

Duane P. McFadden

Propiler

Galligan

1  
 2 INTRODUCED BY House BILL NO. 32  
O'Connell Misner Spink  
Boyer Jurber Travis Harper Murphy  
 3  
 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO AMEND SECTION Bredley  
 5 11-1919, R.C.M. 1947, TO PROVIDE FOR A TAX ON FIRE INSURANCE Lester  
 6 PREMIUMS FOR THE PURPOSE OF ADJUSTING PENSIONS OF FIREMEN  
 7 WHO RETIRED PRIOR TO JULY 1, 1973, OR THEIR WIDOWS AND  
 8 ORPHANS, AND TO PROVIDE FOR DISBURSEMENT OF THAT REVENUE."

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11 Section 1. Section 11-1919, R.C.M. 1947, is amended to  
12 read as follows:

13 "11-1919. State auditor to pay fire department relief  
 14 association out of license fees collected from insurance  
 15 companies. -- Pension adjustment for retired firemen's fund  
 16 and disbursement. (1) At the end of the fiscal year, the  
 17 state auditor shall issue and deliver to the treasurer of  
 18 every city or town of the first and second class, for the  
 19 use and benefit of the fire department relief association  
 20 legally existing in every such city or town entitled by law  
 21 to receive the same, out of the license fees on insurance  
 22 risks collected by him, an amount equal to ten per centum  
 23 (10%) of the total annual compensation paid by such city or  
 24 town to its paid or part-paid firemen for services in the  
 25 previous calendar year. The city clerk of each such city or

1 town shall certify in writing to the state auditor, on or  
 2 before March 1 of each year, the amount so paid by such city  
 3 or town as compensation for services to paid or part-paid  
 4 firemen.

5 In the event of a disaster resulting in the death or  
 6 injury sufficient to draw pension of ten percent (10%) of  
 7 the active force and when the fund of such fire department  
 8 relief association after receiving all moneys as designated  
 9 in section 11-1911 and section 11-1912 and the ten percent  
 10 (10%) of annual compensation as designated in this act does  
 11 not show at least the one (1) mill growth as referred to in  
 12 section 11-1912 then the treasurer of such relief  
 13 association shall request and the state auditor shall issue  
 14 and deliver to the treasurer of every city or town of the  
 15 first and second class, for the use and benefit of the fire  
 16 department relief association legally existing in every city  
 17 or town entitled to receive the same, out of the license  
 18 fees collected by him, an additional amount to show at least  
 19 the one (1) mill growth referred to in section 11-1912.

20 In the event a city of the second class is not entitled  
 21 to receive a sum equal to twenty-five one hundredths  
 22 (25/100) mills of its total assessed valuation under the  
 23 foregoing method of computation then, in that event, the  
 24 fire department relief association of that city shall  
 25 receive its money in the same manner as provided below for

MS 32

1 cities of the third class.

2 ~~(1)~~ (a) At the end of the fiscal year, the state  
3 auditor shall issue and deliver to the treasurer of every  
4 city or town, except cities or towns of the first or second  
5 class, for the use and benefit of the fire department relief  
6 association legally existing in every such city or town  
7 entitled by law to receive the same, his warrant for an  
8 amount equal to the taxes upon the fire portion of the  
9 direct premiums after deducting cancellations and return  
10 premiums, collected by the state auditor, ex officio  
11 insurance commissioner, from insurers authorized to effect  
12 insurance on risks enumerated in subsection 2 (1)(b) of this  
13 section, as said cities or towns are each severally entitled  
14 to, computed as follows:

15 ~~(a)~~ (i) Each and every fire department relief  
16 association legally organized and existing in any city or  
17 town, except cities or towns of the first or second class,  
18 and entitled by law to receive the same shall receive, as  
19 its portion of the total taxes on premiums collected from  
20 insurers authorized to effect insurance on risks enumerated  
21 in subsection 2 (1)(b) of this section, the fire portion of  
22 the direct premiums, after deducting cancellations and  
23 return premiums, assessed and collected by insurers  
24 authorized to effect insurance on risks enumerated in  
25 subsection 2 (1)(b) of this section in the said city or

1 town.

2 ~~(b)~~ (ii) The legally organized and existing fire  
3 department relief associations in all cities or towns where  
4 the taxes on premiums collected and distributed pursuant to  
5 subdivision ~~(a)~~ (1)(a)(i) above is insufficient to make an  
6 amount equal to one hundred dollars (\$100) shall receive  
7 such additional amount from the total taxes on premiums  
8 collected from insurers authorized to effect insurance  
9 against risks enumerated in subsection 2 (1)(b) of this  
10 section as may be necessary to make the total amount  
11 received by said fire department relief association equal to  
12 the sum of one hundred dollars (\$100).

13 ~~(2)~~ (b) The risks referred to in subsection 2 (1)(a)  
14 above, are enumerated as follows: Insurance of houses,  
15 buildings, and all other kinds of property against loss or  
16 damage by fire or other casualty, and all kinds of insurance  
17 on goods, merchandise, or other property in the course of  
18 transportation, whether on land or water or air; insurance  
19 against loss or damage to motor vehicles resulting from  
20 accident, collision, or marine and inland navigation and  
21 transportation perils; insurance of growing crops against  
22 loss or damage resulting from hail or the elements;  
23 insurance against loss or damage by water to any goods or  
24 premises arising from the breakage or leakage of sprinklers,  
25 pumps or other apparatus; and insurance against loss or

1 legal liability for loss because of damage to property  
 2 caused by the use of teams or vehicles whether by accident  
 3 or collision or by explosion of any engine or tank or boiler  
 4 or pipe or tire of any vehicle, and also including insurance  
 5 against theft of the whole or any part of any vehicle.

6 (2) In addition to the taxes on premiums required by  
 7 law to be paid by each insurer doing business in this state,  
 8 authorized to effect insurance on risks enumerated in  
 9 subsection (1) of this section there is a tax of one and  
 10 one-half percent (1 1/2%) on the fire portion of the direct  
 11 premiums received during the calendar year next preceding,  
 12 with allowance for cancellations and returned premiums. The  
 13 insurance commissioner shall collect the tax during March of  
 14 each year and deposit the monies in an earmarked revenue  
 15 fund. The auditor shall pay claims as provided in  
 16 subsection (3) of this section. As those persons who are to  
 17 receive the fund de cease, the tax shall be reduced  
 18 proportionately and when no eligible person, as determined  
 19 in subsection (3) of this section, survives, the tax  
 20 terminates and the remaining fund, if any, shall be  
 21 transferred to the general fund.

22 (3) Each and every fire department relief association,  
 23 organized and existing under the laws of this state, shall  
 24 pay to the firemen retired before July 1, 1973, or their  
 25 widows and orphans, a monthly compensation of not less than

1 one-half (1/2) the regular monthly salary paid to an active  
 2 fireman of that city as provided each and every year in the  
 3 annual budget of that city. Distribution of the funds  
 4 provided for this purpose under subsection (2) of this  
 5 section shall be made as follows:

6 (a) At the beginning of each fiscal year the treasurer  
 7 of the fire department relief association legally existing  
 8 in every city or town shall request and the state auditor  
 9 shall issue from the earmarked revenue fund, and deliver to  
 10 the treasurer of every city or town, an amount certified to  
 11 be equal to the sum total of the annual dollar difference  
 12 between what the retirees or their widows and orphans  
 13 received from the fund of the relief association and  
 14 one-half (1/2) of the sum paid by the respective city or  
 15 town to the position of a confirmed fireman for the fiscal  
 16 year just preceding.

17 (b) The treasurer of each city or town receiving the  
 18 funds shall immediately disburse them to the treasurer of  
 19 the respective relief association.

20 (c) The treasurer of each relief association shall  
 21 utilize these funds to supplement the monthly pension of  
 22 retirees or their widows and orphans to an amount equal to  
 23 one-half (1/2) of the salary that was paid to the position  
 24 of a confirmed fireman in said city or town for the  
 25 preceding year."

Approved by Committee  
on State Administration

HOUSE BILL NO. 32

INTRODUCED BY O'CONNELL, MENAHAN, LYNCH, TEAGUE,  
QUILICI, TRAVIS, HARPER, MURPHY, BRADLEY, LESTER,  
MCFADDEN, TROPILA, GILLIGAN

A BILL FOR AN ACT ENTITLED: "AN ACT TO AMEND SECTION  
11-1919, R.C.M. 1947, TO PROVIDE FOR A TAX ON FIRE INSURANCE  
PREMIUMS FOR THE PURPOSE OF ADJUSTING PENSIONS OF FIREMEN  
WHO RETIRED PRIOR TO JULY 1, 1973, OR THEIR WIDOWS AND  
ORPHANS, AND TO PROVIDE FOR DISBURSEMENT OF THAT REVENUE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 11-1919, R.C.M. 1947, is amended to  
read as follows:

"11-1919. State auditor to pay fire department relief  
association out of license fees collected from insurance  
companies: -- Pension adjustment for retired firemen's fund  
and disbursement. (1) At the end of the fiscal year, the  
state auditor shall issue and deliver to the treasurer of  
every city or town of the first and second class, for the  
use and benefit of the fire department relief association  
legally existing in every such city or town entitled by law  
to receive the same, out of the license fees on insurance  
risks collected by him, an amount equal to ten per centum  
(10%) of the total annual compensation paid by such city or

town to its paid or part-paid firemen for services in the  
previous calendar year. The city clerk of each such city or  
town shall certify in writing to the state auditor, on or  
before March 1 of each year, the amount so paid by such city  
or town as compensation for services to paid or part-paid  
firemen.

In the event of a disaster resulting in the death or  
injury sufficient to draw pension of ten percent (10%) of  
the active force and when the fund of such fire department  
relief association after receiving all moneys as designated  
in section 11-1911 and section 11-1912 and the ten percent  
(10%) of annual compensation as designated in this act does  
not show at least the one (1) mill growth as referred to in  
section 11-1912 then the treasurer of such relief  
association shall request and the state auditor shall issue  
and deliver to the treasurer of every city or town of the  
first and second class, for the use and benefit of the fire  
department relief association legally existing in every city  
or town entitled to receive the same, out of the license  
fees collected by him, an additional amount to show at least  
the one (1) mill growth referred to in section 11-1912.

In the event a city of the second class is not entitled  
to receive a sum equal to twenty-five one hundredths  
(25/100) mills of its total assessed valuation under the  
foregoing method of computation then, in that event, the

1 fire department relief association of that city shall  
2 receive its money in the same manner as provided below for  
3 cities of the third class.

4 ~~(1)~~ (a) At the end of the fiscal year, the state  
5 auditor shall issue and deliver to the treasurer of every  
6 city or town, except cities or towns of the first or second  
7 class, for the use and benefit of the fire department relief  
8 association legally existing in every such city or town  
9 entitled by law to receive the same, his warrant for an  
10 amount equal to the taxes upon the fire portion of the  
11 direct premiums after deducting cancellations and return  
12 premiums, collected by the state auditor, ex officio  
13 insurance commissioner, from insurers authorized to effect  
14 insurance on risks enumerated in subsection ~~2~~ (1)(b) of this  
15 section, as said cities or towns are each severally entitled  
16 to, computed as follows:

17 ~~(a)~~ (i) Each and every fire department relief  
18 association legally organized and existing in any city or  
19 town, except cities or towns of the first or second class,  
20 and entitled by law to receive the same shall receive, as  
21 its portion of the total taxes on premiums collected from  
22 insurers authorized to effect insurance on risks enumerated  
23 in subsection ~~2~~ (1)(b) of this section, the fire portion of  
24 the direct premiums, after deducting cancellations and  
25 return premiums, assessed and collected by insurers

1 authorized to effect insurance on risks enumerated in  
2 subsection ~~2~~ (1)(b) of this section in the said city or  
3 town.

4 ~~(b)~~ (ii) The legally organized and existing fire  
5 department relief associations in all cities or towns where  
6 the taxes on premiums collected and distributed pursuant to  
7 subdivision ~~(a)~~ (1)(a)(i) above is insufficient to make an  
8 amount equal to one hundred dollars (\$100) shall receive  
9 such additional amount from the total taxes on premiums  
10 collected from insurers authorized to effect insurance  
11 against risks enumerated in subsection ~~2~~ (1)(b) of this  
12 section as may be necessary to make the total amount  
13 received by said fire department relief association equal to  
14 the sum of one hundred dollars (\$100).

15 ~~(2)~~ (b) The risks referred to in subsection ~~2~~ (1)(a)  
16 above, are enumerated as follows: Insurance of houses,  
17 buildings, and all other kinds of property against loss or  
18 damage by fire or other casualty, and all kinds of insurance  
19 on goods, merchandise, or other property in the course of  
20 transportation, whether on land or water or air; insurance  
21 against loss or damage to motor vehicles resulting from  
22 accident, collision, or marine and inland navigation and  
23 transportation perils; insurance of growing crops against  
24 loss or damage resulting from hail or the elements;  
25 insurance against loss or damage by water to any goods or

1 premises arising from the breakage or leakage of sprinklers,  
 2 pumps or other apparatus; and insurance against loss or  
 3 legal liability for loss because of damage to property  
 4 caused by the use of teams or vehicles whether by accident  
 5 or collision or by explosion of any engine or tank or boiler  
 6 or pipe or tire of any vehicle, and also including insurance  
 7 against theft of the whole or any part of any vehicle.

8 (2) In addition to the taxes on premiums required by  
 99 law to be paid by each insurer doing business in this state,  
 10 authorized to effect insurance on risks enumerated in  
 11 subsection (1) of this section there is a tax of one and  
 12 one-half percent (1 1/2%) on the fire portion of the direct  
 13 premiums received during the calendar year next preceding,  
 14 with allowance for cancellations and returned premiums. The  
 15 insurance commissioner shall collect the tax during March of  
 16 each year and deposit the monies in an earmarked revenue  
 17 fund. The auditor shall pay claims as provided in  
 18 subsection (3) of this section. As those persons who are to  
 19 receive the fund decrease, the tax shall be reduced  
 20 proportionately and when no eligible person, as determined  
 21 in subsection (3) of this section, survives, the tax  
 22 terminates and the remaining fund, if any, shall be  
 23 transferred to the general fund.

24 (3) Each and every fire department relief association,  
 25 organized and existing under the laws of this state, shall

1 pay to the firemen retired before July 1, 1973, or their  
 2 widows and orphans, a monthly compensation of not less than  
 3 one-half (1/2) the regular monthly salary paid to an A  
 4 CONFIRMED active fireman of that city as provided each and  
 5 every year in the annual budget of that city. IN CASE OF  
 6 VOLUNTEER FIREMEN, SUCH PENSION SHALL IN NO EVENT EXCEED THE  
 7 SUM OF SEVENTY-FIVE DOLLARS (\$75) PER MONTH. Distribution of  
 8 the funds provided for this purpose under subsection (2) of  
 9 this section shall be made as follows:

10 (a) At the beginning of each fiscal year the treasurer  
 11 of the fire department relief association legally existing  
 12 in every city or town shall request and the state auditor  
 13 shall issue from the earmarked revenue fund, and deliver to  
 14 the treasurer of every city or town, an amount certified to  
 15 be equal to the sum total of the annual dollar difference  
 16 between what the retirees or their widows and orphans  
 17 received from the fund of the relief association and  
 18 one-half (1/2) of the sum paid by the respective city or  
 19 town to the position of a-confirmed AN ACTIVE fireman for  
 20 the fiscal year just preceding.

21 (b) The treasurer of each city or town receiving the  
 22 funds shall immediately disburse them to the treasurer of  
 23 the respective relief association.

24 (c) The treasurer of each relief association shall  
 25 utilize these funds to supplement the monthly pension of

1 retirees or their widows and orphans to an amount equal to  
2 one-half (1/2) of the salary that was paid to the position  
3 of a--confirmed AN ACTIVE fireman in said city or town for  
4 the preceding year."

-End-

## 1 HOUSE BILL NO. 32

2 INTRODUCED BY O'CONNELL, MENAHAN, LYNCH, TEAGUE,  
3 QUILICI, TRAVIS, HARPER, MURPHY, BRADLEY, LESTER,  
4 MCFADDEN, TROPILA, GILLIGAN

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9 WHO RETIRED PRIOR TO JULY 1, 1973, OR THEIR WIDOWS AND  
10 ORPHANS, AND TO PROVIDE FOR DISBURSEMENT OF THAT REVENUE."

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12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

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14 read as follows:

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16 association out of license fees collected from insurance  
17 companies. -- Pension adjustment for retired firemen's fund  
18 and disbursement. (1) At the end of the fiscal year, the  
19 state auditor shall issue and deliver to the treasurer of  
20 every city or town of the first and second class, for the  
21 use and benefit of the fire department relief association  
22 legally existing in every such city or town entitled by law  
23 to receive the same, out of the license fees on insurance  
24 risks collected by him, an amount equal to ten per centum  
25 (10%) of the total annual compensation paid by such city or

1 town to its paid or part-paid firemen for services in the  
2 previous calendar year. The city clerk of each such city or  
3 town shall certify in writing to the state auditor, on or  
4 before March 1 of each year, the amount so paid by such city  
5 or town as compensation for services to paid or part-paid  
6 firemen.

7 In the event of a disaster resulting in the death or  
8 injury sufficient to draw pension of ten percent (10%) of  
9 the active force and when the fund of such fire department  
10 relief association after receiving all moneys as designated  
11 in section 11-1911 and section 11-1912 and the ten percent  
12 (10%) of annual compensation as designated in this act does  
13 not show at least the one (1) mill growth as referred to in  
14 section 11-1912 then the treasurer of such relief  
15 association shall request and the state auditor shall issue  
16 and deliver to the treasurer of every city or town of the  
17 first and second class, for the use and benefit of the fire  
18 department relief association legally existing in every city  
19 or town entitled to receive the same, out of the license  
20 fees collected by him, an additional amount to show at least  
21 the one (1) mill growth referred to in section 11-1912.

22 In the event a city of the second class is not entitled  
23 to receive a sum equal to twenty-five one hundredths  
24 (25/100) mills of its total assessed valuation under the  
25 foregoing method of computation then, in that event, the

THIRD READING

1 fire department relief association of that city shall  
2 receive its money in the same manner as provided below for  
3 cities of the third class.

4 ~~(1)~~ (a) At the end of the fiscal year, the state  
5 auditor shall issue and deliver to the treasurer of every  
6 city or town, except cities or towns of the first or second  
7 class, for the use and benefit of the fire department relief  
8 association legally existing in every such city or town  
9 entitled by law to receive the same, his warrant for an  
10 amount equal to the taxes upon the fire portion of the  
11 direct premiums after deducting cancellations and return  
12 premiums, collected by the state auditor, ex officio  
13 insurance commissioner, from insurers authorized to effect  
14 insurance on risks enumerated in subsection 2 (1)(b) of this  
15 section, as said cities or towns are each severally entitled  
16 to, computed as follows:

17 ~~(a)~~ (i) Each and every fire department relief  
18 association legally organized and existing in any city or  
19 town, except cities or towns of the first or second class,  
20 and entitled by law to receive the same shall receive, as  
21 its portion of the total taxes on premiums collected from  
22 insurers authorized to effect insurance on risks enumerated  
23 in subsection 2 (1)(b) of this section, the fire portion of  
24 the direct premiums, after deducting cancellations and  
25 return premiums, assessed and collected by insurers

1 authorized to effect insurance on risks enumerated in  
2 subsection 2 (1)(b) of this section in the said city or  
3 town.

4 ~~(b)~~ (ii) The legally organized and existing fire  
5 department relief associations in all cities or towns where  
6 the taxes on premiums collected and distributed pursuant to  
7 subdivision ~~(a)~~ (1)(a)(i) above is insufficient to make an  
8 amount equal to one hundred dollars (\$100) shall receive  
9 such additional amount from the total taxes on premiums  
10 collected from insurers authorized to effect insurance  
11 against risks enumerated in subsection 2 (1)(b) of this  
12 section as may be necessary to make the total amount  
13 received by said fire department relief association equal to  
14 the sum of one hundred dollars (\$100).

15 ~~(2)~~ (b) The risks referred to in subsection 1 (1)(a)  
16 above, are enumerated as follows: Insurance of houses,  
17 buildings, and all other kinds of property against loss or  
18 damage by fire or other casualty, and all kinds of insurance  
19 on goods, merchandise, or other property in the course of  
20 transportation, whether on land or water or air; insurance  
21 against loss or damage to motor vehicles resulting from  
22 accident, collision, or marine and inland navigation and  
23 transportation perils; insurance of growing crops against  
24 loss or damage resulting from hail or the elements;  
25 insurance against loss or damage by water to any goods or

1 premises arising from the breakage or leakage of sprinklers,  
 2 pumps or other apparatus; and insurance against loss or  
 3 legal liability for loss because of damage to property  
 4 caused by the use of teams or vehicles whether by accident  
 5 or collision or by explosion of any engine or tank or boiler  
 6 or pipe or tire of any vehicle, and also including insurance  
 7 against theft of the whole or any part of any vehicle.

8 (2) In addition to the taxes on premiums required by  
 99 law to be paid by each insurer doing business in this state,  
 10 authorized to effect insurance on risks enumerated in  
 11 subsection (1) of this section there is a tax of one and  
 12 one-half percent (1 1/2%) on the fire portion of the direct  
 13 premiums received during the calendar year next preceding,  
 14 with allowance for cancellations and returned premiums. The  
 15 insurance commissioner shall collect the tax during March of  
 16 each year and deposit the monies in an earmarked revenue  
 17 fund. The auditor shall pay claims as provided in  
 18 subsection (3) of this section. As those persons who are to  
 19 receive the fund decrease, the tax shall be reduced  
 20 proportionately and when no eligible person, as determined  
 21 in subsection (3) of this section, survives, the tax  
 22 terminates and the remaining fund, if any, shall be  
 23 transferred to the general fund.

24 (3) Each and every fire department relief association,  
 25 organized and existing under the laws of this state, shall

1 pay to the firemen retired before July 1, 1973, or their  
 2 widows and orphans, a monthly compensation of not less than  
 3 one-half (1/2) the regular monthly salary paid to a  
 4 CONFIRMED active fireman of that city as provided each and  
 5 every year in the annual budget of that city. IN CASE OF  
 6 VOLUNTEER FIREMEN, SUCH PENSION SHALL IN NO EVENT EXCEED THE  
 7 SUM OF SEVENTY-FIVE DOLLARS (\$75) PER MONTH. Distribution of  
 8 the funds provided for this purpose under subsection (2) of  
 9 this section shall be made as follows:

10 (a) At the beginning of each fiscal year the treasurer  
 11 of the fire department relief association legally existing  
 12 in every city or town shall request and the state auditor  
 13 shall issue from the earmarked revenue fund, and deliver to  
 14 the treasurer of every city or town, an amount certified to  
 15 be equal to the sum total of the annual dollar difference  
 16 between what the retirees or their widows and orphans  
 17 received from the fund of the relief association and  
 18 one-half (1/2) of the sum paid by the respective city or  
 19 town to the position of a-confirmed AN ACTIVE fireman for  
 20 the fiscal year just preceding.

21 (b) The treasurer of each city or town receiving the  
 22 funds shall immediately disburse them to the treasurer of  
 23 the respective relief association.

24 (c) The treasurer of each relief association shall  
 25 utilize these funds to supplement the monthly pension of

1 retirees or their widows and orphans to an amount equal to  
2 one-half (1/2) of the salary that was paid to the position  
3 of a--confirmed AN ACTIVE fireman in said city or town for  
4 the preceding year."

-End-

February 15, 1975

SENATE COMMITTEE ON STATE ADMINISTRATION

AMENDMENTS TO HOUSE BILL NO. 32

That House Bill No. 32, third reading, be amended as follows:

1. Amend the title, page 1, lines 6 and 7.

Following: "ACT"

Strike: "TO AMEND SECTION 11-1919, R.C.M. 1947,"

2. Amend the bill, page 1.

Strike: All of the bill following the enacting clause.

Insert: "Section 1. There is a new R.C.M. section that reads as follows:

Pension adjustment for retired firemen. (1)  
In addition to the taxes on premiums required by law to be paid by each insurer doing business in this state, authorized to effect insurance on risks enumerated in Section 11-1919, there is a tax of one and one-half percent (1 1/2%) on the fire portion of the direct premiums received during the calendar year of 1975 and each succeeding year thereof with allowance for cancellations and returned premiums. The insurance commissioner shall collect the tax during March of each year and deposit the monies in an earmarked revenue fund. The auditor shall pay claims as provided in subsection (2) of this section. As those persons who are to receive the fund decease, the tax shall be reduced proportionately and when no eligible person, as determined in subsection (2) of this section, survives, the tax terminates and the remaining fund, if any, shall be transferred to the general fund.

(2) Effective January 1, 1976, each and every fire department relief association, organized and existing under the laws of this state, shall pay to the firemen retired before July 1, 1973, or their widows and orphans, a monthly compensation of not less than one-half (1/2) the regular monthly salary paid to a confirmed active fireman of that city as provided each and every year in the annual budget of that city. In case of volunteer firemen, such pension shall in no event exceed the sum of seventy-five dollars (\$75) per month. Distribution of the funds provided for this purpose under subsection (1) of this section shall be made as follows:

(a) At the beginning of each fiscal year the treasurer of the fire department relief association legally existing in every city or town shall request and the state auditor shall issue from the earmarked revenue fund, and deliver to the treasurer of every city or town, an amount certified to be equal to the sum total of the annual dollar difference between what the

retirees or their widows and orphans received from the fund of the relief association and one-half (1/2) of the sum paid by the respective city or town to the position of a confirmed active fireman for the fiscal year just preceding.

(b) The treasurer of each city or town receiving the funds shall immediately disburse them to the treasurer of the respective relief association.

(c) The treasurer of each relief association shall utilize these funds to supplement the monthly pension of retirees or their widows and orphans to an amount equal to one-half (1/2) of the salary that was paid to the position of a confirmed active fireman in said city or town for the preceding year."

## 1 HOUSE BILL NO. 32

2 INTRODUCED BY O'CONNELL, MENAHAN, LYNCH, TEAGUE,  
3 QUILICI, TRAVIS, HARPER, MURPHY, BRADLEY, LESTER,  
4 MCFADDEN, TROPILA, GILLIGAN

5  
6 A BILL FOR AN ACT ENTITLED: "AN ACT ~~TO AMEND SECTION~~  
7 ~~11-1919-R.C.M.-1947~~ TO PROVIDE FOR A TAX ON FIRE INSURANCE  
8 PREMIUMS FOR THE PURPOSE OF ADJUSTING PENSIONS OF FIREMEN  
9 WHO RETIRED PRIOR TO JULY 1, 1973, OR THEIR WIDOWS AND  
10 ORPHANS, AND TO PROVIDE FOR DISBURSEMENT OF THAT REVENUE."

11  
12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:  
13 (Strike everything after the enacting clause and insert:)

14 Section 1. There is a new R.C.M. section that reads as  
15 follows:

16 Pension adjustment for retired firemen. (1) In addition  
17 to the taxes on premiums required by law to be paid by each  
18 insurer doing business in this state, authorized to effect  
19 insurance on risks enumerated in section 11-1919, there is a  
20 tax of one and one-half percent (1 1/2%) on the fire portion  
21 of the direct premiums received during the calendar year of  
22 1975 and each succeeding year thereof with allowance for  
23 cancellations and returned premiums. The insurance  
24 commissioner shall collect the tax during March of each year  
25 and deposit the monies in an earmarked revenue fund. The

1 auditor shall pay claims as provided in subsection (2) of  
2 this section. As those persons who are to receive the fund  
3 decease, the tax shall be reduced proportionately and when  
4 no eligible person, as determined in subsection (2) of this  
5 section, survives, the tax terminates and the remaining  
6 fund, if any, shall be transferred to the general fund.

7 (2) Effective January 1, 1976, each and every fire  
8 department relief association, organized and existing under  
9 the laws of this state, shall pay to the firemen retired  
10 before July 1, 1973, or their widows and orphans, a monthly  
11 compensation of not less than one-half (1/2) the regular  
12 monthly salary paid to a confirmed active fireman of that  
13 city as provided each and every year in the annual budget of  
14 that city. In case of volunteer firemen, such pension shall  
15 in no event exceed the sum of seventy-five dollars (\$75) per  
16 month. Distribution of the funds provided for this purpose  
17 under subsection (1) of this section shall be made as  
18 follows:

19 (a) At the beginning of each fiscal year the treasurer  
20 of the fire department relief association legally existing  
21 in every city or town shall request and the state auditor  
22 shall issue from the earmarked revenue fund, and deliver to  
23 the treasurer of every city or town, an amount certified to  
24 be equal to the sum total of the annual dollar difference  
25 between what the retirees or their widows and orphans

1 received from the fund of the relief association and  
2 one-half (1/2) of the sum paid by the respective city or  
3 town to the position of a confirmed active fireman for the  
4 fiscal year just preceding.

5 (b) The treasurer of each city or town receiving the  
6 funds shall immediately disburse them to the treasurer of  
7 the respective relief association.

8 (c) The treasurer of each relief association shall  
9 utilize these funds to supplement the monthly pension of  
10 retirees or their widows and orphans to an amount equal to  
11 one-half (1/2) of the salary that was paid to the position  
12 of a confirmed active fireman in said city or town for the  
13 preceding year.

-End-