

CHAPTER NO. 296

HOUSE BILL NO. 498

INTRODUCED BY HEMSTAD

IN THE HOUSE

January 31, 1979	Introduced and referred to Committee on State Administration.
February 9, 1979	Committee recommend bill do pass as amended. Report adopted.
February 12, 1979	Printed and placed on members' desks.
February 13, 1979	Second reading, do pass.
February 14, 1979	Considered correctly engrossed.
February 15, 1979	Third reading, passed. Transmitted to second house.

IN THE SENATE

February 16, 1979	Introduced and referred to Committee on Local Government.
March 9, 1979	Committee recommend bill be concurred in. Report adopted.
March 12, 1979	Second reading, concurred in.
March 15, 1979	Third reading, concurred in.

IN THE HOUSE

March 16, 1979	Returned from second house. Concurred in. Sent to enrolling. Reported correctly enrolled.
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House BILL NO. 498

1 INTRODUCED BY Seaman

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4 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE THAT CERTAIN
5 PAYMENTS TO THE FIRE DEPARTMENT RELIEF ASSOCIATION IN A CITY
6 OF THE FIRST OR SECOND CLASS SHALL BE MADE DIRECTLY TO THE
7 BOARD OF INVESTMENTS TO BE CREDITED TO THE ACCOUNT OF THE
8 ASSOCIATION AND THAT THE STATE AUDITOR SHALL REPORT TO THE
9 TREASURER OF THE ASSOCIATION THE AMOUNT OF SUCH PAYMENTS;
10 AMENDING SECTIONS 19-11-512, 19-11-514, AND 19-11-606, MCA."

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

13 Section 1. Section 19-11-512, MCA, is amended to read:
14
15 "19-11-512. State auditor to pay association out of
16 insurance premium taxes. (1) At the end of the fiscal year,
17 the state auditor shall issue and deliver the payment
18 described in this subsection to the treasurer-of-every board
19 of investments to be credited to the account of each city or
20 town of the first and or second class which has a fire
21 department relief association entitled by law to receive
22 payments. The state auditor shall, at the same time, report
23 to the treasurer of the association the amount of the
24 payment. The payment shall be for the use and benefit of the
25 association. It shall be paid out of the premium taxes on
insurance risks enumerated in subsection (6) collected by

1 the state auditor and shall be equal to 10% of the total
2 annual compensation paid by the city or town to its paid or
3 part-paid firefighters for services in the previous calendar
4 year. The city clerk of the city or town shall certify in
5 writing to the state auditor, on or before April 1 of each
6 year, the amount paid by the city or town as compensation
7 for services to paid or part-paid firefighters.

8 (2) When there is a disaster resulting in death or
9 injury sufficient to draw the pensions of 10% of the active
10 force and the fund, after receiving all moneys provided for
11 in 19-11-501, 19-11-503, 19-11-504, and subsection (1) of
12 this section, does not show at least the 1-mill growth
13 referred to in 19-11-504, the treasurer of the association
14 shall request and the state auditor shall issue and deliver
15 an additional payment under the same conditions described in
16 subsection (1). The payment shall be in an amount sufficient
17 to cause at least the above-mentioned 1-mill growth in the
18 fund.

19 (3) If a city is not entitled to receive a sum equal
20 to 1 1/2 mills of its total taxable value under subsections
21 (1) and (2), the association-of-the-city-shall--receive--its
22 money payment shall be made in the manner amount provided in
23 subsections (4) and (5) for cities of the third class and in
24 the manner described in subsection (1).

25 (4) At the end of the fiscal year, the state auditor

1 shall issue and deliver the warrant described in this
 2 subsection to the treasurer of every city or town, except
 3 cities and towns of the first or second class, which has a
 4 fire department relief association entitled by law to
 5 receive payments. The warrant shall be for the use and
 6 benefit of the association. It shall be for an amount equal
 7 to 1 1/2 mills of the total taxable value of the city or
 8 town and shall be paid out of the premium taxes on insurance
 9 risks enumerated in subsection (6) collected by the state
 10 auditor.

11 (5) If the payment provided for in subsection (4) is
 12 less than \$100, the association shall receive an additional
 13 payment shall be made from the same tax moneys so that the
 14 total amount received is \$100.

15 (6) The risks referred to in subsections (1) and (4)
 16 are:

17 (a) insurance of houses, buildings, and all other
 18 kinds of property against loss or damage by fire or other
 19 casualty;

20 (b) all kinds of insurance on goods, merchandise, or
 21 other property in the course of transportation, whether by
 22 land, water, or air;

23 (c) insurance against loss or damage to motor vehicles
 24 resulting from accident, collision, or marine and inland
 25 navigation and transportation perils;

1 (d) insurance of growing crops against loss or damage
 2 resulting from hail or the elements;
 3 (e) insurance against loss or damage by water to any
 4 goods or premises arising from the breakage or leakage of
 5 sprinklers, pumps, or other apparatus;
 6 (f) insurance against loss or legal liability for loss
 7 because of damage to property caused by the use of teams or
 8 vehicles, whether by accident or collision or by explosion
 9 of any engine, tank, boiler, pipe, or tire of any vehicle;
 10 and
 11 (g) insurance against theft of the whole or any part
 12 of any vehicle."

13 Section 2. Section 19-11-514, MCA, is amended to read:
 14 "19-11-514. State treasurer to pay warrants. The state
 15 treasurer is hereby authorized and directed, upon the
 16 presentation to him of a warrant drawn pursuant to this
 17 chapter, to pay:

18 111 in the case of a municipality other than a city of
 19 the first or second class, to the treasurer of any such the
 20 city or town, out of moneys in the earmarked revenue fund
 21 dedicated for such purpose, the amount of such warrant
 22 specified, which amount shall be paid by said city treasurer
 23 to said fire department relief association;

24 121 in the case of a city of the first or second
 25 class, to the board of investments to be credited to the

1 account of the fire department relief associations out of
 2 the money in the earmarked revenue fund dedicated for such
 3 purpose, the amount of the warrants.

4 Section 3. Section 19-11-606, MCA, is amended to read:

5 "19-11-606. Supplement to certain pensions. (1) In
 6 addition to the taxes on premiums required by law to be paid
 7 by each insurer doing business in this state that is
 8 authorized to effect insurance on risks enumerated in
 9 19-11-512, there is a tax of 1 1/2% on the fire portion of
 10 the direct premiums received during the calendar year of
 11 1975 and each succeeding year, with allowance for
 12 cancellations and returned premiums. The insurance
 13 commissioner shall collect the tax during March of each year
 14 and deposit the moneys in the earmarked revenue fund. The
 15 auditor shall pay claims as provided in subsection (2) of
 16 this section. As those persons who are to receive the fund
 17 die, the tax shall be reduced proportionately, and when no
 18 eligible person, as defined by subsection (2), survives, the
 19 tax terminates and the remaining funds, if any, shall be
 20 transferred to the general fund.

21 (2) Effective January 1, 1976, each association shall
 22 pay to the firefighters retired before July 1, 1973, or
 23 their surviving spouses and children a monthly pension of
 24 not less than one-half the regular monthly salary paid to a
 25 confirmed active firefighter of that city, as provided each

1 year in the budget of that city. In the case of volunteer
 2 firefighters, the pension may not exceed \$75 per month.
 3 Distribution of the funds provided for this purpose under
 4 subsection (1) shall be made as follows:

5 (a) At the beginning of each fiscal year the treasurer
 6 of each association shall request and the state auditor
 7 shall issue from the earmarked revenue fund and deliver, in
 8 the case of a municipality other than a city of the first or
 9 second class, to the treasurer of the respective city or
 10 town or, in the case of a city of the first or second class,
 11 to the board of investments to be credited to the account of
 12 the fire department relief association an amount certified
 13 to be equal to the total annual dollar difference between
 14 what the retirees or their surviving spouses and children
 15 received from the fund and one-half of the salary paid by
 16 the respective city or town to a confirmed active
 17 firefighter for the fiscal year just preceding. The state
 18 auditor shall, at the same time, report to the treasurer of
 19 the appropriate association the amount of any payment
 20 delivered to the board of investments.

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

24 (c) The treasurer of the association shall utilize
 25 these funds to increase the monthly pension of retirees or

1 their surviving spouses and children to an amount equal to
2 one-half of the salary that was paid to a confirmed active
3 firefighter in the city or town for the preceding year.*

-End-

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17 described in this subsection to the treasurer of every board

18 of investments to be credited to the account of each FIRE

19 DEPARTMENT RELIEF ASSOCIATION OF ANY city or town of the

20 first and of second class which has a fire department relief

21 association entitled by law to receive payments. The state

22 auditor shall, at the same time, report to the treasurer of

23 the association the amount of the payment. The payment shall

24 be for the use and benefit of the association. It shall be

25 paid out of the premium taxes on insurance risks enumerated

1 in subsection (6) collected by the state auditor and shall
2 be equal to 10% of the total annual compensation paid by the
3 city or town to its paid or part-paid firefighters for
4 services in the previous calendar year. The city clerk of
5 the city or town shall certify in writing to the state
6 auditor, on or before April 1 of each year, the amount paid
7 by the city or town as compensation for services to paid or
8 part-paid firefighters.

9 (2) When there is a disaster resulting in death or
10 injury sufficient to draw the pensions of 10% of the active
11 force and the fund, after receiving all moneys provided for
12 in 19-11-501, 19-11-503, 19-11-504, and subsection (1) of
13 this section does not show at least the 1-mill growth
14 referred to in 19-11-504, the treasurer of the association
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12 (5) If the payment provided for in subsection (4) is
 13 less than \$100, the association shall receive an additional
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 15 total amount received is \$100.

16 (6) The risks referred to in subsections (1) and (4)
 17 are:

18 (a) insurance of houses, buildings, and all other
 19 kinds of property against loss or damage by fire or other
 20 casualty;

21 (b) all kinds of insurance on goods, merchandise, or
 22 other property in the course of transportation, whether by
 23 land, water, or air;

24 (c) insurance against loss or damage to motor vehicles
 25 resulting from accident, collision, or marine and inland

1 navigation and transportation perils;
 2 (d) insurance of growing crops against loss or damage
 3 resulting from hail or the elements;
 4 (e) insurance against loss or damage by water to any
 5 goods or premises arising from the breakage or leakage of
 6 sprinklers, pumps, or other apparatus;
 7 (f) insurance against loss or legal liability for loss
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 12 (g) insurance against theft of the whole or any part
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14 Section 2. Section 19-11-514, MCA, is amended to read:
 15 "19-11-514. State treasurer to pay warrants. The state
 16 treasurer is hereby authorized and directed, upon the
 17 presentation to him of a warrant drawn pursuant to this
 18 chapter, to pay:
 19 (i) in the case of a municipality other than a city of
 20 the first or second class, to the treasurer of any such
 21 city or town, out of moneys in the earmarked revenue fund
 22 dedicated for such purpose, the amount of such warrant
 23 specified, which amount shall be paid by said city treasurer
 24 to said fire department relief association;
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 24 to said fire department relief association;
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 23 funds shall immediately disburse them to the treasurer of
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1 these funds to increase the monthly pension of retirees or
2 their surviving spouses and children to an amount equal to
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4 firefighter in the city or town for the preceding year."

-End-

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15 insurance premium taxes. (1) At the end of the fiscal year,

16 the state auditor shall issue and deliver the payment

17 described in this subsection to the treasurer-of-every board

18 of investments to be credited to the account of each EIBE

19 DEPARTMENT RELIEF ASSOCIATION OF ANY city or town of the

20 first and or second class which has a fire department relief

21 association entitled by law to receive payments. The state

22 auditor shall at the same time report to the treasurer of

23 the association the amount of the payment. The payment shall

24 be for the use and benefit of the association. It shall be

25 paid out of the premium taxes on insurance risks enumerated

1 in subsection (6) collected by the state auditor and shall
2 be equal to 10% of the total annual compensation paid by the
3 city or town to its paid or part-paid firefighters for
4 services in the previous calendar year. The city clerk of
5 the city or town shall certify in writing to the state
6 auditor, on or before April 1 of each year, the amount paid
7 by the city or town as compensation for services to paid or
8 part-paid firefighters.

1 (4) At the end of the fiscal year, the state auditor
 2 shall issue and deliver the warrant described in this
 3 subsection to the treasurer of every city or town, except
 4 cities and towns of the first or second class, which has a
 5 fire department relief association entitled by law to
 6 receive payments. The warrant shall be for the use and
 7 benefit of the association. It shall be for an amount equal
 8 to 1 1/2 mills of the total taxable value of the city or
 9 town and shall be paid out of the premium taxes on insurance
 10 risks enumerated in subsection (6) collected by the state
 11 auditor.

12 (5) If the payment provided for in subsection (4) is
 13 less than \$100, the association shall receive an additional
 14 payment shall be made from the same tax moneys so that the
 15 total amount received is \$100.

16 (6) The risks referred to in subsections (1) and (4)
 17 are:

18 (a) insurance of houses, buildings, and all other
 19 kinds of property against loss or damage by fire or other
 20 casualty;

21 (b) all kinds of insurance on goods, merchandise, or
 22 other property in the course of transportation, whether by
 23 land, water, or air;

24 (c) insurance against loss or damage to motor vehicles
 25 resulting from accident, collision, or marine and inland

1 navigation and transportation perils;
 2 (d) insurance of growing crops against loss or damage
 3 resulting from hail or the elements;
 4 (e) insurance against loss or damage by water to any
 5 goods or premises arising from the breakage or leakage of
 6 sprinklers, pumps, or other apparatus;
 7 (f) insurance against loss or legal liability for loss
 8 because of damage to property caused by the use of teams or
 9 vehicles, whether by accident or collision or by explosion
 10 of any engine, tank, boiler, pipe, or tire of any vehicle;
 11 and
 12 (g) insurance against theft of the whole or any part
 13 of any vehicle."

14 Section 2. Section 19-11-514, MCA, is amended to read:
 15 "19-11-514. State treasurer to pay warrants. The state
 16 treasurer is hereby authorized and directed, upon the
 17 presentation to him of a warrant drawn pursuant to this
 18 chapter, to pay:
 19 (i) in the case of a municipality other than a city of
 20 the first or second class, to the treasurer of any such the
 21 city or town, out of moneys in the earmarked revenue fund
 22 dedicated for such purpose, the amount of such warrant
 23 specified, which amount shall be paid by said city treasurer
 24 to said fire department relief association;
 25 (ii) in the case of a city of the first or second

1 class...to the board of investments to be credited to the
 2 account of the fire department relief association...out of
 3 the money in the earmarked revenue fund dedicated for such
 4 purpose, the amount of the warrant."

5 Section 3. Section 19-11-606, MCA, is amended to read:
 6 "19-11-606. Supplement to certain pensions. (1) In
 7 addition to the taxes on premiums required by law to be paid
 8 by each insurer doing business in this state that is
 9 authorized to effect insurance on risks enumerated in
 10 19-11-512, there is a tax of 1 1/2% on the fire portion of
 11 the direct premiums received during the calendar year of
 12 1975 and each succeeding year, with allowance for
 13 cancellations and returned premiums. The insurance
 14 commissioner shall collect the tax during March of each year
 15 and deposit the moneys in the earmarked revenue fund. The
 16 auditor shall pay claims as provided in subsection (2) of
 17 this section. As those persons who are to receive the fund
 18 die, the tax shall be reduced proportionately, and when no
 19 eligible person, as defined by subsection (2), survives, the
 20 tax terminates and the remaining fund, if any, shall be
 21 transferred to the general fund.

22 (2) Effective January 1, 1976, each association shall
 23 pay to the firefighters retired before July 1, 1973, or
 24 their surviving spouses and children a monthly pension of
 25 not less than one-half the regular monthly salary paid to a

1 confirmed active firefighter of that city, as provided each
 2 year in the budget of that city. In the case of volunteer
 3 firefighters, the pension may not exceed \$75 per month.
 4 Distribution of the funds provided for this purpose under
 5 subsection (1) shall be made as follows:

6 (a) At the beginning of each fiscal year the treasurer
 7 of each association shall request and the state auditor
 8 shall issue from the earmarked revenue fund and deliver in
 9 the case of a municipality other than a city of the first or
 10 second class to the treasurer of the respective city or
 11 town or in the case of a city of the first or second class
 12 to the board of investments to be credited to the account of
 13 the fire department relief association an amount certified
 14 to be equal to the total annual dollar difference between
 15 what the retirees or their surviving spouses and children
 16 received from the fund and one-half of the salary paid by
 17 the respective city or town to a confirmed active
 18 firefighter for the fiscal year just preceding. The state
 19 auditor shall at the same time report to the treasurer of
 20 the appropriate association the amount of any payment
 21 delivered to the board of investments.

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

25 (c) The treasurer of the association shall utilize

1 these funds to increase the monthly pension of retirees or
2 their surviving spouses and children to an amount equal to
3 one-half of the salary that was paid to a confirmed active
4 firefighter in the city or town for the preceding year."

-End-