

WEST VIRGINIA LEGISLATURE

2019 REGULAR SESSION

Committee Substitute

for

Senate Bill 345

SENATORS CARMICHAEL (MR. PRESIDENT) AND

PREZIOSO, *original sponsors*

[Originating in the Committee on Government

Organization; Reported on February 8, 2019]

1 A BILL to amend and reenact §8-15-8b of the Code of West Virginia, 1931, as amended; to amend
2 and reenact §12-4-14 of said code; to amend said code by adding thereto a new section,
3 designated §12-4-14b; and to amend and reenact §29-3-5f of said code, all relating to fire
4 service equipment and training funds for volunteer and part-volunteer fire companies and
5 departments; authorizing fire departments to file bank statements and check images
6 instead of sworn statements of expenditures; prohibiting the commingling of funds;
7 requiring retention of payment records; defining terms; changing deadline dates;
8 authorizing forfeiture and redistribution of funds of delinquent fire departments; prohibiting
9 the conversion of funds through returns or refunds of goods or services; providing for
10 deductions from quarterly distributions to offset improper expenditures by a fire company
11 or department; clarifying the responsibility for proposing legislative rules; requiring written
12 notifications of delinquencies and misapplications of funds; providing a procedure to
13 contest findings of Legislative Auditor; removing certain criminal penalties; and updating
14 outdated language.

Be it enacted by the Legislature of West Virginia:

CHAPTER 8. MUNICIPAL CORPORATIONS.

ARTICLE 15. FIRE FIGHTING; FIRE COMPANIES AND DEPARTMENTS; CIVIL SERVICE FOR PAID FIRE DEPARTMENTS.

**§8-15-8b. Authorized expenditures of revenues from the Municipal Pensions and
Protection Fund and the Fire Protection Fund; deductions for unauthorized
expenditures; record retention.**

1 ~~(a) Revenues allocated to volunteer and part-volunteer fire companies and departments~~
2 ~~may be expended only for the items listed in subdivisions (1) through (15) of this section. Funds~~
3 Money received from the state for volunteer and part-volunteer fire companies and departments,
4 pursuant to §33-3-14d, §33-3-33, and §33-12C-7 of this code, may not be commingled with funds

5 moneys received from any other source, except money received as a grant from the Fire Service
6 Equipment and Training Fund as provided in §29-3-5f of this code. ~~Expenditures may be made~~
7 Distributions from the Municipal Pensions and Protection Fund and the Fire Protection Fund
8 allocated to volunteer and part-volunteer fire companies and departments may be expended only
9 for the following:

10 (1) Personal protective equipment, including protective head gear, bunker coats, pants,
11 boots, combination of bunker pants and boots, coats, and gloves;

12 (2) Equipment for compliance with the national fire protection standard or automotive fire
13 apparatus, NFPA-1901;

14 (3) Compliance with insurance service office recommendations relating to fire
15 departments;

16 (4) Rescue equipment, communications equipment, and ambulance equipment: *Provided,*
17 That no moneys received from the Municipal Pensions and Protection Fund or the Fire Protection
18 Fund may be used for equipment for personal vehicles owned or operated by volunteer fire
19 company or department members;

20 (5) Capital improvements reasonably required for effective and efficient fire protection
21 service and maintenance of the capital improvements;

22 (6) Retirement of debts;

23 (7) Payment of utility bills;

24 (8) Payment of the cost of immunizations, including any laboratory work incident to the
25 immunizations, for firefighters against hepatitis-b and other blood-borne pathogens: *Provided,*
26 That the vaccine shall be purchased through the state immunization program or from the lowest-
27 cost vendor available: *Provided, however,* That volunteer and part-volunteer fire companies and
28 departments shall seek to obtain no-cost administration of the vaccinations through local boards
29 of health: *Provided further,* That in the event any volunteer or part-volunteer fire company or
30 department is unable to obtain no-cost administration of the vaccinations through a local board of

31 health, the company or department shall seek to obtain the lowest cost available for the
32 administration of the vaccinations from a licensed health care provider;

33 (9) Any filing fee required to be paid to the Legislative Auditor's Office under §12-4-14 of
34 this code relating to sworn statements of annual expenditures submitted by volunteer or part-
35 volunteer fire companies or departments that receive state funds or grants;

36 (10) Property/casualty insurance premiums for protection and indemnification against loss
37 or damage or liability;

38 (11) Operating expenses reasonably required in the normal course of providing effective
39 and efficient fire protection service, which include, but are not limited to, gasoline, bank fees,
40 postage, and accounting costs;

41 (12) Dues paid to national, state, and county associations;

42 (13) Workers' compensation premiums;

43 (14) Life insurance premiums to provide a benefit not to exceed \$20,000 for firefighters;
44 and

45 (15) Educational and training supplies and fire prevention promotional materials, not to
46 exceed \$500 per year.

47 (b) If any volunteer fire company or part-volunteer fire department spends any amount of
48 money received from the Municipal Pensions and Protection Fund or the Fire Protection Fund for
49 an item, service, or purpose not authorized by this section, that amount, when determined by an
50 official audit, review, or investigation, shall be deducted from future distributions to the volunteer
51 fire company or part-volunteer fire department.

52 (c) If any volunteer fire company or part-volunteer fire department purchases goods or
53 services authorized by this section, but then returns the goods or cancels the services for a refund,
54 then any money refunded shall be deposited back into the same, dedicated bank account used
55 for the deposit of distributions from the Municipal Pensions and Protection Fund and the Fire
56 Protection Fund.

57 (d) A volunteer fire company or part-volunteer fire department shall retain, for five calendar
58 years, all invoices, receipts, and payment records for the goods and services paid with money
59 received from the state for volunteer and part-volunteer fire companies and departments,
60 pursuant to §33-3-14d, §33-3-33, and §33-12C-7 of this code and money received as a grant from
61 the Fire Service Equipment and Training Fund as provided in §29-3-5f of this code.

CHAPTER 12. PUBLIC MONEYS AND SECURITIES.

ARTICLE 4. ACCOUNTS, REPORTS, AND GENERAL PROVISIONS.

§12-4-14. Accountability of persons grantees receiving state funds or grants; sworn statements by volunteer fire departments; criminal penalties.

1 (a) For the purposes of this section:

2 (1) "Grantor" means a state spending unit awarding a state grant.

3 (2) ~~"Person"~~ "Grantee" means any entity receiving a state grant, including a state spending
4 unit, local government, corporation, partnership, association, individual, or other legal entity. ~~The~~
5 ~~term "person" does not include a state spending unit or a local government as defined in section~~
6 ~~one-a, article nine, chapter six of this code~~

7 (3) "Report" means an engagement, such as an agreed-upon procedures engagement or
8 other attestation engagement, performed and prepared by a certified public accountant to test
9 whether state grants were spent as intended. The term "report" does not mean a full-scope audit
10 or review of the person receiving state funds.

11 (4) "State grant" means funding provided by a state spending unit, regardless of the
12 original source of the funds, to a ~~person~~ grantee upon application for a specific purpose. The term
13 "state grant" does not include: (A) Payments for goods and services purchased by a state
14 spending unit; (B) compensation to state employees and public officials; (C) reimbursements to
15 state employees and public officials for travel or incidental expenses; (D) grants of student aid;
16 (E) government transfer payments; (F) direct benefits provided under state insurance and welfare
17 programs; (G) funds reimbursed to a person for expenditures made for qualified purposes when

18 receipts for the expenditures are required prior to receiving the funds; (H) retirement benefits; and
19 (I) federal pass-through funds that are subject to the federal Single Audit Act Amendments of
20 1996, 31 U.S.C. § 7501, *et seq.* The term “state grant” does not include formula distributions to
21 volunteer and part-volunteer fire departments and fire companies made pursuant to §33-3-14d,
22 §33-3-33, §33-12C-7 ~~of said chapter~~ of this code and does not include money received from the
23 Fire Service Equipment and Training Fund as provided in §29-3-5f of this code.

24 (b) (1) Any ~~person~~ grantee who receives one or more state grants in the amount of \$50,000
25 or more in the aggregate in a state’s fiscal year shall file with the grantor a report of the
26 disbursement of the state grant funds. When the grantor causes an audit, by an independent
27 certified public accountant, to be conducted of the grant funds, the audit is performed using
28 generally accepted government auditing standards, and a copy of the audit is available for public
29 inspection, no report is required to be filed under this section. An audit performed that complies
30 with Office of Management and Budget circular A-133, ~~as published on June 27, 2003,~~ and
31 submitted within the period provided in this section may be substituted for the report.

32 (2) Any ~~person~~ grantee who receives a state grant in an amount less than \$50,000 or who
33 is not required to file a report because an audit has been conducted or substituted as provided by
34 subdivision (1) of this subsection shall file with the grantor a sworn statement of expenditures
35 made under the grant.

36 (3) Reports and sworn statements of expenditures required by ~~subdivisions (1) and (2) of~~
37 this subsection shall be filed within two years of the end of the ~~person’s~~ grantee’s fiscal year in
38 which the disbursement of state grant funds by the grantor was made. The report shall be made
39 by an independent certified public accountant at the cost of the ~~person receiving the state grant~~
40 grantee. State grant funds may be used to pay for the report if the applicable grant provisions
41 allow. The scope of the report is limited to showing that the state grant funds were spent for the
42 purposes intended when the grant was made.

43 (c)(1) Any ~~person~~ grantee failing to file a required report or sworn statement of

44 expenditures within the two-year period provided in subdivision (3), subsection (b) of this section
45 for state grant funds ~~disbursed after July 1, 2003~~, is barred from subsequently receiving state
46 grants until the ~~person~~ grantee has filed the report or sworn statement of expenditures and is
47 otherwise in compliance with the provisions of this section.

48 (2) Any grantor of a state grant shall report any ~~persons~~ grantee failing to file a required
49 report or sworn statement of expenditures within the required period provided in ~~subdivision (3),~~
50 ~~subsection (b) of this section for a state grant disbursed after July 1, 2003~~, to the Legislative
51 Auditor for purposes of debarment from receiving state grants.

52 (d) (1) The state agency administering the state grant shall notify the ~~person~~ grantee of
53 the reporting requirements set forth in this section.

54 (2) All grantors awarding state grants shall, prior to awarding a state grant, take reasonable
55 actions to verify that the ~~person~~ grantee is not barred from receiving state grants pursuant to this
56 section. The verification process shall, at a minimum, include:

57 (A) A requirement that the ~~person~~ grantee seeking the state grant provide a sworn
58 statement from an authorized representative that the ~~person~~ grantee has filed all reports and
59 sworn statements of expenditures for state grants received as required under this section; and

60 (B) Confirmation from the Legislative Auditor by the grantor that the ~~person~~ grantee has
61 not been identified as one who has failed to file a report or sworn statement of expenditures under
62 this section. Confirmation may be accomplished by accessing the computerized database
63 provided in subsection (e) of this section.

64 (3) If any report or sworn statement of expenditures submitted pursuant to the
65 requirements of this section provides evidence of a reportable condition or violation, the grantor
66 shall provide a copy of the report or sworn statement of expenditures to the Legislative Auditor
67 within 30 days of receipt by the grantor.

68 (4) The grantor shall maintain copies of reports and sworn statements of expenditures
69 required by this section and make the reports or sworn statements of expenditures available for

70 public inspection, as well as for use in audits and performance reviews of the grantor.

71 (5) The Secretary of the Department of Administration has authority to promulgate
72 procedural and interpretive rules and propose legislative rules for promulgation in accordance
73 with the provisions of §29A-3-1 *et seq.* of this code to assist in implementing the provisions of
74 ~~subsections (a), (b), (c) and (d)~~ of this section.

75 (e)(1) Any state agency administering a state grant shall, in the manner designated by the
76 Legislative Auditor, notify the Legislative Auditor of the maximum amount of funds to be disbursed,
77 the identity of the ~~person~~ grantee authorized to receive the funds, the ~~person's~~ grantee's fiscal
78 year and federal employer identification number, and the purpose and nature of the state grant
79 within 30 days of making the state grant or authorizing the disbursement of the funds, whichever
80 is later. ~~If the state grant was awarded prior to October 1, 2005, the grantor shall provide the~~
81 ~~information required by this section by December 1, 2005.~~

82 (2) The State Treasurer shall provide the Legislative Auditor the information concerning
83 formula distributions to volunteer and part-volunteer fire departments, made pursuant to §33-3-
84 14d, §33-3-33, and §33-12C-7 ~~of said chapter~~ of this code, the Legislative Auditor requests, and
85 in the manner designated by the Legislative Auditor.

86 (3) The Legislative Auditor shall maintain a list identifying ~~persons~~ grantees who have
87 failed to file reports and sworn statements required by this section. The list may be in the form of
88 a computerized database that may be accessed by state agencies over the Internet.

89 (f) An audit of state grant funds may be authorized at any time by the Joint Committee on
90 Government and Finance to be conducted by the Legislative Auditor at no cost to the grantee.

91 ~~(g) (1) Volunteer and part-volunteer fire departments receiving formula distributions~~
92 ~~pursuant to §33-3-14D, §33-3-33, §33-12C-7 of this code shall either:~~

93 ~~(A) File a report, as defined in §12-4-14(a)(3) of this code with the Legislative Auditor~~
94 ~~within the same time frames as are required for sworn statements of annual expenditures to be~~
95 ~~filed under this section. The report shall be made by an independent certified public accountant~~

96 at the cost of the volunteer or part-volunteer fire department. The scope of the report is limited to
97 showing that the funds distributed were spent for authorized purposes; or

98 (B) ~~File a sworn statement of annual expenditures with the Legislative Auditor on or before~~
99 ~~February 14 of each year. The sworn statement of expenditures shall be signed by the chief or~~
100 ~~director of the volunteer fire department and shall be made under oath and acknowledged before~~
101 ~~a notary public.~~

102 (2) ~~If the sworn statement or report required by this subsection is not filed on or before~~
103 ~~May 15, unless the time period is extended by the Legislative Auditor, the Legislative Auditor may~~
104 ~~conduct an audit of the volunteer or part-volunteer fire department.~~

105 (3) ~~If the sworn statement of annual expenditures or report required by this subsection is~~
106 ~~not filed with the Legislative Auditor by July 1, unless the time period is extended by the Legislative~~
107 ~~Auditor, the Legislative Auditor shall notify the State Treasurer who shall withhold payment of any~~
108 ~~amount that would otherwise be distributed to the fire department under the provisions of §33-3-~~
109 ~~14D, §33-3-33, §33-12C-7 of this code until the report is complete. Moneys withheld pursuant to~~
110 ~~this subdivision are to be deposited in the special revenue account created in the State Treasury~~
111 ~~in §12-4-14(g)(4) of this code.~~

112 (4) ~~The Legislative Auditor may assign an employee or employees to perform audits or~~
113 ~~reviews at the direction of the Legislative Auditor of the disbursement of state grant funds to~~
114 ~~volunteer fire departments. The volunteer fire department shall cooperate with the Legislative~~
115 ~~Auditor, the Legislative Auditor's employees and the State Auditor in performing their duties under~~
116 ~~this section. If the Legislative Auditor determines a volunteer fire department is not cooperating,~~
117 ~~the Legislative Auditor shall notify the State Treasurer who shall withhold payment of any amount~~
118 ~~that would otherwise be distributed to the fire department under the provisions of §33-3-14D, §33-~~
119 ~~3-33, §33-12C-7 of this code until the Legislative Auditor informs the Treasurer that the fire~~
120 ~~department has cooperated as required by this section. The State Treasurer shall pay the amount~~
121 ~~withheld into a special revenue account hereby created in the State Treasury and designated the~~

122 ~~“Volunteer Fire Department Audit Account”. If, after one year from payment of the amount withheld~~
123 ~~into the special revenue account, the Legislative Auditor informs the State Treasurer of continued~~
124 ~~noncooperation by the fire department, the State Treasurer shall pay the amount withheld to the~~
125 ~~fund from which it was distributed to be redistributed the following year pursuant to the applicable~~
126 ~~provisions of these sections.~~

127 ~~(5) Whenever the State Auditor performs an audit of a volunteer fire department for any~~
128 ~~purpose the Auditor shall also conduct an audit of other state funds received by the fire~~
129 ~~department pursuant to §33-3-14D, §33-3-33, §33-12C-7 of this code. The Auditor shall send a~~
130 ~~copy of the audit to the Legislative Auditor. The Legislative Auditor may accept an audit performed~~
131 ~~by the Auditor in lieu of performing an audit under this section.~~

132 ~~(6) If the Legislative Auditor is notified by a grantor that a fire department has failed to file~~
133 ~~a report or a sworn statement of expenditures for a state grant it received, the Legislative Auditor~~
134 ~~shall notify the Treasurer who shall withhold further distributions to the fire department in the same~~
135 ~~manner provided in §12-4-14(g)(3) of this code.~~

136 ~~(h)~~ (g) Any report submitted pursuant to the provisions of this section may be filed
137 electronically in accordance with the provisions of §39A-1-1 *et seq.* of this code.

138 ~~(i)~~ (h) Any person grantee who files a fraudulent sworn statement of expenditures under
139 ~~subsection (b) or (g) of this section~~ subsection (b) of the section, a fraudulent sworn statement
140 under subsection (d) of this section, or a fraudulent report under this section is guilty of a felony
141 and, upon conviction thereof, shall be fined not less than \$1,000 nor more than \$5,000 or
142 imprisoned in a state correctional facility for not less than one year nor more than five years, or
143 both fined and imprisoned.

§12-4-14b. Accountability of volunteer and part-volunteer fire companies or departments
receiving state funds for equipment and training; review or audit of expenditures;
withholding of state funds for delinquency or misuse; notifications.

1 (a) Definitions. — For the purposes of this section:

2 “Equipment and training grant” means a grant of money to a volunteer fire company or a
3 part-volunteer fire department from the Fire Service Equipment and Training Fund created in
4 §29-3-5f of this code;

5 “Formula distribution” means a distribution of money to volunteer and part-volunteer fire
6 companies or departments made pursuant to §33-3-14d, §33-3-33, and §33-12C-7 of this code;
7 and

8 “State funds account” means a bank account established by a volunteer fire company or
9 a part-volunteer fire department and maintained for the exclusive use and accounting of money
10 from formula distributions and equipment and training grants.

11 (b) Filing required documentation. — Every volunteer and part-volunteer fire company or
12 department seeking to receive formula distributions or an equipment and training grant shall file
13 copies of bank statements and check images from the company’s or department’s state funds
14 account for the previous calendar year with the Legislative Auditor on or before February 1 of
15 each year.

16 (c) Reviews and audits. — The Legislative Auditor is authorized to conduct regular reviews
17 or audits of deposits and expenditures from formula distribution and equipment and training grant
18 funds by volunteer and part-volunteer fire companies or departments. The Legislative Auditor may
19 assign an employee or employees to perform audits or reviews at his or her direction. The State
20 Treasurer shall provide the Legislative Auditor information, in the manner designated by the
21 Legislative Auditor, concerning formula distributions and equipment and training grants paid to
22 volunteer and part-volunteer fire departments. The volunteer fire company or part-volunteer fire
23 department shall cooperate with the Legislative Auditor, the Legislative Auditor’s employees, and
24 the State Auditor in performing their duties under the laws of this state.

25 (d) State Auditor. — Whenever the State Auditor performs an audit of a volunteer fire
26 department for any purpose, the Auditor shall also conduct an audit of other state funds received
27 by the fire department pursuant to §33-3-14d, §33-3-33, and §33-12C-7 of this code. The Auditor

28 shall send a copy of the audit to the Legislative Auditor. The Legislative Auditor may accept an
29 audit performed by the Auditor in lieu of performing an audit under this section.

30 (e) *Withholding of funds.* —The Treasurer is authorized to withhold payment of a formula
31 distribution or an equipment and training grant from a volunteer or part-volunteer fire company or
32 department, when properly notified by the Legislative Auditor pursuant to this section, of any of
33 the following conditions:

34 (1) Failure to file, in a timely manner, copies of bank statements and check images with
35 the Legislative Auditor;

36 (2) Failure to cooperate with a review or audit conducted by the Legislative Auditor;

37 (3) Misapplication of state funds; or

38 (4) Failure to file a report or a sworn statement of expenditures as required by §12-4-14
39 of this code for a state grant other than an equipment and training grant.

40 (f) *Delinquency in filing.* — If, after February 1, a volunteer or part-volunteer fire company
41 or department has failed to file the required bank statements and check images with the
42 Legislative Auditor, the Legislative Auditor shall notify the delinquent company or department at
43 two separate times in writing of the delinquency and of possible forfeiture of its Fire Service
44 Equipment and Training Fund distribution for the year. If the required bank statements and check
45 images are not filed with the Legislative Auditor by March 31, unless the time period is extended
46 by the Legislative Auditor, the Legislative Auditor shall then notify the Treasurer who shall withhold
47 payment of any amount that would otherwise be distributed to the fire company or fire department.
48 Prior to each subsequent quarterly disbursement of funds by the Treasurer, the Legislative Auditor
49 shall notify each delinquent company or department twice per each quarter in which the company
50 or department is delinquent. The Legislative Auditor may choose the method or methods of
51 notification most likely to be received by the delinquent company or department.

52 (g) *Noncooperation.* — If, in the course of an audit or review by the Legislative Auditor, a
53 volunteer or part-volunteer fire company or department fails to provide documentation of its

54 accounts and expenditures in response to a request of the Legislative Auditor, the Legislative
55 Auditor shall notify the State Treasurer who shall withhold payment of any amount that would
56 otherwise be distributed to the fire department under the provisions of §33-3-14d, §33-3-33, and
57 §33-12C-7 of this code until the Legislative Auditor informs the State Treasurer that the fire
58 department has cooperated with the review or audit.

59 (h) *Reporting of other grants.* — Nothing in this section alters the duties and
60 responsibilities of a volunteer or part-volunteer fire company or department imposed under §12-
61 4-14 of this code if that company or department has received funds from any state grant program
62 other than from the Fire Service Equipment and Training Fund. If the Legislative Auditor is notified
63 by a grantor that a fire company or department has failed to file a report or a sworn statement of
64 expenditures for a state grant it received, the Legislative Auditor shall notify the State Treasurer
65 who shall withhold further distributions to the company or department in the manner provided in
66 this section.

67 (i) *Escrow and forfeiture of moneys withheld.* — The Volunteer Fire Department Audit
68 Account previously created in the Treasury is hereby continued. When the State Treasurer
69 receives notice to withhold the distribution of money to a volunteer or part-volunteer fire company
70 or department pursuant to this section, the Treasurer shall instead deposit the amounts withheld
71 into the Volunteer Fire Department Audit Account. If the Treasurer receives notice that the
72 volunteer or part-volunteer fire company or department has come into compliance in less than
73 one year from the date of deposit into this special revenue account, then the Treasurer shall
74 release and distribute the withheld amounts to the fire company or department, except that any
75 interest that has accrued thereon shall be credited to the general revenue of the state. If, after
76 one year from payment of the amount withheld into the special revenue account, the Legislative
77 Auditor informs the State Treasurer of continued noncooperation by the fire department, the
78 delinquent fire company or fire department forfeits the amounts withheld and the State Treasurer
79 shall pay the amounts withheld into Fire Service Equipment and Training Fund created in §29-3-5f

80 of this code.

81 (j) *Misuse of state money.* — If the Legislative Auditor determines that a volunteer or part-
82 volunteer fire department or company has used formula distribution money for purposes not
83 authorized by §8-15-8b of this code or has used equipment and training grant money for purposes
84 not authorized by the grant program, the Legislative Auditor shall give a written notice of
85 noncompliance to the department or company. If a volunteer or part-volunteer fire department or
86 company disagrees or disputes the finding, the fire department or company may contest the
87 finding by submitting a written objection to the Legislative Auditor within five working days of
88 receipt of the Legislative Auditor’s finding. The fire department or company shall then have 60
89 days from the date of the Legislative Auditor’s finding to provide documentation to substantiate
90 that the expenditures were made for authorized purposes. If the volunteer or part-volunteer fire
91 department or company does not dispute the findings of the Legislative Auditor or if the volunteer
92 or part-volunteer fire department or company is not able to substantiate an authorized purpose
93 for the expenditure, the Legislative Auditor shall notify the Treasurer of the amount of misapplied
94 money and the Treasurer shall deduct that amount from future distributions to that fire company
95 or department until the full amount of unauthorized expenditure is offset.

CHAPTER 29. MISCELLANEOUS BOARDS AND OFFICERS.

ARTICLE 3. FIRE PREVENTION AND CONTROL ACT.

§29-3-5f. Fire Service Equipment and Training Fund; creation of fire service equipment and training grant.

1 (a) There is hereby created in the Treasury a special revenue fund to be known as the
2 Fire Service Equipment and Training Fund. Expenditures from the fund by the State Fire Marshal
3 are authorized from collections. The fund may only be used for the purpose of providing grants to
4 equip volunteer and part-volunteer fire companies and departments and their members, and to
5 train volunteer and part-volunteer firefighters. Any balance remaining in the fund at the end of any

6 fiscal year does not revert to the General Revenue Fund, but remains in the Special Revenue
7 Fund. ~~The State Fire Marshal shall propose legislative rules for promulgation in accordance with~~
8 ~~§29A-3-1 et seq. of this code to implement the grant program established pursuant to this section~~

9 (b) The State Fire Marshal shall establish a grant program for equipment and training for
10 volunteer and part-volunteer fire companies and departments. Such grant program shall be open
11 to all volunteer and part-volunteer fire companies and departments. In making grants pursuant to
12 this section, the State Fire Marshal shall consider:

13 (1) The number of emergency and nonemergency calls responded to by the department;

14 (2) The activities and responses of the department;

15 (3) The revenues received by the department from federal, state, county, municipal, local,
16 and other sources; and

17 (4) The department's assets, expenditures, and other liabilities, including whether the fire
18 company or department has availed itself of available statewide contracts.

19 (c) The State Fire ~~Commission~~ Marshal shall propose legislative rules for promulgation in
20 accordance with §29A-3-1 *et seq.* of this code to implement the grant program established
21 pursuant to this section.

22 (d) The Legislative Auditor shall notify the State Fire Marshal of any volunteer or part-
23 volunteer fire company or department that is ineligible to receive grant funds due to the
24 department's failure to file required bank statements or financial reports or failure to comply with
25 an audit or review by the Legislative Auditor. A fire company or fire department reported by the
26 Legislative Auditor shall be ineligible to receive funds under this section until the Legislative
27 Auditor notifies the State Fire Marshal that the company or department has come into compliance.

NOTE: The purpose of this bill is to provide a simpler alternative for fire departments and fire companies to document their use of state funds for safety equipment and training, and to provide sanctions, including forfeiture of state money, for failure to provide required documentation or for spending state funds for improper uses. This bill also provides

procedures for notification to the fire department or company that is subject to sanctions and to correct or contest determinations of improper expenditures.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.