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SENATE BILL NO. 230

Senate Amendments in [] — January 26, 2000

A BILL to amend and reenact § 38.2-401 of the Code of Virginia, relating to the Fire Programs Fund.

Patron—Watkins

Referred to Committee on Commerce and Labor

Be it enacted by the General Assembly of Virginia:**1. That § 38.2-401 of the Code of Virginia is amended and reenacted as follows:**

§ 38.2-401. Fire Programs Fund.

A. 1. There is hereby established in the state treasury a special nonreverting fund to be known as the Fire Programs Fund ~~which~~, hereinafter referred to as "the Fund." The Fund shall be administered by the Department of Fire Programs under policies and definitions established by the Virginia Fire Services Board. ~~The Fund, which includes grants noted herein, shall be created in the state treasury as a special nonreverting fund and shall be established on the books of the Comptroller. All moneys collected pursuant to the assessment made by the Commission pursuant to subdivision 2 of this subsection shall be paid into the state treasury and credited to the Fund. The Fund shall also consist of any moneys appropriated thereto by the General Assembly and any grants or other moneys received by the Virginia Fire Services Board or Department of Fire Programs for the purposes set forth in this section. Any moneys deposited to or remaining in such Fund during or at the end of each fiscal year or biennium, including interest thereon, shall not revert to the general fund but shall remain in the Fund. Moneys shall be deposited or transferred to the account as collected by the State Corporation Commission and as coordinated with the Department. Interest earned on all moneys in the Fund and interest earned on moneys held by the Commission pursuant to subdivision 2 of this subsection prior to the deposit of such moneys into the Fund, including interest earned on such moneys during any period when the Commission is reconciling payments from insurers, shall remain in or be deposited into the Fund, as the case may be, and be credited to it. Interest earned from the Fund Such interest shall be set aside to be used for fire service purposes as defined by in accordance with policies developed by the Virginia Fire Services Board. The Fund shall consist of any moneys appropriated for this purpose by the General Assembly and any other moneys received for such purpose by the Board or Department. Notwithstanding any other provision of law to the contrary, policies established by the Virginia Fire Services Board for the administration of the Fund, and any grants provided from the Fund, that are not inconsistent with the purposes set out in this section shall be binding upon any locality that accepts such funds or related grants. The Commission shall be reimbursed from the Fund for all expenses necessary for the administration of this section. The balance of moneys in the Fund shall be allocated periodically as provided in this section. Expenditures and disbursements from the Fund shall be made by the State Treasurer on warrants issued by the Comptroller upon written request signed by the Executive Director of the Department of Fire Programs or his designee.~~

In order to maintain the Fund, the 2. The Commission shall annually assess against all licensed insurance companies doing business in this Commonwealth by writing any type of insurance as defined in §§ 38.2-110, 38.2-111, 38.2-126, 38.2-130 and 38.2-131 and those combination policies as defined in § 38.2-1921 that contain insurance as defined in §§ 38.2-110, 38.2-111 and 38.2-126, an assessment in the amount of one percent of the total direct gross premium income for such insurance. Such assessment shall be apportioned, assessed and paid as prescribed by § 38.2-403. In any year in which a company has no direct gross premium income or in which its direct gross premium income is insufficient to produce at the rate of assessment prescribed by law an amount equal to or in excess of \$100, there shall be so apportioned and assessed against such company a contribution of \$100. ~~The Commission shall be reimbursed from the Fund for all expenses necessary for the administration of this section.~~

B. After reserving funds for the ~~grants noted herein~~ Fire Services Grant [~~Fund Program Program and Dry Fire Hydrant Grant Program~~] pursuant to subsection D, seventy-five percent of the remaining amount collected annually pursuant to this section ~~moneys available for allocation from the~~ Fund shall be allocated to the several counties, cities and towns of the Commonwealth providing fire service operations to be used for the improvement of volunteer and career fire services in each of the receiving localities. Funds allocated to the counties, cities and towns pursuant to this subsection shall not be used directly or indirectly to supplant or replace any other funds appropriated by the counties, cities and towns for fire service operations. Such funds shall be used solely for the purposes of training volunteer or career firefighting personnel in each of the receiving localities; funding fire prevention and public safety education programs; constructing, improving and expanding regional or local fire service

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SB230E

60 training facilities; or for purchasing personal protective equipment, vehicles, equipment and supplies for
61 use in the receiving locality specifically for fire service purposes. Notwithstanding any other provision of
62 the Code, when localities use such funds to construct, improve or expand fire service training facilities,
63 fire-related training provided at such training facilities shall be by instructors certified or approved
64 according to policies developed by ~~the Department of Fire Programs and approved by~~ the Virginia Fire
65 Services Board. Distribution of this seventy-five percent of the Fund shall be made on the basis of
66 population as provided for in §§ 4.1-116 and 4.1-117; however, no county or city eligible for such funds
67 shall receive less than \$10,000, nor eligible town less than \$4,000. In order to remain eligible for such
68 funds, each receiving locality shall report annually to the Department on the use of the funds allocated
69 to it for the previous year and shall provide a completed Fire Programs Fund Disbursement Agreement
70 form. Each receiving locality shall be responsible for certifying the proper use of the funds. If, at the
71 end of any annual reporting period, a satisfactory report and a completed agreement form have not been
72 submitted by a receiving locality, any funds due to that locality for the next year shall be retained until
73 said documents are submitted to the Department.

74 C. The remainder of ~~this~~ *the moneys available for allocation from the* Fund shall be used for the
75 purposes of ~~underwriting the costs of the operation of carrying out the powers and duties assigned to~~
76 the Department of Fire Programs *under Chapter 25 (§ 9-153 et seq.) of Title 9*, which shall include
77 providing funded training and administrative support services for non-funded training to localities.

78 D. The Fire Services Grant [~~Fund~~] Program is hereby established and will be used as grants to
79 provide regional fire services training facilities, to finance the Virginia Fire Incident Reporting System
80 and to build or repair burn buildings as determined by the Virginia Fire Services Board. Beginning
81 January 1, 1996, one million dollars from the assessments made pursuant to this section shall be
82 distributed each year for the Fire Services Grant [~~Fund Program~~] to be used as herein provided, and
83 \$100,000 shall be distributed annually for continuing the statewide Dry Fire Hydrant Grant Program. All
84 grants provided from [~~this Fund these programs~~] shall be administered by the Department according to
85 the policies ~~and procedures~~ established by the Virginia Fire Services Board.

86 E. Moneys in the Fund shall not be diverted or expended for any purpose not authorized by this
87 section.