fees are
784 remitted to the association, One Million Five Hundred Thousand
785 Dollars (\$1,500,000.00) shall be diverted and deposited into the
786 Capital Expense Fund, and Four Million Five Hundred Thousand
787 Dollars (\$4,500,000.00) shall be diverted and deposited into the
788 Rural Fire Truck Fund or Supplementary Rural Fire Truck Fund.
789 Further, beginning July 1, 2019, and ending on June 30, 2020,
790 before any fees are remitted to the association, Three Million
791 Five Hundred Thousand Dollars (\$3,500,000.00) shall be diverted
792 and deposited into the Rural Fire Truck Fund or Supplementary
793 Rural Fire Truck Fund. Further, beginning July 1, 2022, before
794 any fees are remitted to the association but only if the
795 association will receive at least sixty percent (60%) of the fees,
796 Five Hundred Thousand Dollars (\$500,000.00) shall be diverted and
797 deposited annually into the Mississippi First Responders Health
798 and Safety Trust Fund created in Section 25-15-411. Further,
799 beginning July 1, 2022, but only if the association will receive
800 at least sixty percent (60%) of the fees and the Mississippi First
801 Responders Health and Safety Trust Fund has received the diversion
802 of Five Hundred Thousand Dollars (\$500,000.00), Three Million Five
803 Hundred Thousand Dollars (\$3,500,000.00) shall be diverted and
804 deposited annually into the Annual Fire Fund created in Section
805 17-23-21. Further, beginning July 1, 2022, after the association
806 has received sixty percent (60%) of the fees and after all other
807 diversions are made, fifty percent (50%) of any excess amount



808 shall be remitted to the association and fifty percent (50%) of
809 any excess amount shall be diverted and deposited annually into
810 the Annual Fire Fund.

811 In the event the value of the association's Total Admitted
812 Assets, as defined by the audited financial statement, is less
813 than Two Hundred Fifty Million Dollars (\$250,000,000.00), the
814 monies diverted and not remitted to the association under this
815 subsection (6) during that fiscal year and subsequent fiscal years
816 shall immediately be diverted to the association and shall not be
817 considered public funds.

818 (7) The association may use excess funds to purchase
819 reinsurance in an amount that may exceed the total premiums
820 collected from policyholders.

821 **SECTION 14.** This act shall take effect and be in force from
822 and after July 1, 2025.

