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INTRODUCED BY *Lynne Hovington* *Carlson* *Bea* *McCarthy*
Sharon Beaudry *Meredith* *Bea McCarthy*
Senate BILL NO. 333

A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING A CONSOLIDATED CITY-COUNTY TO EXTEND MEMBERSHIP IN ITS FIRE DEPARTMENT RELIEF ASSOCIATION TO VOLUNTEER FIREFIGHTERS OF AREAS THAT WERE UNINCORPORATED AREAS PRIOR TO THE CITY-COUNTY CONSOLIDATION; AMENDING SECTIONS 19-18-101 AND 19-18-102, MCA; AND PROVIDING AN EFFECTIVE DATE."

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

Section 1. Section 19-18-101, MCA, is amended to read:

"19-18-101. Definitions. Unless the context requires otherwise, the following definitions apply in this chapter:

- (1) "Association" means the fire department relief association provided for in 19-18-102.
- (2) "Disability and pension fund" or "fund" means the fund provided for in 19-18-105.
- (3) "Fire department" includes all fire departments, consisting of paid, part-paid, or volunteer firefighters or any combination thereof, recognized by the city or town council of an incorporated city or town or by the governing body of a consolidated city-county of this state.
- (4) "Incorporated city or town" includes county seats, whether incorporated or not, and includes a consolidated city-county.
- (5) Any reference to "municipality", "city", or "town" includes those jurisdictions ~~which~~ that, prior to the effective date of a county-municipal consolidation, were incorporated municipalities or subsequent districts created for urban fire protection services and includes the areas that were unincorporated areas of a consolidated city-county prior to its consolidation."

Section 2. Section 19-18-102, MCA, is amended to read:

"19-18-102. Formation of fire department relief association -- membership. (1) The confirmed members of a fire department, as defined in 19-18-101, may form a local association to be known as the fire department relief association of the city or town of (naming the city or town or consolidated city-county). When an association is formed, it ~~shall~~ must be incorporated under the laws of this state. ~~Ne~~

1 ~~one~~ A person who is serving as a substitute, who is on probation, or who has not been confirmed as a
2 member of the fire department is not eligible for membership in the association.

3 (2) An association may only be formed and incorporated if:

4 (a) its formation is authorized by subsection (1); and

5 (b) the fire department has firefighting equipment in serviceable condition ~~which~~ that has a value
6 of \$750 or more."

7

8 NEW SECTION. Section 3. Rights of volunteer firefighters in areas that were unincorporated prior
9 to city-county consolidation -- funding. (1) On [the effective date of this act], volunteer firefighters in areas
10 of a consolidated city-county that were unincorporated areas prior to the city-county consolidation, if the
11 firefighters meet the eligibility requirements of this chapter, must be granted membership in the existing
12 consolidated city-county fund.

13 (2) Funding to meet the requirements of this section is provided for in 19-18-503 and 19-18-504.

14

15 NEW SECTION. Section 4. Codification instruction. [Section 3] is intended to be codified as an
16 integral part of Title 19, chapter 18, part 1, and the provisions of Title 19, chapter 18, part 1, apply to
17 [section 3].

18

19 NEW SECTION. Section 5. Effective date. [This act] is effective July 1, 1997.

20

-END-

STATE OF MONTANA - FISCAL NOTE

Fiscal Note for SB0333, as introduced

DESCRIPTION OF PROPOSED LEGISLATION:

An act requiring a consolidated city-county to extend membership in its fire department relief association to volunteer firefighters of areas that were unincorporated areas prior to the city-county consolidation.

ASSUMPTIONS:

Department of Commerce/Local Government Assistance Division:

1. The two consolidated city-county governments do not currently have fire department relief associations.
2. Paid firefighters in the two consolidated city-county governments are members of the Firefighters Unified Retirement System.
3. The two consolidated city-county governments and local government entities that might opt for this form of government in the future will choose to form fire department relief associations.
4. The state auditor shall pay, out of the premium taxes on insurance risks, an amount equal to 1 1/4 mills on the total taxable value of the consolidated city-county government as mandated under 19-18-512, MCA.
5. The consolidated city-county shall levy an annual special tax of not less than 1 mill and not more than 4 mills until the amount in the fund reaches a level of 4% of the taxable valuation of the city-county as mandated under 19-18-504, MCA.

FISCAL IMPACT:

State Expenditures:

Expenditures by the state out of the insurance premium tax shall increase by the amount of 1 1/4 mills of the total taxable value of each city-county government that chooses to form a fire department relief association. It is not known at this time what impact the proposed legislation would have on the general fund.

State Revenues:

There will be no impact on revenues to the state.

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

City-county consolidated governments which choose to form fire department relief associations will receive revenue from the state in the amount of 1 1/4 mills of the total taxable value of the consolidated city-county. They shall also receive property tax revenues of 1 to 4 mills until the amount in the fund is equal to 4% of the taxable valuation of the consolidated city-county.

Expenditures of city-county governments which choose to form fire department relief associations will increase by an undetermined amount depending upon the level of service benefits that have to be paid to members.

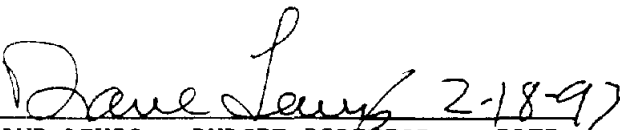
TECHNICAL NOTES:

Department of Commerce/Local Government Assistance Division

1. Title 15, Chapter 10, part 4, MCA, does not provide for an exemption from property tax limitations for fire department relief associations.

Will consolidated city-county governments which choose to form fire department relief associations be required to levy mills for their associations by reducing mills currently being levied for other purposes?

(Continued)


DAVE LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning


J.D. LYNCH, PRIMARY SPONSOR DATE

2. Section 19-18-504, MCA, which specifies the amount of special tax the consolidated city-county government must levy, bases the levy on "...the taxable valuation of the city or town..." while 19-18-512, MCA, which specifies the amount that the state will pay the associations, bases the amount on "...the total taxable value of the city or town..."

Section 1 (5) reads "Any reference to "municipality", "city", or "town" includes those jurisdictions that, prior to the effective date of a county-municipal consolidation, were incorporated municipalities or subsequent districts created for urban fire protection services and includes the areas that were unincorporated areas of a consolidated city-county prior to its consolidation."

Will the state payment and the mills levied be based on a taxable valuation which also includes the cities which have paid fire department employees who are already members of the Firefighters Unified Retirement System?