

1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend and reenact § 38.2-401 of the Code of Virginia, relating to the Fire Services Grant*
3 *Program; expenditure of funds.*

4
5 Approved

[H 704]

6 **Be it enacted by the General Assembly of Virginia:**

7 **1. That § 38.2-401 of the Code of Virginia is amended and reenacted as follows:**

8 § 38.2-401. Fire Programs Fund.

9 A. 1. There is hereby established in the state treasury a special nonreverting fund to be known as the
10 Fire Programs Fund, hereinafter referred to as "the Fund." The Fund shall be administered by the
11 Department of Fire Programs under policies and definitions established by the Virginia Fire Services
12 Board. All moneys collected pursuant to the assessment made by the Commission pursuant to
13 subdivision 2 of this subsection shall be paid into the state treasury and credited to the Fund. The Fund
14 shall also consist of any moneys appropriated thereto by the General Assembly and any grants or other
15 moneys received by the Virginia Fire Services Board or Department of Fire Programs for the purposes
16 set forth in this section. Any moneys deposited to or remaining in such Fund during or at the end of
17 each fiscal year or biennium, including interest thereon, shall not revert to the general fund but shall
18 remain in the Fund. Interest earned on all moneys in the Fund and interest earned on moneys held by
19 the Commission pursuant to subdivision 2 of this subsection prior to the deposit of such moneys into the
20 Fund, including interest earned on such moneys during any period when the Commission is reconciling
21 payments from insurers, shall remain in or be deposited into the Fund, as the case may be, and be
22 credited to it. Such interest shall be set aside for fire service purposes in accordance with policies
23 developed by the Virginia Fire Services Board. Notwithstanding any other provision of law to the
24 contrary, policies established by the Virginia Fire Services Board for the administration of the Fund, and
25 any grants provided from the Fund, that are not inconsistent with the purposes set out in this section
26 shall be binding upon any locality that accepts such funds or related grants. The Commission shall be
27 reimbursed from the Fund for all expenses necessary for the administration of this section. The balance
28 of moneys in the Fund shall be allocated periodically as provided in this section. Expenditures and
29 disbursements from the Fund shall be made by the State Treasurer on warrants issued by the
30 Comptroller upon written request signed by the Executive Director of the Department of Fire Programs
31 or his designee.

32 2. The Commission shall annually assess against all licensed insurance companies doing business in
33 this Commonwealth by writing any type of insurance as defined in §§ 38.2-110, 38.2-111, 38.2-126,
34 38.2-130 and 38.2-131 and those combination policies as defined in § 38.2-1921 that contain insurance
35 as defined in §§ 38.2-110, 38.2-111 and 38.2-126, an assessment in the amount of one percent of the
36 total direct gross premium income for such insurance. Such assessment shall be apportioned, assessed
37 and paid as prescribed by § 38.2-403. In any year in which a company has no direct gross premium
38 income or in which its direct gross premium income is insufficient to produce at the rate of assessment
39 prescribed by law an amount equal to or in excess of \$100, there shall be so apportioned and assessed
40 against such company a contribution of \$100.

41 B. After reserving funds for the Fire Services Grant Program and Dry Fire Hydrant Grant Program
42 pursuant to subsection D, seventy-five percent of the remaining moneys available for allocation from the
43 Fund shall be allocated to the several counties, cities and towns of the Commonwealth providing fire
44 service operations to be used for the improvement of volunteer and career fire services in each of the
45 receiving localities. Funds allocated to the counties, cities and towns pursuant to this subsection shall not
46 be used directly or indirectly to supplant or replace any other funds appropriated by the counties, cities
47 and towns for fire service operations. Such funds shall be used solely for the purposes of training
48 volunteer or career firefighting personnel in each of the receiving localities; funding fire prevention and
49 public safety education programs; constructing, improving and expanding regional or local fire service
50 training facilities; purchasing emergency medical care and equipment for fire personnel; payment of
51 personnel costs related to fire and medical training for fire personnel; or for purchasing personal
52 protective equipment, vehicles, equipment and supplies for use in the receiving locality specifically for
53 fire service purposes. Notwithstanding any other provision of the Code, when localities use such funds
54 to construct, improve or expand fire service training facilities, fire-related training provided at such
55 training facilities shall be by instructors certified or approved according to policies developed by the
56 Virginia Fire Services Board. Distribution of this seventy-five percent of the Fund shall be made on the

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57 basis of population as provided for in §§ 4.1-116 and 4.1-117; however, no county or city eligible for
58 such funds shall receive less than \$10,000, nor eligible town less than \$4,000. In order to remain
59 eligible for such funds, each receiving locality shall report annually to the Department on the use of the
60 funds allocated to it for the previous year and shall provide a completed Fire Programs Fund
61 Disbursement Agreement form. Each receiving locality shall be responsible for certifying the proper use
62 of the funds. If, at the end of any annual reporting period, a satisfactory report and a completed
63 agreement form have not been submitted by a receiving locality, any funds due to that locality for the
64 next year shall not be retained. Such funds shall be added to the seventy-five percent of the Fund
65 allocated to the counties, cities, and towns of the Commonwealth for improvement of fire services in
66 localities.

67 C. The remainder of the moneys available for allocation from the Fund shall be used for the
68 purposes of carrying out the powers and duties assigned to the Department of Fire Programs under
69 Chapter 2 (§ 9.1-200) of Title 9.1, which shall include providing funded training and administrative
70 support services for nonfunded training to localities.

71 D. The Fire Services Grant Program is hereby established and will be used as grants to provide
72 regional fire services training facilities, to finance the Virginia Fire Incident Reporting System and to
73 build or repair burn buildings as determined by the Virginia Fire Services Board. Beginning January 1,
74 1996, one million dollars from the assessments made pursuant to this section shall be distributed each
75 year for the Fire Services Grant Program to be used as herein provided, and \$100,000 shall be
76 distributed annually for continuing the statewide Dry Fire Hydrant Grant Program. *Moneys allocated*
77 *pursuant to this subsection shall be used for the purposes stated in this subsection, and for no other*
78 *purpose.* All grants provided from these programs shall be administered by the Department according to
79 the policies established by the Virginia Fire Services Board.

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