

STATE OF OKLAHOMA

2nd Session of the 47th Legislature (2000)

SENATE BILL 1367

By: Wilkerson

AS INTRODUCED

An Act relating to fire protection; amending 19 O.S. 1991, Section 901.56, as amended by Section 1, Chapter 44, O.S.L. 1992 (19 O.S. Supp. 1999, Section 901.56), which relates to the Rural Fire Protection Program; requiring separate accounting for specified funds; providing for allocation of funds for specific purpose; assessing annual fee on property insurance policies issued or renewed; requiring payment of fees and filing of returns; specifying contents of returns and requiring signing; providing for disposition of monies; providing for penalties and interest; providing for debarment of insurer and revocation of authority of agents; authorizing adoption of rules; amending 36 O.S. 1991, Section 626, which relates to duty of Attorney General to collect certain fees; providing for proceedings for collection of unpaid monies; providing for codification; providing an effective date; and declaring an emergency.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 19 O.S. 1991, Section 901.56, as amended by Section 1, Chapter 44, O.S.L. 1992 (19 O.S. Supp. 1999, Section 901.56), is amended to read as follows:

Section 901.56 A. The provisions of this section shall become effective when funds are made available for such purpose. Upon the availability of such funds, the State Department of Agriculture shall notify the coordinator of such available funds.

B. For the purposes of this section "coordinator" means the rural fire coordinator in each rural fire protection coordination district as defined in Section 901.61 of this title.

C. Upon notification of the State Department of Agriculture pursuant to subsection A of this section on or before the last day of June of each year that funds are available ~~for such purpose~~, the

district coordinators shall consider and determine the relative needs of participants for monies in the Rural Fire Protection Program Fund. Participants shall include incorporated cities under ten thousand (10,000) population according to the latest Federal Decennial Census, towns, and legally formed rural fire departments. Based upon the information available ~~to him~~, the coordinator shall certify to the Commissioner of Agriculture the names of the incorporated cities, towns, and legally formed rural fire departments which ~~he~~ the Commissioner determines are in need of financial assistance from the Rural Fire Protection Program and the amount required by each in accordance with the provisions of this section. In making this determination and certification, the coordinator shall consider the intent and purpose of the Rural Fire Protection Program Fund Act. No incorporated city, town or legally formed rural fire department shall receive monies distributed from the Rural Fire Protection Program Fund merely for the purpose of accumulation when such monies are not required to accomplish the purposes of this section.

D. In making ~~such a~~ a determination of needs, the coordinator shall first determine that each fire department to be certified has been duly formed under the appropriate state statutes.

E. On or before the last day of August of each year, the State Department of Agriculture shall distribute the monies in the Rural Fire Protection Program Fund in the manner provided by law.

F. Any amount so distributed from the Rural Fire Protection Program Fund to any eligible participant shall be expended only for the maintenance of its fire department, the purchase, construction, maintenance, repair and operation of its fire stations, fire apparatus and equipment, the purchase, rental, installation or maintenance of fire hydrants, the payment of insurance premiums upon fire stations, fire apparatus and equipment, and insurance premiums for injuries or death of fire fighters, as otherwise provided by

law. Provided, however, that no monies shall be expended from the fund for any purpose relating to the water supply systems of any participant, nor for the improvement or construction of such systems nor for any other appurtenances relating to the distribution or use of such water supply system. Monies so distributed from the Rural Fire Protection Program Fund to any eligible participant may also be expended, in an amount not to exceed ten percent (10%) of the allocated funds or the sum of One Thousand Dollars (\$1,000.00) in the aggregate during any period of one (1) year, whichever is larger, for the expense of any fire fighters attending a certified fire school.

G. No amount so distributed from the Rural Fire Protection Program Fund to any eligible participant shall be expended or obligated for the purchase of land or the construction of buildings for fire stations unless all obligations previously incurred for such purposes and to be paid from monies distributed from the Rural Fire Protection Program Fund by such eligible participant have been fully paid and satisfied. No monies from the fund shall be expended or obligated for the construction of buildings for fire stations unless the participant proposing to expend or obligate monies distributed from the Rural Fire Protection Program Fund for that purpose holds fee simple title, not encumbered by any lien, or holds a lease for a period of not less than ten (10) years, with provisions for renewal of the lease annually, to the land on which it proposes to construct any such building. Provided, however, that this provision shall not prohibit construction or location of a fire station on land donated in whole or part to the participant for the purpose, and use of Rural Fire Protection Program Fund monies for such construction or location, where the donor has reserved any right or ~~reversion of~~ reversionary interest in such land under stated conditions, if such use be appropriate and reasonable.

H. Amounts so distributed from the Rural Fire Protection Program Fund to any eligible participant shall be expended under the direction of the chief of the fire department upon duly executed vouchers approved as required by law. In no event shall any such monies ~~to~~ be expended for any purpose which does not relate to the permitted purposes specifically stated in this section.

I. The Commissioner shall separately account for funds received pursuant to Section 2 of this act. Those funds shall be allocated pursuant to the provisions of this section, but shall only be used to pay premiums for workers' compensation insurance covering firefighters.

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 624.2 of Title 36, unless there is created a duplication in numbering, reads as follows:

A. There is hereby assessed as a condition for doing business in this state on every fire insurance policy issued or renewed in this state an annual fee of Two Dollars (\$2.00) which shall be paid by the insurer issuing the policy.

B. The fees assessed in subsection A of this section shall be paid to the Insurance Commissioner by the last day of the month following the month in which the policy is issued. Payments shall be accompanied by a return indicating the number of policies issued by line of insurance in the month covered by the return. Returns shall be signed under oath by the president, secretary, or other chief officer of the insurer and shall contain such other information required by the Commissioner.

C. The Commissioner shall deposit fees and interest on unpaid fees collected pursuant to this section in the Rural Fire Protection Program Fund created by Section 901.56 of Title 19 of the Oklahoma Statutes. The Commissioner shall deposit penalties collected pursuant to this section in the Insurance Commissioner Revolving Fund.

D. Any insurer which fails or refuses to pay the fee assessed in subsection A of this section when due or fails or refuses to file the return required by subsection B of this section when due shall:

1. Pay a late fee of Two Hundred Dollars (\$200.00);

2. If the amount due remains unpaid for more than thirty (30) days after it is due, pay interest on the amount past due at an annual rate equal to the average United States Treasury Bill rate of the preceding calendar year as certified by the State Treasurer on the first regular business day in January of each year, plus four percentage points; and

3. If the amount due remains unpaid for more than sixty (60) days after it is due, be debarred from transacting any insurance business in this state until fees, penalty, and interest are paid in full. The Commissioner shall also revoke the license or certificate of authority granted to the insurer's agents.

E. The Insurance Commissioner shall prescribe appropriate forms and rules to implement this section pursuant to the Administrative Procedures Act.

SECTION 3. AMENDATORY 36 O.S. 1991, Section 626, is amended to read as follows:

Section 626. If any entity ~~such as is~~ referred to in this article fails to pay the annual premium tax levied by Section 624 of this ~~Code~~ title or the fee imposed by Section 2 of this act, it shall be the duty of the Attorney General to institute proceedings in the name of the State of Oklahoma on the relation of the Insurance Commissioner in a court of competent jurisdiction to collect ~~said~~ the amount due together with any penalty or interest due.

SECTION 4. This act shall become effective July 1, 2000.

SECTION 5. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby

declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

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