

1 HB BILL NO. 67
 2 INTRODUCED BY Robbins, Bertelsen, Dierkes
 3 O'Connell

4 A BILL FOR AN ACT ENTITLED: "AN ACT CREATING A FIRE MARSHAL
 5 ADVISORY COUNCIL; RAISING THE TAX ON FIRE INSURANCE PREMIUMS
 6 FOR MAINTENANCE OF THE FIRE MARSHAL BUREAU; AND PROVIDING
 7 FOR DISPOSAL OF THE MONEY COLLECTED; AMENDING SECTIONS
 8 82-1201 AND 82-1231, R.C.M. 1947; AND REPEALING SECTION
 9 84-1902, R.C.M. 1947."

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

12 Section 1. Section 82-1201, R.C.M. 1947, is amended to
 13 read as follows:

14 "82-1201. ~~Erection of office of state fire~~ Fire
 15 marshal bureau -- fire prevention advisory commission.
 16 (1) There is ~~an office of state fire marshal~~ a fire
 17 marshal bureau in the department of justice which is under
 18 the supervision and control of the ~~commissioner of insurance~~
 19 attorney general.

20 (2) The state chief of the fire marshal bureau shall
 21 be appointed by the ~~commissioner of insurance~~ attorney
 22 general and shall serve at his pleasure. The chief of the
 23 fire marshal bureau is the state fire marshal.

24 (3) A person appointed state fire marshal shall have:

25 (a) have at least ~~ten~~ ten years of progressively

1 responsible experience in fire protection; or
 2 (b) a degree in engineering from a recognized
 3 institution of higher education and ~~two~~ two years'
 4 experience in fire protection; or
 5 (c) a degree from a recognized institution of higher
 6 education in fire protection engineering or fire protection
 7 technology.
 8 ~~(4) Not later than thirty (30) days after this act~~
 9 ~~becomes effective the commissioner of insurance shall~~
 10 ~~appoint a fire prevention advisory commission composed of~~
 11 ~~the following members:~~
 12 ~~(a) One person representing the fire insurance~~
 13 ~~industry whose initial term shall be for one (1) year;~~
 14 ~~(b) One person representing industry whose initial~~
 15 ~~term shall be for one (1) year;~~
 16 ~~(c) One person representing full-time paid fire~~
 17 ~~departments whose initial term shall be for two (2) years;~~
 18 ~~(d) One person representing volunteer fire departments~~
 19 ~~whose initial term shall be for two (2) years;~~
 20 ~~(e) One person representing architects of the state~~
 21 ~~whose initial term shall be for three (3) years;~~
 22 ~~(f) One person representing the public whose initial~~
 23 ~~term shall be for four (4) years;~~
 24 ~~(g) The commissioner of insurance;~~
 25 ~~After termination of the initial term, all members~~

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1 ~~shall be appointed for four (4) year terms. Appointed~~
 2 ~~members of the commission shall be reimbursed for meetings~~
 3 ~~at the rate of twenty dollars (\$20) per day plus actual~~
 4 ~~expenses including mileage, food, and lodging. The~~
 5 ~~commissioner of insurance shall serve as chairman and the~~
 6 ~~state fire marshal shall serve as secretary of the~~
 7 ~~commission.~~

8 (4) The attorney general shall create a fire marshal
 9 advisory council in accordance with procedures provided in
 10 82A-110."

11 Section 2. Section 82-1231, R.C.M. 1947, is amended to
 12 read as follows:

13 "82-1231. Tax on fire insurance premiums for
 14 maintenance of state fire ~~marshal's office~~ marshal bureau.
 15 Each insurer authorized to effect insurance risks enumerated
 16 in ~~subsection two of section 11-1919~~ (2) doing business in
 17 this state shall pay to the state auditor and commissioner
 18 of insurance ex officio, during the month of February or
 19 March in each year, in addition to the taxes on premiums
 20 required by law to be paid by it, a tax of ~~three-fourths of~~
 21 ~~one per cent (3/4 of 1%)~~ on the fire portion of the direct
 22 premiums on such risks received during the calendar year
 23 next preceding, after deducting cancellations and return
 24 premiums. Revenues from the tax shall be deposited into the
 25 earmarked revenue fund to the credit of the fire marshal

1 bureau, department of justice, for the use of the bureau as
 2 provided by law."

3 Section 3. There is a new R.C.M. section that reads as
 4 follows:

5 Disposal of money collected by 82-1231. (1) Of the
 6 revenue collected during the calendar year under 82-1231, a
 7 portion not to exceed 25% shall be used to provide
 8 supplemental funding to county governments participating in
 9 a fire prevention program established by the fire marshal
 10 bureau. The operation of the program shall be subject to
 11 approval by the participating county governments.

12 (2) If less than 25% of the revenue derived by the tax
 13 imposed by 82-1231 is used during a fiscal year for
 14 supplemental funding to county governments for fire
 15 prevention programs, the balance shall be expended the
 16 following fiscal year in a program designed to encourage
 17 fire departments in fire prevention programs. The standards
 18 for distributing this funding to fire departments shall be
 19 developed by the fire marshal advisory council provided for
 20 by 82-1201.

21 Section 4. Repealer. Section 84-1902, R.C.M. 1947, is
 22 repealed.

-End-

STATE OF MONTANA

REQUEST NO. 14-77

FISCAL NOTE

Form BD-15

In compliance with a written request received January 6, 19 77, there is hereby submitted a Fiscal Note for House Bill 67 pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly.

Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION OF PROPOSED LEGISLATION:

An Act creating a Fire Marshal Advisory Council, raising the tax on fire insurance premiums for maintenance of the Fire Marshal Bureau, and providing for disposal of the money collected.

ASSUMPTIONS:

1. The Advisory Council will have five (5) members and there will be two (2) Council meetings per year.
2. Revenues will increase approximately 8% per year.
3. The maximum supplemental funding to counties allowed (25%) will be provided.

FISCAL IMPACT:

	<u>FY 78</u>	<u>FY 79</u>
Tax on Fire Insurance Premiums:		
Under Proposed law	\$317,000	\$342,000
Under Current law	<u>238,000</u>	<u>257,000</u>
Increase in Collections	<u>\$ 79,000</u>	<u>\$ 85,000</u>
Less: Additional Expenditures:		
25% to participating counties	\$ 79,250	\$ 85,500
Cost of Advisory Council	<u>958</u>	<u>958</u>
Total additional expenditures	<u>\$ 80,208</u>	<u>\$ 86,458</u>
Net increase (decrease) in operation	<u>(\$ 1,208)</u>	<u>(\$ 1,458)</u>

LOCAL IMPACT:

Counties would receive additional funding totalling an estimated \$79,250 in FY 78 and \$85,500 in FY 79.

TECHNICAL NOTE:

Sufficient earmarked funds will not be available until approximately July, 1978, to fund the Fire Marshal Bureau. Therefore, FY 78 must be supported with a general fund appropriation.

Also, the act proposes that Section 84-1902, R.C.M., 1947, be repealed. The existing section requires that funds other than collections under the provisions of 82-1231 from fire insurance premiums be deposited into the general fund.

Richard L. Drang
BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 1-11-77

HOUSE BILL NO. 67

INTRODUCED BY ROBBINS, BERTELSEN, SIVERTSEN, O'CONNELL

A BILL FOR AN ACT ENTITLED: "AN ACT CREATING A FIRE MARSHAL ADVISORY COUNCIL; RAISING THE TAX ON FIRE INSURANCE PREMIUMS FOR MAINTENANCE OF THE FIRE MARSHAL BUREAU; AND PROVIDING FOR DISPOSAL OF THE MONEY COLLECTED; AMENDING SECTIONS 82-1201 AND 82-1231, R.C.M. 1947; ~~AND REPEALING SECTION 84-1902, R.C.M. 1947.~~"

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

Section 1. Section 82-1201, R.C.M. 1947, is amended to read as follows:

"82-1201. ~~Creation of office of state fire Fire~~ marshal bureau — fire prevention advisory commission.

(1) There is ~~an office of state fire marshal, a fire~~ marshal bureau in the department of justice which is under the supervision and control of the ~~commissioner of insurance~~ attorney general.

(2) The ~~state chief of the~~ fire marshal bureau shall be appointed by the ~~commissioner of insurance~~ attorney general and shall serve at his pleasure. ~~The chief of the~~ fire marshal bureau is the state fire marshal.

(3) A person appointed state fire marshal shall have:

(a) ~~have~~ at least ~~ten~~ {10} years of progressively

responsible experience in fire protection; ~~or~~

(b) a degree in engineering from a recognized institution of higher education and ~~two~~ {2} years' experience in fire protection; or

(c) a degree from a recognized institution of higher education in fire protection engineering or fire protection technology.

~~{4} Not later than thirty {30} days after this act becomes effective the commissioner of insurance shall appoint a fire prevention advisory commission composed of the following members:~~

~~{a} One person representing the fire insurance industry whose initial term shall be for one {1} year;~~

~~{b} One person representing industry whose initial term shall be for one {1} year;~~

~~{c} One person representing full time paid fire departments whose initial term shall be for two {2} years;~~

~~{d} One person representing volunteer fire departments whose initial term shall be for two {2} years;~~

~~{e} One person representing architects of the state whose initial term shall be for three {3} years;~~

~~{f} One person representing the public whose initial term shall be for four {4} years;~~

~~{g} The commissioner of insurance.~~

~~After termination of the initial term, all members~~

1 ~~shall be appointed for four (4) year term. Appointed~~
 2 ~~members of the commission shall be reimbursed for seating~~
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 19 developed by the fire marshal advisory council provided for
 20 by 82-1201.

21 ~~Section 4. Repealer. Section 84-1902, R.C.M. 1947, is~~
 22 ~~repealed.~~

-End-