

1 State of Arkansas

Call Item 18

2 78th General Assembly

A Bill

3 First Extraordinary Session, 1992

HOUSE BILL 1032

4 By: Reps. Holland, Maddox, Hawkins, Wagner

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For An Act To Be Entitled

8

"AN ACT TO MAKE AN APPROPRIATION FOR THE DEPARTMENT OF

9

FINANCE AND ADMINISTRATION-DISBURSING OFFICER FOR

10

ADDITIONAL FUNDING OF ARKANSAS FIRE DEPARTMENTS FOR THE

11

BIENNIAL PERIOD ENDING JUNE 30, 1993; TO CREATE THE FIRE

12

PROTECTION PREMIUM TAX FUND, TO AMEND ARKANSAS CODE §§14-

13

284-403 ET SEQ. AND §26-57-614, TO AMEND ACT 897 OF 1991;

14

AND FOR OTHER PURPOSES."

15

16 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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18 SECTION 1. APPROPRIATIONS. There is hereby appropriated, to the

19 Department of Finance and Administration-Disbursing Officer, to be payable

20 from the Fire Protection Premium Tax Fund, for additional funding of Arkansas

21 fire departments as provided in Arkansas Code §26-57-614 and §§14-284-401 et

22 seq., for the biennial period ending June 30, 1993, the following:

23

24 ITEM

FISCAL YEARS

25 ~~NO.~~

~~1991-92~~

~~1992-93~~

26 (01) FIRE PROTECTION SERVICES, EQUIPMENT AND

27 CAPITAL OUTLAY

\$10,000,000

\$20,000,000

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29 SECTION 2. Arkansas Code 14-284-116(d) is amended to read as follows:

30 "(d) The board shall make no contract for the purchase of material or

31 equipment costing five hundred dollars (\$500) or more except upon sealed bids

32 opened in public, and it shall be the duty of the secretary of the district to

33 call on the telephone or notify in person not less than ten (10) property

34 holders, not less than forty-eight (48) hours or more than one (1) week before

35 the time of receiving the bids. The secretary shall also deliver to the daily

1 *papers in the county and at least one (1) weekly paper a news item notice of*
2 *intention to receive bids on certain equipment."*

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4 SECTION 3. FIRE PROTECTION PREMIUM TAX FUND. (a) There is hereby
5 created upon the books of the State Treasurer, State Auditor and Chief Fiscal
6 Officer of the State a special revenue fund to be known as the Fire Protection
7 Premium Tax Fund, which shall consist of insurance premium taxes for
8 additional fire protection services, equipment and capital outlay as provided
9 in Arkansas Code §26-57-614 and §§14-284-401 et seq.

10 (b) The Insurance Commissioner shall immediately deposit all monies
11 collected under the provisions of Arkansas Code §26-57-614 and §§14-284-401 et
12 seq. into the Revenue Holding Fund Account as provided in Arkansas Code
13 §19-5-204. On the last business day of each quarter, the Chief Fiscal Officer
14 of the State shall determine the amount of net special revenues to be
15 transferred to the Fire Protection Premium Tax Fund by the State Treasurer.
16 The Chief Fiscal Officer shall be the disbursing officer for the fund, and
17 shall distribute the monies as provided in Arkansas Code §26-57-614 and §§14-
18 284-401 et seq.

19 (c) The Insurance Commissioner shall disburse any refunds which may be
20 due insurance carriers from the Miscellaneous Revolving Fund after certifying
21 to the Chief Fiscal Officer the amount to be refunded. The Chief Fiscal
22 Officer shall direct that the certified amount be transferred from the Revenue
23 Holding Fund to the Miscellaneous Revolving Fund as provided in Arkansas Code
24 §19-5-106 (a) (3).

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26 SECTION 4. Arkansas Code §14-284-403 (a) (1) is hereby amended to read
27 as follows: "(a) (1) These premium tax moneys are assessed for disbursement
28 from the Fire Protection Premium Tax Fund by the Department of Finance and
29 Administration to the counties in the following percentages:

30 Arkansas County - 0.78%, Ashley County - 1.39%, Baxter County - 1.78%,
31 Benton County - 3.86%, Boone County - 1.46%, Bradley County - 0.52%, Calhoun
32 County - 0.51%, Carroll County - 0.97%, Chicot County - 0.51%, Clark County -
33 1.13%, Clay County - 1.10%, Cleburne County - 1.11%, Cleveland County - 0.66%,
34 Columbia County - 1.24%, Conway County - 1.04%, Craighead County - 2.91%,
35 Crawford County - 1.98%, Crittenden County - 1.32%, Cross County - 0.84%,
36 Dallas County - 0.45%, Desha County - 0.71%, Drew County - 0.80%, Faulkner

1 County - 2.30%, Franklin County - 0.97%, Fulton County - 0.84%, Garland County
 2 - 3.12%, Grant County - 1.13%, Greene County - 1.39%, Hempstead County -
 3 1.89%, Hot Spring County - 1.46%, Howard County - 0.75%, Independence County -
 4 1.90%, Izard County - 0.91%, Jackson County - 0.95%, Jefferson County - 2.32%,
 5 Johnson County - 1.05%, Lafayette County - 0.71%, Lawrence County - 0.96%, Lee
 6 County - 0.73%, Lincoln County - 1.12%, Little River County - 0.77%, Logan
 7 County - 1.06%, Lonoke County - 1.70%, Madison County - 0.95%, Marion County -
 8 1.00%, Miller County - 1.44%, Mississippi County - 1.77%, Monroe County -
 9 0.53%, Montgomery County - 0.66%, Nevada County - 0.58%, Newton County -
 10 0.67%, Ouachita County - 1.37%, Perry County - 0.62%, Phillips County - 1.12%,
 11 Pike County - 0.87%, Poinsett County - 1.14%, Polk County - 1.01%, Pope County
 12 - 1.73%, Prairie County - 0.83%, Pulaski County - 5.99%, Randolph County -
 13 0.96%, St. Francis County - 1.45%, Saline County - 3.00%, Scott County -
 14 0.59%, Searcy County - 0.73%, Sebastian County - 2.06%, Sevier County - 0.82%,
 15 Sharp County - 1.30%, Stone County - 0.77%, Union County - 2.01%, Van Buren
 16 County - 1.18%, Washington County - 3.46%, White County - 2.71%, Woodruff
 17 County - 0.47%, Yell County - 1.11%.

18 (2) (a) The moneys shall be apportioned by each quorum court to
 19 the districts and municipalities within the county based upon population
 20 unless the County Intergovernmental Cooperation Council notifies the quorum
 21 court of the fire protection needs of the districts and municipalities, in
 22 which case the moneys shall be apportioned by the quorum court based on those
 23 needs. Such funds shall be distributed to municipalities and those certified
 24 departments in districts which are in compliance with this subchapter and §§
 25 20-22-801 - 20-22-809. Fire departments which are not certified by the Office
 26 of Fire Protection Services pursuant to §§ 20-22-801 - 20-22-809 shall also be
 27 eligible to receive moneys disbursed under this section so long as all moneys
 28 *received or spent directly on equipment, training, capital improvements, or*
 29 *other expenditures necessary for upgrading the service provided by the*
 30 *department.*

31 (b) Disbursements shall be made on forms prescribed by the
 32 Department of Finance and Administration."

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34 SECTION 5. Arkansas Code §14-284-405 (a) is hereby amended to read as
 35 follows: "(a) No rural volunteer fire department or district shall receive

1 payments or disbursements from the Fire Protection Premium Tax Fund unless the
2 county quorum court and the board of commissioners of the fire protection
3 district designate the current county fire service coordinator or designate a
4 county fire service coordinator who shall be responsible for seeing that
5 standard guidelines established by the Arkansas Fire Protection Services Board
6 pursuant to §§20-22-801 et seq., are followed."

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8 SECTION 6. Arkansas Code 14-284-405 (c) (5) is hereby amended to read as
9 follows: "(5) Any rural fire department or district which fails to expend
10 funds in due compliance with the provisions of this subchapter shall not be
11 eligible for new or additional funds from the Fire Protection Premium Tax Fund
12 until the department or district reimburses the fund in the exact amount of
13 those moneys improperly retained or expended."

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15 SECTION 7. Arkansas Code §26-57-614 (b), (c), (d) and (e) is hereby
16 amended to read as follows: "(b) In addition to the premium taxes collected
17 from insurers under other provisions of Arkansas law, each authorized insurer
18 and each formerly authorized insurer shall pay to the Fire Protection Premium
19 Tax Fund a tax at the rate of one-half of one percent (0.5%) on net direct
20 written premiums for coverages upon real and personal property, including, but
21 not limited to, fire, allied lines, farm owner and home owner multiple peril,
22 vehicle physical damage, and vehicle collision, or any combination thereof.

23 (c) This tax shall be collected by the Insurance Commissioner from the
24 insurers at the same time and in the same manner as provided in the premium
25 tax sections of the laws of this state under §§26-57-601 et seq. and deposited
26 into the Fire Protection Premium Tax Fund.

27 (d) Assessments upon which this premium tax is based shall be made on
28 forms prescribed by the Arkansas Insurance Commissioner.

29 (e) Premium tax payments shall be made upon company checks payable to the
30 Fire Protection Premium Tax Fund."

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32 SECTION 8. Section 12 of Act 897 of 1991 is hereby amended to read as
33 follows: "SECTION 12. APPROPRIATIONS - REFUNDS OF OVERPAYMENTS. There is
34 hereby appropriated, to the State Insurance Department, to be payable from the
35 Miscellaneous Revolving Fund, for the payment of miscellaneous tax and fee

1 refunds by the State Insurance Department for the biennial period ending June
 2 30, 1993, the following:

3 ITEM	FISCAL YEARS	
4 <u>NO.</u>	1991-92	1992-93
5 (01) MISC TAX & FEE REFUNDS	<u>\$8,000,000</u>	<u>\$11,000,000"</u>

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 7 SECTION 9. COMPLIANCE WITH OTHER LAWS. Disbursement of funds
 8 authorized by this Act shall be limited to the appropriation for such agency
 9 and funds made available by law for the support of such appropriations; and
 10 the restrictions of the State Purchasing Law, the General Accounting and
 11 Budgetary Procedures Law, the Revenue Stabilization Law, the Regular Salary
 12 Procedures and Restrictions Act, or their successors, and other fiscal control
 13 laws of this State, where applicable, and regulations promulgated by the
 14 Department of Finance and Administration, as authorized by law, shall be
 15 strictly complied with in disbursement of said funds.

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 17 SECTION 10. LEGISLATIVE INTENT. It is the intent of the General
 18 Assembly that any funds disbursed under the authority of the appropriations
 19 contained in this Act shall be in compliance with the stated reasons for which
 20 this Act was adopted, as evidenced by the Agency Requests, Executive
 21 Recommendations and Legislative Recommendations contained in the budget
 22 manuals prepared by the Department of Finance and Administration, letters, or
 23 summarized oral testimony in the official minutes of the Arkansas Legislative
 24 Council or Joint Budget Committee which relate to its passage and adoption.

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 26 SECTION 11. CODE. All provisions of this Act of a general and
 27 permanent nature are amendatory to the Arkansas Code of 1987 Annotated and
 28 the Arkansas Code Revision Commission shall incorporate the same in the Code.

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 30 SECTION 12. SEVERABILITY. If any provision of this Act or the
 31 application thereof to any person or circumstance is held invalid, such
 32 invalidity shall not affect other provisions or applications of the Act which
 33 can be given effect without the invalid provision or application, and to this
 34 end the provisions of this Act are declared to be severable.

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As Amended 3/26/92

1 SECTION 13. GENERAL REPEALER. All laws and parts of laws in conflict
2 with this Act are hereby repealed.

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4 SECTION 14. EMERGENCY CLAUSE. It is hereby found and determined by the
5 Seventy-Eighth General Assembly, meeting in First Extraordinary Session, that
6 an appropriation to the Department of Finance and Administration is necessary
7 in order to disburse funds collected after January 1, 1992, under the
8 provisions of Arkansas Code §§14-284-401 et seq. and §26-57-614, and that the
9 creation of the Fire Protection Premium Tax Fund will allow those monies to be
10 disbursed for the provision of adequate fire protection services in the most
11 efficient manner. Therefore, an emergency is hereby declared to exist and
12 this Act being necessary for the immediate preservation of the public peace,
13 health and safety shall be in full force and effect from and after its passage
14 and approval.

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/s/J. Holland, et al

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