

WEST VIRGINIA LEGISLATURE

2026 REGULAR SESSION

Introduced

Senate Bill 77

**FISCAL
NOTE**

By Senator Phillips

[Introduced January 14, 2026; referred
to the Committee on Government Organization; and
then to the Committee on Finance]

1 A BILL to amend and reenact §33-3-33 of the Code of West Virginia, 1931, as amended; and to
2 amend the code by adding a new section, designated §15A-11-11a, relating to fire
3 department recruitment and retention; creating Fire Service Recruitment and Retention
4 Fund; establishing that the purpose of the fund is to provide grants for recruitment and
5 retention purposes; requiring the State Fire Commission to create a grant program;
6 establishing considerations for awarding grants; providing definitions; providing for
7 rulemaking; requiring State Fire Commission verify eligibility of volunteer fire departments
8 with Legislative Auditor; raising policy surcharge to one percent; and allocating
9 disbursements to various funds.

Be it enacted by the Legislature of West Virginia:

CHAPTER 15A. DEPARTMENT OF HOMELAND SECURITY.

ARTICLE	11.	FIRE	COMMISSION.
----------------	------------	-------------	--------------------

§15A-11-11a. Fire Service Recruitment and Retention Fund; creation of fire service recruitment and retention grant; reports of ineligibility to State Fire Marshal.

1 (a) There is hereby continued in the Treasury a special revenue fund to be known as the
2 Fire Service Recruitment and Retention Fund. Expenditures from the fund by the State Fire
3 Commission are authorized from collections. The fund may only be used for the purpose of
4 providing grants to volunteer and part-volunteer fire companies and departments and their
5 members for the purpose of recruiting and retaining volunteer and part-volunteer firefighters. Any
6 balance remaining in the fund at the end of any fiscal year does not revert to the General Revenue
7 Fund, but remains in the Special Revenue Fund.

8 (b) The State Fire Commission shall establish a grant program for recruitment and the
9 retention of volunteer and part-time volunteer firefighters, including length of service award
10 programs (LOSAP). The grant program shall be open to all volunteer and part-volunteer fire
11 companies and departments. In making grants pursuant to this section, the State Fire Marshal

12 shall consider:

13 (1) The number of emergency and nonemergency calls responded to by the company or

14 department;

15 (2) The activities and responses of the company or department;

16 (3) The revenues received by the company or department from federal, state, county,

17 municipal, local, and other sources; and

18 (4) The company's or department's assets, expenditures, and other liabilities, including

19 whether the fire company or department has availed itself of available statewide contracts.

20 (c) The State Fire Commission may promulgate emergency rules and shall propose

21 legislative rules for promulgation in accordance with §29A-3-1 et seq. of this code as may be

22 necessary to implement and comply with the provisions of this section.

23 (d) The Legislative Auditor shall notify the State Fire Marshal of any volunteer or part-

24 volunteer fire company or department that is ineligible to receive grant funds due to the company's

25 or department's failure to file required bank statements or financial reports or failure to comply with

26 an audit or review by the Legislative Auditor. A volunteer or part-volunteer fire company or

27 department reported by the Legislative Auditor shall be ineligible to receive funds under this

28 section until the Legislative Auditor notifies the State Fire Marshal that the company or department

29 has come into compliance.

30 (e) For the purpose of this section:

31 "Length of Service Award Program" means a program to provide paid length of service

32 awards to eligible volunteers.

33 "Eligible volunteer" means a bona fide volunteer who is an active part-time or on-call

34 member of a volunteer fire department or a volunteer firefighter.

CHAPTER 33. INSURANCE.

ARTICLE 3. LICENSING, FEES, AND TAXATION OF INSURERS.

§33-3-33. Surcharge on fire and casualty insurance policies to benefit volunteer and part-volunteer fire departments; Public Employees Insurance Agency and municipal pension plans; special fund created; allocation of proceeds; effective date.

1 (a)(1) For the purpose of providing additional revenue for volunteer fire departments, part-volunteer fire departments and certain retired teachers and the Teachers Retirement Reserve Fund, there is hereby authorized and imposed on and after July 1, 1992, on the policyholder of any fire insurance policy or casualty insurance policy issued by any insurer, authorized or unauthorized, or by any risk retention group, a policy surcharge equal to one percent of the taxable premium for each such policy. After June 30, 2005, the surcharge shall be imposed as specified in subdivisions (2) and (3) of this subsection.

8 (2) After June 30, 2005, through December 31, 2005, for the purpose of providing additional revenue for volunteer fire departments, part-volunteer fire departments and to provide additional revenue to the Public Employees Insurance Agency and municipal pension plans, there is hereby authorized and imposed on and after July 1, 2005, on the policyholder of any fire insurance policy or casualty insurance policy issued by any insurer, authorized or unauthorized, or by any risk retention group, a policy surcharge equal to one percent of the taxable premium for each such policy

15 (3) (a) After December 31, 2005 June 30, 2026, for the purpose of providing additional revenue for volunteer fire departments and part-volunteer fire departments, there is hereby authorized and imposed on the policyholder of any fire insurance policy or casualty insurance policy issued by any insurer, authorized or unauthorized, or by any risk retention group, a policy surcharge equal to fifty-five one hundredths of one percent of the taxable premium for each such policy.

21 (4) (b) For purposes of this section, casualty insurance may not include insurance on the life of a debtor pursuant to or in connection with a specific loan or other credit transaction or insurance on a debtor to provide indemnity for payments becoming due on a specific loan or other

24 credit transaction while the debtor is disabled as defined in the policy. The policy surcharge may
25 not be subject to premium taxes, agent commissions, or any other assessment against premiums.

26 (b) (c) The policy surcharge shall be collected and remitted to the commissioner by the
27 insurer, or in the case of surplus lines coverage, by the surplus lines licensee, or if the policy is
28 issued by a risk retention group, by the risk retention group. The amount required to be collected
29 under this section shall be remitted to the commissioner on a quarterly basis on or before the
30 twenty-fifth day of the month succeeding the end of the quarter in which they are collected, except
31 for the fourth quarter for which the surcharge shall be remitted on or before March 1 of the
32 succeeding year.

33 (c) (d) Any person failing or refusing to collect and remit to the commissioner any policy
34 surcharge and whose surcharge payments are not postmarked by the due dates for quarterly filing
35 is liable for a civil penalty of up to \$100 for each day of delinquency, to be assessed by the
36 commissioner. The commissioner may suspend the insurer, broker, or risk retention group until all
37 surcharge payments and penalties are remitted in full to the commissioner.

38 (d) (e) (1) All money from the policy surcharge shall be collected by the Commissioner who
39 shall disburse the money received from the surcharge into a special account in the State Treasury,
40 designated the Fire Protection Fund. The net proceeds of this portion of the tax and the interest
41 thereon, after appropriation by the Legislature, shall be distributed quarterly on the first day of the
42 months of January, April, July, and October to each volunteer fire company or department on an
43 equal share basis by the State Treasurer. ~~After June 30, 2005, the money received from the~~
44 ~~surcharge shall be distributed as specified in subdivisions (2) and (3) of this subsection.~~

45 (2)(A) ~~After June 30, 2005, through December 31, 2005, all money from the policy~~
46 ~~surcharge shall be collected by the commissioner who shall disburse one half of the money~~
47 ~~received from the surcharge into the Fire Protection Fund for distribution as provided in~~
48 ~~subdivision (1) of this subsection.~~

49 (B) ~~The remaining portion of moneys collected shall be transferred into the fund in the~~

50 State Treasury of the Public Employees Insurance Agency into which are deposited the
51 proportionate shares made by agencies of this state of the Public Employees Insurance Agency
52 costs of those agencies, until November 1, 2005. After October 31, 2005, through December 31,
53 2005, the remain portion shall be transferred to the special account in the state Treasury, known as
54 the Municipal Pensions and Protection Fund

55 (3) (2) After December 31, 2005 June 30, 2026, all money from the policy surcharge shall
56 be collected by the Commissioner who shall disburse all of the money received from the surcharge
57 into the Fire Protection Fund for distribution as provided in subdivision (1) of this subsection as
58 follows:

59 (A) Sixty-four percent into the Fire Protection Fund for distribution as provided in
60 subdivision (1) of this subsection;

61 (B) Twenty-two percent into the Fire Service Equipment and Training Fund established by
62 §15A-11-11 of this code; and

63 (C) Fourteen percent into the Fire Service Recruitment and Retention Fund established by
64 §15A-11-11a of this code.

65 (4) (3) Before each distribution date to volunteer fire companies or departments, the State
66 Fire Marshal shall report to the state Treasurer:

67 (A) The names and addresses of all volunteer and part-volunteer fire companies and
68 departments within the state which meet the eligibility requirements established in §8-15-8a of this
69 code during the preceding quarter;

70 (B) The number of volunteer firefighters and the number of full-time paid members
71 providing services to each volunteer and part-volunteer fire company and department during the
72 preceding quarter;

73 (C) A full accounting of each volunteer and part-volunteer fire company and department
74 eligible to receive a distribution under this section's revenues and expenditures for the last two
75 calendar years; and

76 (D) A list of each volunteer and part-volunteer fire company and department has
77 implemented the State Auditor's West Virginia Checkbook fiscal reporting system on or before
78 January 1, 2027.

79 (e) (E) Notwithstanding any other provision of this subsection, each volunteer and part-
80 volunteer fire company and department shall implement the State Auditor's West Virginia
81 Checkbook fiscal reporting system on or before January 1, 2026 2028, in order to remain eligible
82 to receive any funds pursuant to this section.

83 (f) (E) The allocation, distribution, and use of revenues provided in the Fire Protection Fund
84 are subject to the provisions of §8-15-8a and §8-15-8b of this code.

NOTE: The purpose of this bill is to provide for recruitment and retention of volunteer and part volunteer fire departments.

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