## HOUSE HEALTH AND GOVERNMENT AFFAIRS COMMITTEE SUBSTITUTE FOR HOUSE BILL 49

49TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2010

AN ACT

RELATING TO THE FIRE PROTECTION FUND; PROVIDING ELIGIBILITY FOR INDIAN NATIONS, TRIBES AND PUEBLOS; MAKING AN APPROPRIATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 59A-53-2 NMSA 1978 (being Laws 1984, Chapter 127, Section 973, as amended) is amended to read:

"59A-53-2. PURPOSE.--It is the purpose of the Fire
Protection Fund Law to provide for distribution of funds from
the fire protection fund referred to in Section 59A-6-5 NMSA
1978 to [incorporated cities, towns and villages]
municipalities and to tribal and county fire districts, in
proportion to their respective needs, for use in operation,
maintenance and betterment of local fire departments, to the
end that the hazard of loss by fire and fire insurance rates
may be reduced and the public safety thereby promoted."

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	Section	2. A	new	section	of	the	Fire	Protection	Fund	Law
is	enacted to	read	:							

"[NEW MATERIAL] DEFINITIONS.--As used in the Fire Protection Fund Law:

- "marshal" means the state fire marshal as Α. further identified in Chapter 59A, Article 52 NMSA 1978;
- "municipality" means an incorporated city, town or village; and
- "tribe" means a federally recognized Indian nation, tribe or pueblo located wholly or partly in New Mexico."
- Section 3. Section 59A-53-3 NMSA 1978 (being Laws 1984, Chapter 127, Section 974, as amended) is amended to read:

DETERMINATION AND CERTIFICATION OF NEEDS. --"59A-53-3.

Annually, on or before the last day of May, the marshal shall consider and determine, in [his] the marshal's reasonable discretion, the relative needs of [incorporated cities, towns and villages | municipalities and tribal and county fire districts for money in the fire protection fund, based upon the information available to [him] the marshal, and shall certify to the state treasurer the names of the [incorporated cities, towns, villages] municipalities and tribal and county fire districts that [he] the marshal determines need the assistance of a distribution from the money in the fire protection fund, and the amount required by each, .181464.1

in accordance with the provisions of Chapter 59A, Article 53

NMSA 1978. In making this determination and certification, the marshal [will] shall consider the intent and purpose of that article that no [incorporated city, town or village]

municipality or tribal or county fire district shall receive money distributed from the fire protection fund merely for the purpose of accumulation when the money is not required to accomplish the purposes of that article.

B. In making a determination and certification of needs, the marshal shall consider and provide for any debt obligations of existing or previously existing fire departments or fire districts.

[C. For the purposes of Chapter 59A, Article 53

NMSA 1978, "marshal" means the state fire marshal, as further

identified in Chapter 59A, Article 52 NMSA 1978.]"

Section 4. Section 59A-53-5 NMSA 1978 (being Laws 1989, Chapter 312, Section 5, as amended) is amended to read:

"59A-53-5. ESTABLISHMENT OF [COUNTY] FIRE DISTRICTS.--

A. The county commissioners of any county or any tribe may establish one or more [county] fire districts within the county or the tribe but outside the corporate limits of any municipality. The marshal shall determine the number of fire stations and substations located in each [county] fire district to be certified and shall certify to the state treasurer the amount to be distributed to each [county] fire district for the .181464.1

purpose of maintaining each fire station and each substation, if any, that meets the requirements of the marshal and the requirements of this section. Unless adjusted pursuant to Section 59A-53-5.1 NMSA 1978, the amounts distributed in a fiscal year for a class insurance rating shall equal the following:

class	m	ain station	su	bstation
number	1 \$	82,592	\$	30,606
number	2	77,086		28,780
number	3	70,919		26,724
number	4	64,751		24,667
number	5	61,667		22,612
number	6	58,584		20,555
number	7	55,501		19,530
number	8	52,418		18,502
number	9	39,058		15,425
number	10	34,944		none.

B. Additionally, prior to the disbursement of any funds, the following must be established to the satisfaction of the marshal:

(1) the [county] fire district has maintained an official fire department for a period of at least one year, established and governed by appropriate resolution of the board of county commissioners of the county in which the county fire district is located or by tribal law of the tribe in which the .181464.1

tribal fire district is located, and possesses fire apparatus and equipment in serviceable condition to respond to a fire incident;

(2) the geographic limits and boundaries of the [county] fire district have been clearly defined and established [by the board of county commissioners of the county in which the county fire district is located, and], a plat showing the geographic limits and boundaries has been accepted [by the board of county commissioners] and filed as part of the official record of proceedings of the board of county commissioners of the county in which the county fire district is located or by the tribe in which the tribal fire district is located and a certified copy thereof filed with the marshal; and

- (3) there is available within the geographic limits and boundaries of the [county] fire district an adequate water supply to be used in connection with the firefighting facilities of the [county] fire district.
- C. The county commissioners of any county may permit a county fire district located in the county to service an area adjacent and contiguous to the district but within another county; provided that the county commissioners of the other county shall consent by resolution duly adopted to the service and to the boundaries of the other area serviced.

  Before commencement of service, a plat showing the geographic .181464.1

limits and boundaries of the county fire district and of the additional area to be serviced shall be filed with and approved by the marshal. The county commissioners of either the county in which the county fire district is located or of the county in which the area being serviced is located may terminate the service but only with the approval of the marshal.

D. The county commissioners of any county may permit a county fire district located in the county to service an area adjacent and contiguous to the district but within a tribal area; provided that the tribe shall consent by resolution or law duly adopted or enacted to the service and to the boundaries of the other area serviced. Any tribe may permit a tribal fire district located in the tribal area to service an area adjacent and contiguous to the district but outside the exterior boundaries of the tribal area; provided that the county commissioners or the tribe of the area serviced shall consent by resolution or law duly adopted or enacted to the service and to the boundaries of the other area serviced. The county commissioners or the tribe, whether providing or receiving fire protection services, may terminate the service but only with the approval of the marshal.

E. Nothing in the Fire Protection Fund Law shall be construed to prohibit memoranda of understanding or joint powers agreements between a municipality, tribe and county to provide fire protection services across jurisdictional lines."

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Section 5. Section 59A-53-6 NMSA 1978 (being Laws 1984, Chapter 127, Section 977, as amended) is amended to read:

"59A-53-6. APPEAL AND REVIEW OF DETERMINATION.--The marshal shall promptly notify each [incorporated city, town, village] municipality and tribal and county fire district affected of [his] the marshal's determination of needs, and [an incorporated city, town, village] a municipality or tribal or county fire district may appeal from the determination of the marshal to the commission, within ten days after the determination of needs. The commission shall review the determination of the marshal in such informal and summary proceedings as it deems proper and shall certify to the state treasurer annually, on or before the last day of June, the results of all appeals from the determinations of the marshal. The certification by the commission, or by the marshal if no appeal is taken, shall be final and binding on all concerned and not subject to any further review."

Section 6. Section 59A-53-7 NMSA 1978 (being Laws 1984, Chapter 127, Section 978, as amended) is amended to read:

"59A-53-7. DISTRIBUTION OF FIRE PROTECTION FUND.--

A. Annually on or before the last day of July, the state treasurer shall distribute from the money in the fire protection fund, to each [incorporated] municipality and tribal and [to each] county fire district, the amount the marshal or the commission, as the case may be, has certified to the state .181464.1

[incorporated] municipality or the person responsible for the administration of the assets and liability of any tribe and to the county treasurer of the county in which any county fire district is located for credit to the county fire district.

- B. The state treasurer is authorized to redirect a distribution to the New Mexico finance authority in the amount the marshal or the commission, as the case may be, has certified to the state treasurer pursuant to an ordinance, a law or a resolution passed by the municipality, tribe or county and a written agreement of the municipality, tribe or county in which any county fire district is located and the New Mexico finance authority.
- C. In addition to the distributions made pursuant to Subsections A and B of this section, upon certification by the marshal that the balance of the firefighters' survivors fund is less than fifty thousand dollars (\$50,000), the state treasurer shall distribute an amount from the fire protection fund to the firefighters' survivors fund so that the balance of the firefighters' survivors fund equals fifty thousand dollars (\$50,000)."

Section 7. Section 59A-53-8 NMSA 1978 (being Laws 1984, Chapter 127, Section 979, as amended) is amended to read:

"59A-53-8. EXPENDITURE OF FIRE PROTECTION FUND MONEY.-Any amount [so] distributed from the fire protection fund to
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fire district shall be expended only for the maintenance of its fire department, the purchase, construction, maintenance, repair and operation of its fire stations, including substations, fire apparatus and equipment, and the financing or refinancing thereof, the payment of insurance premiums on fire stations, substations, fire apparatus and equipment and insurance premiums for injuries or deaths of firefighters as otherwise provided by law. Provided, however, that no money shall be expended from the fund for any purpose relating to the water supply systems of [any incorporated] a municipality or tribal or county fire district [nor] or for the improvement or construction of the systems [nor] or for purchase, rental, installation or maintenance of fire hydrants [nor] or for any other appurtenances relating to the distribution or use of the water supply system. Funds [so] distributed from the fire protection fund to [any incorporated] a municipality or tribal or [any] county fire district may also be expended for the expense of [any] firefighters for attending [any] fire schools and conventions approved by the marshal."

[any incorporated] a municipality or tribal or [to any] county

Section 8. Section 59A-53-9 NMSA 1978 (being Laws 1984, Chapter 127, Section 980, as amended) is amended to read:

"59A-53-9. LIMITATIONS ON EXPENDITURES.--No amount so distributed from the fire protection fund to [any incorporated city, town or village or to any] a municipality or tribal or .181464.1

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county fire district shall be expended in connection with the construction, purchase or equipment of any fire station or substation in addition to those existing upon the date of distribution by the state treasurer, during the year following such distribution, without the prior written approval of the marshal."

Section 9. Section 59A-53-10 NMSA 1978 (being Laws 1984, Chapter 127, Section 981, as amended) is amended to read:

"59A-53-10. PURCHASE OF LAND OR BUILDINGS.--No amount so distributed from the fire protection fund to [any incorporated city, town or village or to any] a municipality or tribal or county fire district shall be expended or obligated for the purchase of land or the construction of buildings for fire stations or substations unless all obligations previously incurred for those purposes and to be paid from money distributed from the fire protection fund by the [city, town, village] municipality or tribal or county fire district [shall] have been fully paid and satisfied; and no amount shall be expended or obligated for the construction of buildings for fire stations or substations unless the [city, town, village] municipality or tribal or county fire district proposing to expend or obligate for that purpose money distributed from the fire protection fund holds fee simple title, not encumbered by any lien, to the land on which it proposes to construct any such building; provided, however, that this provision shall not .181464.1

prohibit construction or location of a fire station or substation on tribal lands or on land donated in whole or in part to the [city, town, village] municipality or county fire district for the purpose, and use of fire protection fund money for the construction or location, where the donor has reserved right of reversion of the land under stated conditions, if the use of money is approved by the marshal in advance and after full investigation and determination that the use would be appropriate and reasonable."

Section 10. Section 59A-53-11 NMSA 1978 (being Laws 1984, Chapter 127, Section 982, as amended) is amended to read:

"59A-53-11. VOUCHERS.--

A. Amounts so distributed from the fire protection fund to [any incorporated city, town or village or to any] a municipality or county fire district shall be expended under the direction of the chief of the fire department of the [city, town, village] municipality or county fire district, upon duly executed vouchers approved as required by law [and].

- B. Amounts so distributed from the fire protection fund to a tribal fire district shall be expended under the direction of the chief executive of the tribe in which the tribal fire district is located or the chief executive's designee.
- $\underline{\text{C.}}$  In no event is any amount to be expended for any purpose [which] that does not relate directly to the permitted .181464.1

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purposes specifically stated in Sections 59A-53-8 and 59A-53-9
NMSA 1978."

Section 11. Section 59A-53-12 NMSA 1978 (being Laws 1984, Chapter 127, Section 983, as amended) is amended to read:

"59A-53-12. PROMULGATION OF RULES [AND REGULATIONS].--The marshal has authority to promulgate, modify, amend and revoke from time to time rules [and regulations], including those for mutual aid among and between fire departments; provided that no such rules [and regulations] shall allow any fire department to extend its service in any manner that would jeopardize the fire insurance rates within its [city, town, village and] municipality or county fire district, as [he] the marshal may determine, in [his] the marshal's discretion, to be necessary, advisable or proper to accomplish the objectives of the Fire Protection Fund Law. Among other things, these rules [and regulations] shall include, but not be limited to, a list of firefighting equipment, apparatus and other items [which] that may properly be purchased by [any incorporated city, town or village or by any a municipality or tribal or county fire district from funds distributed from the fire protection fund, and standards of quality, construction and performance to be met by major firefighting appliances, training requirements, firefighting protective clothing and equipment standards, and by fire stations and substations, proposed to be purchased or constructed by [any city, town, village or] a municipality or .181464.1

tribal or county fire district from money distributed from the fire protection fund. All rules [and regulations] shall be filed and published as required by law. [Regulations] Rules of this nature heretofore promulgated by the superintendent and now in effect shall continue in effect until hereafter revoked or modified. Nothing in this section shall be construed to grant regulatory authority over the Volunteer Firefighters Retirement Act to the marshal."

Section 12. Section 59A-53-13 NMSA 1978 (being Laws 1984, Chapter 127, Section 984, as amended) is amended to read:

"59A-53-13. LIABILITY FOR UNAUTHORIZED EXPENDITURE.--

[Any] A. Except as provided in Subsection B of this section, a person who shall expend, or direct or permit the expenditure of, any money distributed from the fire protection fund for purposes not expressly authorized by Chapter 59A, Article 53 NMSA 1978 or by rules [and regulations] duly promulgated by the marshal pursuant to that article shall be personally liable to the state of New Mexico for the full amount of the money wrongfully expended, together with interest thereon and costs. An action to recover the amount of any wrongful expenditure may be commenced by the attorney general or the district attorney in the county in which the wrongful expenditure was made, upon the filing with the officer of a verified statement describing the wrongful expenditure.

B. A tribe seeking money distributed from the fire
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pursuant to the Joint Powers Agreements Act with the marshal.

The joint powers agreement shall state the proper jurisdiction and procedure to recover any money distributed to that tribe from the fire protection fund and expended for purposes not expressly authorized by Chapter 59A, Article 53 NMSA 1978 or by rules duly promulgated by the marshal pursuant to that article."

Section 13. Section 59A-53-14 NMSA 1978 (being Laws 1984, Chapter 127, Section 985, as amended) is amended to read:

"59A-53-14. CLOSURE OF FIRE DEPARTMENT.--

A. If any fire department operated by [any incorporated city, town or village] a municipality or [by any] county fire district should go out of existence or for any reason cease to operate and function for a period of ninety days, title to all firefighting equipment and apparatus paid for in whole with distributions from the fire protection fund and held by or for the benefit of the fire department shall vest in the marshal and all money distributed from the fire protection fund and held by or for the fire department shall revert to the fire protection fund. Any person having custody or control of any such firefighting equipment and apparatus shall forthwith deliver it as directed by the marshal, and any person having custody or control of the money shall forthwith remit it to the state treasurer, who shall again deposit the .181464.1

money in the state treasury to the credit of the fire protection fund. An action to recover the possession and control of [such] the firefighting equipment and apparatus, or the money, may be commenced by the attorney general or the district attorney in the county in which the equipment and apparatus or money are situate upon the filing with the officer of a verified statement of the circumstances.

B. Notwithstanding the provisions of Subsection A of this section, money distributed from the fire protection fund needed to pay debt service on bonds or other obligations issued by or on behalf of a fire department or fire district may be used to pay such debt service, and the marshal and the state treasurer shall continue to make distributions from the fire protection fund for and on behalf of the fire department or fire district until the bonds or other obligations are paid in full.

C. If any fire district operated by a tribe should go out of existence or for any reason cease to operate any function for a period of ninety days, title to all firefighting equipment and apparatus paid for in whole with distributions from the fire protection fund and held by or for the benefit of the fire district shall vest in the marshal, and all money distributed from the fire protection fund and held by or for the fire district shall revert to the fire protection fund. A joint powers agreement between a tribe and the marshal shall .181464.1

state the proper jurisdiction and procedure to recover the

possession and control of the firefighting equipment and

apparatus or the money from that tribe."

Section 14. Section 59A-53-16 NMSA 1978 (being Laws 1984, Chapter 127, Section 987, as amended) is amended to read:

"59A-53-16. NEW FIRE DEPARTMENTS.--Whenever the marshal, after the last day of May in any year, determines that [any incorporated city, town or village] a municipality or tribal or county fire district, operating a new fire department, has met the requirements of Chapter 59A, Article 53 NMSA 1978 for the first time, [he] the marshal may certify to the state treasurer the name of the [city, town, village] municipality or tribal or county fire district and the amount required, on the same basis as provided in that article, but not to exceed an amount commensurate with the period of time for which such pro rata distribution is made; and distribution of the amount certified shall be made as otherwise provided in that article."

Section 15. Section 59A-53-18 NMSA 1978 (being Laws 2006, Chapter 103, Section 7) is amended to read:

"59A-53-18. FIRE PROTECTION GRANT FUND--CREATED--USES.-The "fire protection grant fund" is created in the state
treasury. The fund shall consist of transfers, distributions,
appropriations, gifts, grants, donations and bequests made to
the fund. Income from the fund shall be credited to the fund,
and money in the fund shall not revert or be transferred to any
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other fund at the end of a fiscal year. Money in the fund is appropriated to the fire protection grant council for the purposes of making distributions approved by the council for the critical needs of municipal <u>fire departments and tribal and</u> county fire districts. Expenditures from the fund shall be made on warrant of the secretary of finance and administration pursuant to vouchers signed by the marshal."

Section 16. Section 59A-53-19 NMSA 1978 (being Laws 2006, Chapter 103, Section 8, as amended) is amended to read:

"59A-53-19. FIRE PROTECTION GRANT COUNCIL--DUTIES.--

A. The "fire protection grant council" is created. Subject to the requirements of Subsection B of this section, the council shall consist of:

- (1)  $[\frac{1}{4}]$  one representative of the New Mexico municipal league;
- (2)  $[\frac{1}{4}]$  one representative of the New Mexico association of counties:
- (3) two members appointed by the public regulation commission who shall serve at the pleasure of the commission;
- (4) three members, one from each congressional district, appointed by the governor who shall serve at the pleasure of the governor; [and]
- (5) one representative of a tribe with a fire department appointed by the governor, who shall serve at the .181464.1

## pleasure of the governor; and

- (6) the marshal, who shall serve as a nonvoting advisory member. The council shall elect a chair and vice chair from its membership.
- B. No appointee to the council shall be a member of the public regulation commission, the superintendent of insurance or any other employee of the commission.
- C. The public members shall receive per diem and mileage as provided in the Per Diem and Mileage Act and shall receive no other compensation, perquisite or allowance.
- D. The council shall develop criteria for assessing the critical needs of municipal <u>fire departments and tribal</u> and county fire districts for fire apparatus and equipment, communications equipment, equipment for wildfires, fire station construction or expansion or equipment for hazardous material response.
- E. Applications for grant assistance from the fire protection grant fund shall be made by fire districts to the council in accordance with the requirements of the council.

  Using criteria developed by the council, the council shall evaluate applications and prioritize those applications most in need of grant assistance from the fund. To the extent that money in the fund is available, the council shall award grant assistance for those prioritized applications.
- F. In awarding grant assistance, the council may .181464.1

underscored material = new
[bracketed material] = delete

require conditions and procedures necessary to ensure that the money is expended in the most prudent manner."

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