

1 **SENATE FLOOR VERSION**

February 25, 2015

2 **AS AMENDED**

3 SENATE BILL NO. 564

By: Smalley of the Senate

4 and

5 Biggs of the House

6
7
8 **[fire protection - Rural Fire Protection Program**
Fund Act - financial assistance - population limit -
9 **electronic transfer - effective date]**

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

13 SECTION 1. AMENDATORY 19 O.S. 2011, Section 901.56, is
14 amended to read as follows:

15 Section 901.56 A. The provisions of this section shall become
16 effective when funds are made available ~~for such purpose to the~~
17 Rural Fire Protection Program Fund for distribution of financial
18 assistance to eligible participants as defined by the section. ~~Upon~~
19 ~~the availability of such funds, the State~~ The Oklahoma Department of
20 Agriculture, Food, and Forestry shall notify ~~the coordinator of such~~
21 ~~available funds~~ coordinators when financial assistance is available.

22 B. For the purposes of this section "coordinator" ~~means~~ shall
23 mean the rural fire coordinator in each rural fire protection
24 coordination district as defined in Section 901.61 of this title.

1 C. Upon notification of the ~~State Department of Agriculture~~
2 that financial assistance is available pursuant to subsection A of
3 this section ~~on or before the last day of June of each year that~~
4 ~~funds are available for such purpose, the district coordinators~~
5 shall ~~consider and~~ determine the relative needs of participants for
6 ~~monies in the Rural Fire Protection Program Fund,~~ financial
7 assistance. Participants Coordinators shall examine each
8 participant applying for financial assistance and certify that
9 eligible participants include only incorporated cities under ten
10 thousand (10,000) population according to the latest Federal
11 Decennial Census, towns, and ~~legally formed~~ rural fire departments
12 formed legally and maintained under applicable state law. ~~Based~~
13 ~~upon the information available to him~~ On or before the last day of
14 June during a year in which financial assistance is available, the
15 coordinator shall certify to the Commissioner of Agriculture the
16 names of ~~the incorporated cities, towns, and legally formed rural~~
17 ~~fire departments~~ participants which he determines are in need of and
18 eligible for financial assistance ~~from the Rural Fire Protection~~
19 ~~Program,~~ and the amount of financial assistance required by each in
20 accordance with the provisions of this section. ~~In making this~~
21 ~~determination and certification, the coordinator shall consider the~~
22 ~~intent and purpose of the Rural Fire Protection Program Fund Act.~~
23 ~~No incorporated city, town or legally formed rural fire department~~
24 ~~shall receive monies distributed from the Rural Fire Protection~~

1 ~~Program Fund merely for the purpose of accumulation when such monies~~
2 ~~are not required to accomplish the purposes of this section.~~

3 D. ~~In making such determination of needs, the coordinator~~ No
4 participant shall ~~first determine that each fire department to be~~
5 ~~certified has been duly formed under the appropriate state statutes~~
6 receive financial assistance merely for the purpose of accumulation.
7 Any financial assistance not expended by the participant on or
8 before the last day of April following the grant of financial
9 assistance shall be returned to the Department for redistribution to
10 other participants in need of financial assistance.

11 E. On or before the last day of August of each year financial
12 assistance is available, the ~~State Department of Agriculture~~ shall
13 ~~distribute the monies in the Rural Fire Protection Program Fund~~
14 financial assistance in the manner provided by ~~law~~ this section.

15 F. Any ~~amount so~~ financial assistance distributed ~~from the~~
16 ~~Rural Fire Protection Program Fund~~ to any eligible participant shall
17 be expended only for ~~the maintenance of its fire department, the:~~

18 1. The purchase, construction, maintenance, repair and
19 operation of its fire stations;

20 2. The purchase, maintenance, and repair of fire apparatus and
21 equipment;

22 3. The purchase, rental, installation, or maintenance of fire
23 hydrants;

1 4. The payment of insurance premiums upon fire stations, fire
2 apparatus, and equipment, and

3 5. The payment of insurance premiums for injuries or death of
4 ~~fire fighters, as otherwise provided by law~~ firefighters.

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

16 G. No ~~amount so distributed from the Rural Fire Protection~~
17 ~~Program Fund to any eligible participant~~ financial assistance shall
18 be expended or obligated for the purchase of land or the
19 construction of buildings for fire stations unless all previous
20 debts or obligations ~~previously incurred~~ for such purposes ~~and to be~~
21 ~~paid from monies distributed from the Rural Fire Protection Program~~
22 ~~Fund by such eligible participant~~ have been fully paid and
23 satisfied. No ~~monies from the fund~~ financial assistance shall be
24 expended or obligated for the construction of buildings for fire

1 stations unless the participant proposing to expend or obligate
2 ~~monies distributed from the Rural Fire Protection Program Fund~~
3 financial assistance for that purpose holds fee simple title, not
4 encumbered by any lien, or holds a lease for a period of not less
5 than ten (10) years, with provisions for renewal of the lease
6 annually, to the land on which it proposes to construct any such
7 building. Provided, however, that this provision shall not prohibit
8 construction or location of a fire station on land donated in whole
9 or part to the participant for the purpose, and use of ~~Rural Fire~~
10 ~~Protection Program Fund monies~~ financial assistance for such
11 construction or location, where the donor has reserved right or
12 reversion of such land under stated conditions, if such use be
13 appropriate and reasonable.

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

22 I. Financial assistance shall be distributed from the
23 Department to participants by electronic transfer of funds as
24 required by state law.

1 SECTION 2. AMENDATORY 19 O.S. 2011, Section 901.57, is
2 amended to read as follows:

3 Section 901.57 A. When funds are made available for such
4 purpose, the ~~State~~ Oklahoma Department of Agriculture, Food, and
5 Forestry shall administer matching grants ~~from any monies which may~~
6 ~~be available~~ for the purpose of ~~the improvement of~~ improving fire
7 protection in rural areas of the State of Oklahoma, ~~to the end that~~
8 mitigating the hazard of loss by fire ~~and,~~ reducing fire insurance
9 rates ~~may be reduced,~~ and ~~the~~ promoting public safety ~~thereby~~
10 ~~promoted.~~ ~~Any such monies shall be distributed in the manner~~
11 ~~provided by law.~~

12 B. The ~~State~~ Department ~~of Agriculture is authorized to~~ shall
13 allocate ~~such monies~~ funds obtained pursuant to subsection A of this
14 section to eligible ~~entities~~ participants on a matching basis and
15 such matching requirements may be fulfilled by either in cash or in-
16 kind contributions from the participant. Eligible participants
17 include only incorporated cities under ten thousand (10,000)
18 population according to the latest Federal Decennial Census, towns,
19 and rural fire departments formed legally and maintained under
20 applicable state law. In addition, the ~~State~~ Department ~~of~~
21 ~~Agriculture~~ is authorized to establish preferential matching
22 requirements for eligible ~~entities~~ participants which have Insurance
23 Service Organization rates of ten (10) or ~~which~~ have other critical
24 circumstances and needs which ~~are determined by the State Department~~

1 ~~of Agriculture to~~ justify preferential matching requirements as
2 determined by the Department.

3 C. For the purposes of this section "coordinator" shall mean
4 the rural fire coordinator in each rural fire protection
5 coordination district as defined in Section 901.61 of this title.

6 D. 1. The ~~State Department of Agriculture shall in writing~~
7 ~~notify the rural fire protection coordination districts~~ coordinator
8 of any available grant monies by August 1st of each year.

9 2. Each ~~rural fire protection coordination district~~ coordinator
10 desiring to obtain ~~such grant monies for~~ matching grants for
11 eligible participants and the improvement of fire protection within
12 ~~such a rural fire protection coordination~~ district shall submit ~~such~~
13 a request to the Department, in such the form and ~~in such~~ manner as
14 required by the Department, by September 1~~7~~ of each year.

15 3. The Forestry Services Division of the Department shall
16 submit the final list of ~~grantees~~ eligible participants and ~~their~~
17 approved amounts ~~prior of~~ matching grants to the ~~October meeting of~~
18 the State Board of Agriculture for consideration prior to October 1
19 of each year.

20 4. By October 1 of each year, the Department shall ~~make a~~
21 ~~determination on~~ approve the allocation of ~~such monies~~ matching
22 grants to the ~~rural fire protection coordination districts~~
23 participants.

1 5. Upon approval by the State Board of Agriculture, the
2 Forestry Services Division shall distribute the prescribed forms
3 ~~required by law awarding matching grants~~ to all ~~grantees to certify~~
4 participants for the purpose of certifying the grant. The
5 prescribed form ~~must~~ shall be signed by the ~~grantee~~ participant and
6 returned to the Forestry Services Division before the matching grant
7 ~~becomes official~~ is awarded.

8 6. Expenditures made by the participant prior to the date of
9 the matching grant award shall not be ~~considered~~ eligible for
10 reimbursement.

11 7. ~~Fire departments~~ Participants shall submit copies of paid
12 invoices, canceled checks, or other proof of purchase, attached to
13 the prescribed form when requesting reimbursement from the
14 Department. No more than three (3) partial payment requests ~~are~~
15 from a participant shall be permitted.

16 8. ~~Fire departments~~ Participants shall keep complete and
17 accurate records of grant expenditures and make this information
18 available to the Forestry Services Division or the ~~coordinators~~
19 assigned coordinator on request.

20 9. ~~Approved claims shall be submitted by the Forestry Division~~
21 ~~for payment. Checks shall be sent promptly to the fire department's~~
22 ~~contact person when received~~ Upon receipt and approval of the
23 prescribed form requesting reimbursement and supporting
24

1 documentation from participants, the Forestry Services Division
2 shall electronically transfer matching grant funds to participants.

3 10. ~~The coordinators~~ Each coordinator shall ~~closely~~ track the
4 progress of all ~~grantees~~ participants in the ~~assigned district~~ to
5 ~~assure their~~ ensure the completion by June 30. As of April 1, each
6 coordinator shall make an assessment ~~shall be made~~ to determine the
7 amount of matching grant funds which remain unobligated in each
8 rural fire protection coordination district, and therefore available
9 to make additional matching grants within that district. ~~The~~
10 ~~coordinators~~ Each coordinator shall use the original prioritized
11 list of matching grant applications to make additional matching
12 grants, and submit a list of additional ~~grantees~~ participants and
13 amounts to the Forestry Services Division for processing through the
14 ~~April~~ earliest available meeting of the State Board of Agriculture
15 for approval. ~~These~~ Additional matching grants are still subject to
16 the June 30 cutoff for obligating grant funds. The same procedures
17 ~~will~~ shall be used as for the first round of matching grants.

18 11. Follow-up compliance audits shall be performed by ~~the~~
19 ~~coordinators~~ each coordinator and the Forestry Services Division ~~of~~
20 ~~the State Department of Agriculture. Fire departments are required~~
21 ~~to cooperate.~~ Participants shall fully cooperate during the audit.

22 D. ~~In determining the amount of grant monies to be awarded to a~~

23 E. Each rural fire protection coordination district ~~pursuant to~~
24 ~~the provisions of this section, such district~~ shall be eligible to

1 receive ~~an~~ a funding amount resulting from computing the number of
2 fire departments with service area populations of less than ten
3 thousand (10,000) persons ~~in a~~ within the rural fire protection
4 coordination district divided by the total number of fire
5 departments with service area populations of less than ten thousand
6 (10,000) persons ~~in this state~~ within the State of Oklahoma
7 multiplied by the total amount of the matching grant monies
8 available to rural fire protection coordination districts ~~in the~~
9 ~~state.~~

10 ~~E. F.~~ F. In addition to any other criteria established by the
11 ~~State Department of Agriculture for receipt~~ distribution of matching
12 ~~grant monies for~~ funds to rural fire protection coordination
13 districts, the ~~State Department of Agriculture,~~ pursuant to the
14 Administrative Procedures Act, Article I, Sections 250.3 through
15 308.2 and Article II, Sections 309 through 323 of Title 75 of the
16 Oklahoma Statutes, shall establish criteria to rate and prioritize
17 applications for ~~funding such requests of the~~ matching grants within
18 rural fire protection coordination districts. Such criteria shall
19 include, but not be limited to, consideration for: number of
20 residents, businesses and square miles to be protected; fire runs
21 per calendar year; annual sales and property tax collection; use of
22 volunteers; written fire plan or standard operating procedures plan;
23 fundraising; training; compliance with legal requirements; and
24 workers' compensation and vehicle liability insurance coverage.

1 SECTION 3. AMENDATORY 19 O.S. 2011, Section 901.58, as
2 amended by Section 72, Chapter 304, O.S.L. 2012 (19 O.S. Supp. 2014,
3 Section 901.58), is amended to read as follows:

4 Section 901.58 There is hereby created in the State Treasury a
5 revolving fund for the ~~State~~ Oklahoma Department of Agriculture, Food, and Forestry,
6 to be designated the "Rural Fire Defense
7 Equipment Revolving Fund". The fund shall be a continuing fund, not
8 subject to fiscal year limitations, and shall consist of all monies
9 received by the State Department of Agriculture from any monies
10 received from appropriations, deposits made pursuant to the
11 provisions of this act, proceeds resulting from the sale of
12 equipment purchased out of monies in the fund, and such other monies
13 specifically designated by law. All monies accruing to the credit
14 of said fund are hereby appropriated and may be budgeted and
15 expended by the Oklahoma Department of Agriculture, Food, and
16 Forestry for the purpose of purchasing new firefighting equipment
17 for purchase by rural fire departments and such other purposes
18 specifically designated by law. Expenditures from said fund shall
19 be made upon warrants issued by the State Treasurer against claims
20 filed as prescribed by law with the Director of the Office of
21 Management and Enterprise Services for approval and payment.

22 SECTION 4. AMENDATORY 19 O.S. 2011, Section 901.59, is
23 amended to read as follows:
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1 Section 901.59 A. The ~~State~~ Oklahoma Department of
2 Agriculture, Food, and Forestry is hereby authorized to use the
3 Rural Fire Defense Equipment Revolving Fund to purchase new
4 firefighting equipment for purchase by rural fire departments.

5 B. The ~~State~~ Oklahoma Department of Agriculture, Food, and
6 Forestry is hereby authorized to acquire space for storing
7 firefighting equipment while not in possession of a fire department
8 and to pay the necessary costs thereof from the Rural Fire Defense
9 Equipment Revolving Fund as funds become available.

10 SECTION 5. AMENDATORY 19 O.S. 2011, Section 901.60, is
11 amended to read as follows:

12 Section 901.60 A. The ~~State~~ Oklahoma Department of
13 Agriculture, Food, and Forestry is authorized to sell firefighting
14 equipment to rural fire departments cooperating with the ~~State~~
15 Oklahoma Department of Agriculture, Food, and Forestry in fire
16 control under the terms of written cooperative agreements.

17 B. All proceeds derived from the sale of firefighting equipment
18 by the ~~State~~ Oklahoma Department of Agriculture, Food, and Forestry
19 pursuant to the provisions of this act shall be deposited with the
20 State Treasurer to be credited to the Rural Fire Defense Equipment
21 Revolving Fund.

22 C. The ~~State~~ Oklahoma Department of Agriculture, Food, and
23 Forestry shall promulgate such rules and regulations pursuant to the
24 Administrative Procedures Act and is authorized to require from the

1 rural fire departments such information, forms and reports as are
2 necessary for properly and efficiently administering this section
3 and Section 4 of this act.

4 SECTION 6. AMENDATORY 19 O.S. 2011, Section 901.61, as
5 amended by Section 1, Chapter 29, O.S.L. 2013 (19 O.S. Supp. 2014,
6 Section 901.61), is amended to read as follows:

7 Section 901.61 A. The ~~State~~ Oklahoma Department of
8 Agriculture, Food, and Forestry is hereby directed to administer a
9 rural fire protection program and is hereby authorized to acquire
10 federal excess property for the support and operation of rural fire
11 departments and rural fire protection coordination districts.

12 B. For the purpose of coordination of improved rural fire
13 protection, rural fire protection coordination districts are hereby
14 created to consist of the following counties:

15 District 1, composed of Washington, Nowata, Craig, Ottawa,
16 Mayes, Delaware and Rogers Counties.

17 District 2, composed of Wagoner, Cherokee, Adair, Sequoyah,
18 Muskogee, Okmulgee and McIntosh Counties.

19 District 3, composed of Pittsburg, Haskell, LeFlore, Pushmataha,
20 Latimer, McCurtain and Choctaw Counties.

21 District 4, composed of Garvin, Pontotoc, Coal, Atoka, Johnston,
22 Murray, Carter, Love, Marshall and Bryan Counties.

23 District 5, composed of Lincoln, Okfuskee, Hughes, Seminole,
24 Pottawatomie, Payne and Pawnee Counties.

1 District 6, composed of Creek, Osage and Tulsa Counties.

2 District 7, composed of Alfalfa, Grant, Kay, Noble, Garfield,
3 Major, Blaine and Kingfisher Counties.

4 District 8, composed of Canadian, Oklahoma, Cleveland and Logan
5 Counties.

6 District 9, composed of Caddo, Comanche, Cotton, Grady,
7 Jefferson, McClain, Stephens and Tillman Counties.

8 District 10, composed of Roger Mills, Custer, Washita, Beckham,
9 Greer, Kiowa, Jackson and Harmon Counties.

10 District 11, composed of Cimarron, Texas, Beaver, Harper, Woods,
11 Ellis, Woodward and Dewey Counties.

12 SECTION 7. This act shall become effective November 1, 2015.

13 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS
14 February 25, 2015 - DO PASS AS AMENDED
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