

Hall of the House of Representatives
83rd General Assembly - Regular Session, 2001
Amendment Form

Subtitle of House Bill No. 2617

"AN ACT CONCERNING THE APPORTIONMENT OF INSURANCE PREMIUM TAX
REVENUES FOR FIRE PROTECTION."

Amendment No. 1 to House Bill No. 2617.

Amend House Bill No. 2617 as originally introduced:

Page 1, line 11, add:

"TO AMEND ARKANSAS CODE 26-57-614 TO PROVIDE FOR FURTHER DISBURSEMENT OF
PREMIUM TAXES FOR FIRE PROTECTION;" between the semi colon and "AND"

AND

Delete Section 1 of the bill and substitute the following:

"SECTION 1. Arkansas Code 14-284-403 is amended to read as follows:
14-284-403. Apportionment of funds.

(a)(1) ~~These~~ An allocated portion of the premium tax moneys are
assessed for disbursement from the Fire Protection Premium Tax Fund by the
Department of Finance and Administration to the counties in the following
percentages:

Arkansas County - 0.78%, Ashley County - 1.39%, Baxter County - 1.78%,
Benton County - 3.86%, Boone County - 1.46%, Bradley County - 0.52%, Calhoun
County - 0.51%, Carroll County - 0.97%, Chicot County - 0.51%, Clark County -
1.13%, Clay County - 1.10%, Cleburne County - 1.11%, Cleveland County -
0.66%, Columbia County - 1.24%, Conway County - 1.04%, Craighead County -
2.91%, Crawford County - 1.98%, Crittenden County - 1.32%, Cross County -
0.84%, Dallas County - 0.45%, Desha County - 0.71%, Drew County - 0.80%,
Faulkner County - 2.30%, Franklin County - 0.97%, Fulton County - 0.84%,
Garland County - 3.12%, Grant County - 1.13%, Greene County - 1.39%,
Hempstead County - 1.89%, Hot Spring County - 1.46%, Howard County - 0.75%,
Independence County - 1.90%, IZARD County - 0.91%, Jackson County - 0.95%,
Jefferson County - 2.32%, Johnson County - 1.05%, Lafayette County - 0.71%,
Lawrence County - 0.96%, Lee County - 0.73%, Lincoln County - 1.12%, Little
River County - 0.77%, Logan County - 1.06%, Lonoke County - 1.70%, Madison
County - 0.95%, Marion County - 1.00%, Miller County - 1.44%, Mississippi
County - 1.77%, Monroe County - 0.53%, Montgomery County - 0.66%, Nevada
County - 0.58%, Newton County - 0.67%, Ouachita County - 1.37%, Perry County
- 0.62%, Phillips County - 1.12%, Pike County - 0.87%, Poinsett County -
1.14%, Polk County - 1.01%, Pope County - 1.73%, Prairie County - 0.83%,

Pulaski County - 5.99%, Randolph County - 0.96%, St. Francis County - 1.45%, Saline County - 3.00%, Scott County - 0.59%, Searcy County - 0.73%, Sebastian County - 2.06%, Sevier County - 0.82%, Sharp County - 1.30%, Stone County - 0.77%, Union County - 2.01%, Van Buren County - 1.18%, Washington County - 3.46%, White County - 2.71%, Woodruff County - 0.47%, Yell County - 1.11%.

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

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

(c)(1) Beginning July 1, 2003, a portion of the premium tax moneys allocated to the Rural and Small Town Fire Protection Fund shall be disbursed annually by the Department of Finance and Administration as follows:

(A) Five percent (5%) of the year ending balance shall be divided evenly among the ISO Class 6 rural and small town fire departments;

(B) Fifteen percent (15%) of the year ending balance shall be divided evenly among the ISO Class 7 rural and small town fire departments;

(C) Twenty-five percent (25%) of the year ending balance shall be divided evenly among the ISO Class 8 rural and small town fire departments;

(D) Fifty percent (50%) of the year ending balance shall be divided evenly among the ISO Class 9 rural and small town fire departments; and

(E) Five percent (5%) of the year ending balance shall be divided evenly among the ISO Class 10 rural and small town fire departments.

(2) Funds from the Rural and Small Town Fire Protection Fund shall be used for the same purposes as required under § 14-284-404.

(3) As used in this subsection (c), "rural and small town fire department" means any volunteer or other fire department which is certified by the Office of Fire Protection Services pursuant to §§ 20-22-801 - 20-22-809 and which serves a rural unincorporated area of a county or which serves an area including an incorporated town, or both.

SECTION 2. Arkansas Code 26-57-614 is amended to read as follows:
26-57-614. Fire protection services - Additional tax.

(a) It is hereby found and determined by the General Assembly of the State of Arkansas that additional funding is needed to improve the fire protection services in this state. It is further found and determined that the public policy of this state is to provide adequate fire protection services for property of citizens through the use of properly trained and equipped fire fighters, and that the provisions of this section and §§ 14-

284-401 - 14-284-409 are necessary in furtherance of the public health and safety.

(b) In addition to the premium taxes collected from insurers under other provisions of Arkansas law, each authorized insurer and each formerly authorized insurer shall pay to the Rural and Small Town Fire Protection Fund and Fire Protection Premium Tax Fund a tax at the rate of one-half of one percent (0.5%) on net direct written premiums for coverages upon real and personal property, including, but not limited to, fire, allied lines, farm owner and homeowner multiple peril, vehicle physical damage, and vehicle collision, or any combination thereof.

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

(1) Beginning July 1, 2002 and after, the Fire Protection Premium Tax Fund shall have deposited into the fund the premium tax levied by subsection (b) of this section until the amount equals the amount the fund received during the fiscal year ending June 30, 2001; and

(2) Beginning July 1, 2002 and after, the Rural and Small Town Fire Protection Fund shall have deposited into the fund the premium tax levied by the subsection (b) of this section that exceeds the amount the Fire Protection Premium Tax Fund received during the fiscal year ending June 30, 2001.

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

(e) Premium tax payments shall be made upon company checks payable to the Rural and Small Town Fire Protection Fund and the Fire Protection Premium Tax Fund.

(f) The provisions of this section and § 14-284-401 et seq. are intended to be supplemental to current provisions of Arkansas law, and shall not be construed as repealing or superseding any other laws applicable thereto.

The Amendment was read _____

By: Representative McMellon
EN/VJF
VVF165

Chief Clerk