HOUSE BILL 456

52ND LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2015

INTRODUCED BY

Nate Gentry

AN ACT

RELATING TO GOVERNMENT REORGANIZATION; ENACTING THE STATE FIRE MARSHAL ACT; CREATING AN AGENCY AND BOARD; PROVIDING POWERS AND DUTIES; MOVING THE STATE FIRE MARSHAL, THE STATE FIRE ACADEMY AND THE FIRE PROTECTION FUND FROM THE PUBLIC REGULATION COMMISSION AND FROM THE NEW MEXICO INSURANCE CODE; CHANGING THE DUTIES OF THE STATE FIRE MARSHAL; REQUIRING CONTINUING EDUCATION FOR CERTIFICATION AS A FIREFIGHTER; ALLOWING FOR THE COLLECTION OF FEES FOR FIRE INSPECTION; TRANSFERRING FUNCTIONS, APPROPRIATIONS, MONEY, PERSONNEL, PROPERTY, CONTRACTUAL OBLIGATIONS AND STATUTORY REFERENCES; AMENDING, REPEALING AND ENACTING SECTIONS OF THE NMSA 1978; MAKING AN APPROPRIATION.

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

SECTION 1. Section 8-8-6 NMSA 1978 (being Laws 1998, Chapter 108, Section 6, as amended) is amended to read:

1	"8-8-6. COMMISSIONDIVISIONSThe commission shall
2	include the following organizational units:
3	A. the administrative services division;
4	B. the consumer relations division;
5	C. the legal division;
6	D. the transportation division; <u>and</u>
7	E. the utility division [and
8	F. the fire marshal division]."
9	SECTION 2. [NEW MATERIAL] SHORT TITLESections 2
10	through 23 of this act may be cited as the "State Fire Marshal
11	Act".
12	SECTION 3. [NEW MATERIAL] DEFINITIONSAs used in the
13	State Fire Marshal Act:
14	A. "board" means the state fire board;
15	B. "combustible liquid" means any liquid having a
16	flash point at or above one hundred degrees Fahrenheit and
17	below two hundred degrees Fahrenheit;
18	C. "flammable liquid" means any liquid having a
19	flash point below one hundred degrees Fahrenheit; and
20	D. "office" means the state fire marshal's office.
21	SECTION 4. [NEW MATERIAL] STATE FIRE BOARD CREATED
22	MEMBERSAPPOINTMENTSVACANCIES
23	A. The "state fire board" is created. The board
24	consists of seven members appointed by the governor as follows:
25	(1) one fire chief;
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1	(2) one fi
2	(3) one sp
3	(4) one fi
4	(5) one fi
5	(6) one fi
6	(7) one pı
7	B. Members serv
8	during their term for misco
9	duty. A board member faili
10	regular meetings is automat
11	board.
12	C. The board sh
13	chair and secretary-treasur
14	D. The board sh
15	months and at other times a
16	fire marshal or on the writ
17	of the board. A majority o
18	E. Members of t
19	reimbursed for per diem and
20	and Mileage Act and shall r
21	perquisite or allowance.
22	SECTION 5. [NEW MATER
23	A. The board ma
24	inspections, not to exceed
25	B. The board sh
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(2)) one	fire	marshal;
(4 ,) Olie	TTTE	marsmar,

- prinkler contractor;
- ire alarm contractor;
- irefighter;
- ire chief; and
- ablic member.
- e four-year terms and may be removed onduct, incompetence or neglect of ng to attend three consecutive ically removed as a member of the
- all annually elect a chair, vice er from its membership.
- all meet at least once every three t the call of the chair or the state ten request of two or more members f the board constitutes a quorum.
- he board are entitled to be mileage as provided in the Per Diem eceive no other compensation,

RIAL] BOARD--POWERS AND DUTIES.--

- y establish reasonable fees for fire the actual cost of the inspection.
 - a11:

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1	(1) hire the state fire marshal, who shall
2	hire employees of the office;
3	(2) oversee the operations of the office;
4	(3) approve fire codes and rules proposed by
5	the state fire marshal;
6	(4) hear administrative appeals of orders and
7	modifications of the state fire marshal pursuant to the State
8	Fire Marshal Act; and
9	(5) hear appeals from the state fire marshal's
10	determinations pursuant to the Fire Protection Fund Act.
11	SECTION 6. [NEW MATERIAL] OFFICE AND MARSHAL CREATED
12	DIVISIONSFUNDING
13	A. The "state fire marshal's office" is created as
14	an adjunct agency of the executive branch.
15	B. The office consists of the "state fire marshal",
16	"deputy state fire marshals" and other employees to carry out
17	the duties of the state fire marshal and the "firefighter
18	training academy" pursuant to law. The office is organized
19	into the following divisions:
20	(1) the firefighter training academy division;
21	(2) the fire service support division;
22	(3) the fire investigations division; and
23	(4) the fire code enforcement division.
24	C. An appropriation from the fire protection fund
25	to the office shall be included in the general appropriation

act each year to carry out the purposes of the State Fire Marshal Act and the state fire marshal's duties.

D. The office may cooperate with all other groups, organizations and agencies in New Mexico or other states in the collection, dissemination and evaluation of information, statistics and suggestions for prevention or control of fires.

SECTION 7. [NEW MATERIAL] RULES--HEARING--NOTICE-STATEWIDE EFFECT.--

A. The office may adopt or revise rules to carry out the provisions of the State Fire Marshal Act and the Fire Protection Fund Act. A rule shall not be adopted or revised or made effective until after public hearing on the proposed rule, of which at least twenty days' written notice shall be given by electronic or traditional mail to each person who has registered with the office that person's interest in rules of the office. The notice of rulemaking shall contain a copy of each rule proposed for adoption or revision. The notice of rulemaking and the proposed rule shall be posted on the office's web site. Any interested person may appear and present testimony at the hearing on proposed rules.

- B. The board shall approve rules before they are promulgated.
- C. The rules promulgated in accordance with the State Fire Marshal Act shall have uniform effect throughout the state, and no municipality or other political subdivision shall .198807.1

enact or enforce any ordinances or rules inconsistent with the statewide rules of the state fire marshal. Nothing in that act shall in any way impair the power of a municipality to regulate the use of its land by zoning, building codes or restricted fire district rules.

SECTION 8. [NEW MATERIAL] FIRE PROTECTION TRAINING
PROGRAMS.--The office shall establish and conduct training
programs throughout the state for demonstrating and teaching
firefighters proper methods of preventing and extinguishing
fires. The office shall have available, from funds included in
the general appropriation act of each year, money for
establishing and conducting such training programs.

PUBLIC SCHOOLS--RULES FOR SCHOOL BUILDING EVACUATIONS.--The office shall prescribe reasonable rules and programs for the teaching to all students in the state, whether in public or private schools, the proper methods of fire prevention and control. The rules and programs shall be submitted to the public education department on or before August 1 of each year. Among other things, the rules and programs shall prescribe drills for evacuating school buildings.

SECTION 10. [NEW MATERIAL] INVESTIGATION OF FIRE
HAZARDS--ABATEMENT.--The office is authorized to make
investigations and reports of existing conditions in the state
that are fire hazards and to make reasonable orders for the
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alleviation of those situations as the state fire marshal deems necessary. If the orders of the state fire marshal are not carried out by persons to whom they are directed, the office may institute proper proceedings under municipal ordinances or state laws to require compliance with the orders.

SECTION 11. [NEW MATERIAL] ENTERING UPON PREMISES.--The state fire marshal or a deputy state fire marshal or other authorized officer or designated agent has authority at all normal hours of operation to enter in and upon all buildings and premises subject to the State Fire Marshal Act for the purpose of examination and inspection.

SECTION 12. [NEW MATERIAL] INVESTIGATION OF FIRES AND EXPLOSIONS--HEARINGS--USE OF STATE POLICE LABORATORY.--

A. The office may make investigations deemed necessary of any fire or explosion or attempt to cause any fire or explosion in the state. The state fire marshal may require reports from deputy state fire marshals concerning all fires and explosions in their districts.

B. For the purpose of investigating, the state fire marshal and deputy fire marshals or other designated persons may conduct hearings, subpoena witnesses, take testimony and enter upon and examine any building or premises where a fire or explosion or attempt to cause a fire or explosion has occurred, or which at the time is burning. The state fire marshal and deputy fire marshals or other designated persons may require

the production of such papers, records and other documents as needed in their investigations. In addition, the state fire marshal and deputy fire marshals or other designated persons may, in their discretion, take full control and custody of buildings and premises described in this subsection, and place someone in charge of the buildings and premises as they deem proper until their examination and investigation is completed. For evaluation of the evidence, the office shall have access to the facilities and personnel of the state police laboratory, and the executive head of the laboratory shall cooperate fully with the state fire marshal and deputy fire marshals or other designated persons.

SECTION 13. [NEW MATERIAL] WITNESSES--PER DIEM AND MILEAGE.--Witnesses or persons subpoenaed pursuant to the State Fire Marshal Act shall be paid as to time and expense from the state fire marshal's budget at per diem and mileage rates on the same bases and at the same rates as state employees.

SECTION 14. [NEW MATERIAL] TRANSMITTAL OF EVIDENCE INDICATING CRIMINAL ACTS.--The state fire marshal shall furnish to the proper law enforcement officers any evidence that the state fire marshal may discover during an investigation that indicates criminal acts.

SECTION 15. [NEW MATERIAL] RECORDS OF FIRES OPEN TO

PUBLIC.--The state fire marshal shall keep all records of fires

that have occurred in the state open for public inspection at

times when the office is open.

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SECTION 16. [NEW MATERIAL] FIRE PREVENTION--PUBLIC OCCUPANCIES RULES.--

For prevention and control of fires, the state fire marshal shall formulate, adopt and promulgate and amend or revise rules for fire prevention and safe conduct or use of public occupancies and rules concerning the sale, servicing or use of fire safety, prevention, detection or suppression equipment or materials. The rules shall be approved by the board prior to adoption. For the purposes of this provision, "public occupancies" consist of places of assembly, educational occupancies, institutional occupancies, residential occupancies consisting of four or more family units, mercantile occupancies, office occupancies, industrial occupancies, storage occupancies and miscellaneous structures consisting of towers, underground structures and windowless buildings and all buildings owned or occupied by the state government or any political subdivision of the state.

- B. The rules shall follow nationwide standards except in the area of life safety codes, which shall be compatible with the Uniform Building Code, as revised from time to time, issued by the international conference of building officials.
- C. The rules shall allow reasonable provision under which facilities in service prior to the effective date of the .198807.1

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rules and not in strict conformity with the rules may be continued in service. Nonconforming facilities in service prior to the adoption of rules that are found by the state fire marshal to constitute a distinct hazard to life or property shall not be exempt from rules nor permitted to continue in service. SECTION 17. [NEW MATERIAL] FLAMMABLE LIQUIDS RULES --

NATIONWIDE STANDARDS -- SAVING CLAUSE . --

Α. The state fire marshal shall adopt rules for the safe vehicular transportation, storage, handling and use of flammable and combustible liquids; provided that the state fire marshal shall not adopt a rule conflicting with the jurisdiction of the department of environment over the regulation of storage tanks pursuant to the Hazardous Waste Act or the Ground Water Protection Act.

- The rules shall be in keeping with the latest generally recognized safety standards for flammable and combustible liquids. Rules in substantial conformity with the published standards of the national fire protection association for vehicular transportation, storage, handling and use of flammable and combustible liquids shall be deemed to be in substantial conformity with the generally accepted and recognized standards of safety concerning the same subject matter.
- C. The rules shall include reasonable provisions .198807.1

under which facilities in service prior to the effective date of the rules and not in strict conformity with those rules may be continued in service. Nonconforming facilities in service prior to the adoption of the rules that are found by the state fire marshal to constitute a distinct hazard to life or property may not be excepted from the rules or permitted to continue in service. For guidance in enforcement, the rules may delineate those types of nonconformities that should be considered distinctly hazardous and those nonconformities that should be evaluated in light of local conditions. If the need for compliance with any rule is conditioned on local factors, the rules shall provide that reasonable notice be given to the proprietor of the facility affected of intention to evaluate the need for compliance and of the time and place at which the proprietor may appear and offer evidence thereon.

SECTION 18. [NEW MATERIAL] POLICE POWER OF FIRE MARSHAL-COOPERATION OF STATE OFFICERS.--

- A. The state fire marshal, a deputy state fire marshal or an authorized officer or designated agent of the state fire marshal shall have full powers as a peace officer to enforce the provisions of the State Fire Marshal Act and all rules promulgated in accordance with that act.
- B. The revenue officers and law enforcement officers of the state shall cooperate with the state fire marshal, a deputy state fire marshal or an authorized officer .198807.1

or designated agent whenever called upon by any of them for assistance in enforcing the provisions of the State Fire Marshal Act.

SECTION 19. [NEW MATERIAL] CEASE AND DESIST ORDERS-CERTAIN VIOLATIONS ARE MISDEMEANORS.--

A. When the state fire marshal, a deputy state fire marshal or an authorized officer or designated agent of the state fire marshal finds a violation of the State Fire Marshal Act or rules promulgated in accordance with that act, the state fire marshal, a deputy state fire marshal or an authorized officer or designated agent shall issue an order to the owner or the owner's agent to cease and desist such violation.

B. When a violation of a law or rule concerning flammable liquids is found, a cease and desist order shall be issued if the violation constitutes an immediate and distinct hazard to life or property, and the violation constitutes a misdemeanor punishable by a fine not to exceed five hundred dollars (\$500). Each day the violation continues constitutes a separate offense. Fines shall be deposited to the credit of the current school fund pursuant to Article 12, Section 4 of the constitution of New Mexico.

SECTION 20. [NEW MATERIAL] ADMINISTRATIVE APPEAL OF ORDERS AND MODIFICATIONS--JUDICIAL APPEAL.--

A. A person aggrieved by an order of the state fire marshal, a deputy state fire marshal or an authorized officer .198807.1

or designated agent of the state fire marshal may appeal to the board within ten days from the date of the service of the order. The board shall hear the party within twenty days after receipt of an appeal request and shall give not less than ten days' written notice of the hearing. Within fifteen days after the hearing, the board shall file its decision and, unless by its authority the order is revoked or modified, the order shall be complied with within the time fixed in the decision, which shall not be less than thirty days. The decision of the board is a final administrative decision.

B. A person aggrieved by a decision of the board may appeal to the district court as provided in Section 39-3-1.1 NMSA 1978.

SECTION 21. [NEW MATERIAL] ENFORCEMENT OF CEASE AND DESIST ORDERS.--After expiration of time for an administrative appeal, and if an appeal has not been taken, the state fire marshal may commence an action in the district court for Santa Fe county to enforce the cease and desist order by injunction or other appropriate remedy as the district court may adjudge. The board may likewise commence an action in the district court for Santa Fe county to enforce its decision rendered on appeal from the cease and desist order of the state fire marshal.

SECTION 22. [NEW MATERIAL] PENALTY FOR VIOLATION OF LAW

OR RULES.--Violation of any of the provisions of the State Fire

Marshal Act or a rule promulgated in accordance with that act

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shall constitute a misdemeanor for which the punishment shall be a fine of not more than five hundred dollars (\$500). Each day the violation continues constitutes a separate offense. Fines shall be deposited to the credit of the current school fund pursuant to Article 12, Section 4 of the constitution of New Mexico.

SECTION 23. [NEW MATERIAL] PENALTY FOR VIOLATION OF CEASE AND DESIST ORDER.--A person who violates a final cease and desist order shall be subject to a fine of five hundred dollars (\$500) for each day the violation continues. The attorney general may bring a civil suit for the enforcement of this section on the relation of the state fire marshal. Fines shall be deposited to the credit of the current school fund pursuant to Article 12, Section 4 of the constitution of New Mexico.

SECTION 24. [NEW MATERIAL] SHORT TITLE.--Sections 24 through 41 of this act may be cited as the "Fire Protection Fund Act".

SECTION 25. [NEW MATERIAL] PURPOSE.--The purpose of the Fire Protection Fund Act is to provide for distribution of money from the fire protection fund to municipalities and county fire districts in proportion to their respective needs; and for use in operation, maintenance and betterment of local fire departments to reduce the hazard of loss by fire, to reduce fire insurance rates and to promote the public safety.

SECTION 26. [NEW MATERIAL] DEFINITION.--As used in the .198807.1

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Fire Protection Fund Act, "board" means the state fire board.

SECTION 27. [NEW MATERIAL] DETERMINATION AND CERTIFICATION OF NEEDS.--

Annually, on or before the last day of May, the state fire marshal shall consider and determine, in the state fire marshal's reasonable discretion, the relative needs of municipalities and county fire districts for money in the fire protection fund, based upon the information available to the state fire marshal, and shall certify to the state treasurer the names of the municipalities and county fire districts that the state fire marshal determines need the assistance of a distribution from the money in the fire protection fund, and the amount required by each, in accordance with the provisions of the Fire Protection Fund Act. In making this determination and certification, the state fire marshal shall consider the intent and purpose of that law that no municipality 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 act.

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

SECTION 28. [NEW MATERIAL] CRITERIA FOR DETERMINATION OF NEEDS--MUNICIPAL FIRE DEPARTMENT.--

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Α. In making the determination of needs pursuant to Section 27 of this 2015 act, the state fire marshal shall first determine that each municipality to be certified has maintained an official fire department created by and regulated in accordance with a duly enacted ordinance for a period of at least one year prior to the date of certification and possesses fire equipment and apparatus in serviceable condition to respond to a fire incident. The state fire marshal shall also determine the number of fire stations and substations to be certified and shall certify to the state treasurer the amount to be distributed to each municipality for the purpose of maintaining each fire station and each substation, if any, that meets the requirements of the state fire marshal and the requirements of this section. Unless adjusted pursuant to Section 30 of this 2015 act, the amounts distributed in a fiscal year for a class insurance rating shall equal the following:

class	m	ain station	S1	ubstation
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. A municipality may permit its fire department to service an area adjacent and contiguous to its corporate limits but within the corporate limits of another municipality or a county; provided that the other municipality or county by resolution or law duly adopted or enacted consents to the service and to the boundaries of the other area serviced. Before commencement of service, a plat showing the geographic limits and boundaries of the additional area to be serviced shall be filed with and approved by the state fire marshal. A municipality may apply for fire protection fund eligibility for any fire station located within the additional area to be serviced.

C. Any municipality may apply for fire protection fund eligibility for a fire station located at a municipally owned airport, whether located outside or within its corporate limits.

SECTION 29. [NEW MATERIAL] ESTABLISHMENT OF FIRE DISTRICTS.--

A. The board of county commissioners of a county may establish one or more fire districts. The state fire marshal shall determine the number of fire stations and substations to be certified and shall certify to the state
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treasurer the amount to be distributed to each fire district for the purpose of maintaining each fire station and each substation, if any, that meets the requirements of the state fire marshal and the requirements of this section. Unless adjusted pursuant to Section 30 of this 2015 act, the amounts distributed in a fiscal year for a class insurance rating shall equal the following:

class		main station	substation
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 state fire marshal:

(1) the 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, and possesses fire apparatus and

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equipment in serviceable condition to respond to a fire incident:

- the geographic limits and boundaries of (2) the fire district have been clearly defined and established in a plat showing the geographic limits and boundaries accepted and filed as part of the official record of proceedings of the board of county commissioners and a certified copy thereof filed with the state fire marshal: and
- there is available within the geographic limits and boundaries of the fire district an adequate water supply to be used in connection with the firefighting facilities of the fire district.
- C. The board of county commissioners of a county may allow a county fire district to service an area adjacent and contiguous to the district but within another county or municipality; provided that the other county or municipality by resolution or law duly adopted or enacted consents to the service and to the boundaries of the other area serviced. Before commencement of service, a plat showing the geographic limits and boundaries of the county fire district and of the additional area to be serviced shall be filed with and approved by the state fire marshal. A county may apply for fire protection fund eligibility for any fire station located within the additional area to be serviced.

[NEW MATERIAL] MAXIMUM AMOUNTS TO BE SECTION 30. .198807.1

CERTIFIED.--

A. For fiscal year 2016 and each fiscal year thereafter, the state fire marshal shall certify a total amount equal to the higher of the amount that would be certified pursuant to Sections 28 and 29 of this 2015 act or an amount to be determined by adding:

- (1) the total increase in the fire protection fund receipts in the previous fiscal year minus the appropriations, from all sources, to the volunteer firefighters retirement fund in the current fiscal year; and
- (2) the total distribution pursuant to Sections 28 and 29 of this 2015 act for the previous fiscal year.
- B. The state fire marshal shall adjust the distributions for each class in proportion to the increase in the total distribution.

SECTION 31. [NEW MATERIAL] FUND CREATED--DISTRIBUTIONS-APPROPRIATIONS AND TRANSFERS FROM THE FIRE PROTECTION FUND.--

A. The "fire protection fund" is created in the state treasury and includes distributions to the fund as provided in Section 59A-6-5 NMSA 1978, other appropriations, gifts, grants, donations and income from investment of the fund. The fund shall be administered by the state fire marshal and money in the fund is appropriated to the state fire marshal to provide distributions to municipalities and county fire

districts. Money in the fund for the operations of the state fire marshal's office and the firefighter training academy is subject to appropriation by the legislature.

- B. For each fiscal year, the amount to be distributed by the state fire marshal pursuant to Sections 28 through 30 of this 2015 act is appropriated from the fire protection fund to the board to make the distributions.
- C. For the purposes of Subsections D and E of this section, the "remaining balance in the fire protection fund" shall be calculated on June 30 of each year and shall equal the balance of the fund on that date less the sum of:
- (1) the total amount to be distributed during the succeeding fiscal year pursuant to Sections 28 through 30 of this 2015 act; and
- (2) the total amount of other appropriations from the fire protection fund for the succeeding fiscal year.
- D. On the following dates, the following percentages of the remaining balance in the fire protection fund shall be transferred from the fire protection fund to the fire protection grant fund:
- (1) on June 30, 2015, thirty-three and five-tenths percent;
- (2) on June 30, 2016, forty and two-tenths percent;
 - (3) on June 30, 2017, forty-six and

1	nine-tenths percent;							
2	(4) on June 30, 2018, fifty-three and							
3	six-tenths percent;							
4	(5) on June 30, 2019, sixty and three-tenths							
5	percent;							
6	(6) on June 30, 2020, sixty-seven percent;							
7	(7) on June 30, 2021, seventy-three and							
8	seven-tenths percent;							
9	(8) on June 30, 2022, eighty and four-tenths							
10	percent;							
11	(9) on June 30, 2023, eighty-seven and							
12	one-tenth percent;							
13	(10) on June 30, 2024, ninety-three and							
14	eight-tenths percent; and							
15	(11) on June 30, 2025, and on each subsequent							
16	June 30, one hundred percent.							
17	E. On June 30 of each year, the remaining balance							
18	in the fire protection fund, less the amount to be transferred							
19	on that date pursuant to Subsection D of this section to the							
20	fire protection grant fund, shall be transferred to the general							
21	fund; provided that no transfer shall be made to the general							
22	fund after June 30, 2024.							
23	SECTION 32. [NEW MATERIAL] FIRE STATION AND FIRE							
24	PROTECTION SERVICES ACROSS JURISDICTIONAL LINES							
25	A. Nothing in the Fire Protection Fund Act shall be							

construed to prohibit fire protection fund eligibility to a municipal or county fire station or substation that otherwise meets the requirements of the state fire marshal and the requirements of the Fire Protection Fund Act but is not located within the municipality or county.

B. Nothing in the Fire Protection Fund Act shall be construed to prohibit mutual aid agreements between municipalities or counties to provide fire protection services across jurisdictional lines.

SECTION 33. [NEW MATERIAL] APPEAL AND REVIEW OF

DETERMINATION.--The state fire marshal shall promptly notify
each municipality and county fire district affected of the
state fire marshal's determination of needs, and a municipality
or county fire district may appeal from the determination of
the state fire marshal to the board within ten days after the
determination of needs. The board shall review the
determination of the state fire 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 state
fire marshal. The certification by the board, or by the state
fire marshal if no appeal is taken, shall be final and binding
on all concerned and not subject to any further review.

SECTION 34. [NEW MATERIAL] 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 municipality and county fire district, the amount that the state fire marshal or the board, as the case may be, has certified to the state treasurer. Payment shall be made to the treasurer of any municipality 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 that the state fire marshal or the board, as the case may be, has certified to the state treasurer pursuant to an ordinance or a resolution passed by the municipality or county and a written agreement of the municipality 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 state fire 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 35. [NEW MATERIAL] EXPENDITURE OF FIRE PROTECTION .198807.1

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FUND MONEY. -- Any amount distributed from the fire protection fund to a municipality or to a county 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; and fire department emergency medical services, except salaries. Provided, however, that no money shall be expended from the fund for any purpose relating to the water supply systems of a municipality or county fire district or for the improvement or construction of the systems or for purchase, rental, installation or maintenance of fire hydrants or for any other appurtenances relating to the distribution or use of the water supply system. Funds distributed from the fire protection fund to a municipality or a county fire district may also be expended for the expense of firefighters for attending fire schools and conventions approved by the state fire marshal.

SECTION 36. [NEW MATERIAL] LIMITATIONS ON EXPENDITURES.-No amount of money distributed from the fire protection fund to
a municipality or to any 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

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upon the date of distribution by the state treasurer, during the year following such distribution, without the prior written approval of the state fire marshal.

SECTION 37. [NEW MATERIAL] PURCHASE OF LAND OR BUILDINGS. -- No amount of money distributed from the fire protection fund to a municipality or to a 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 municipality or county fire district 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 municipality 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 prohibit construction or location of a fire station or substation on land donated in whole or in part to the 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 state fire marshal in advance and

after full investigation and determination that the use would be appropriate and reasonable.

SECTION 38. [NEW MATERIAL] VOUCHERS.--

- A. Amounts distributed from the fire protection fund to a municipality or a county fire district shall be expended under the direction of the chief of the fire department of the municipality or county fire district, upon duly executed vouchers approved as required by law.
- B. In no event is any amount to be expended for any purpose that does not relate directly to the allowed purposes specifically stated in the Fire Protection Fund Act.

SECTION 39. [NEW MATERIAL] PROMULGATION OF RULES.--The state fire marshal has authority to promulgate, modify, amend and revoke from time to time rules, including those for mutual aid among and between fire departments; provided that the rules are approved by the board and provided further that the rules shall not allow a fire department to extend its service in any manner that would jeopardize the fire insurance rates within its municipality or county fire district, as the state fire marshal may determine, in the state fire marshal's discretion, to be necessary, advisable or proper to accomplish the objectives of the Fire Protection Fund Act. Among other things, these rules shall include a list of firefighting equipment, apparatus and other items that may properly be purchased by a municipality or by a 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 a municipality or county fire district from money distributed from the fire protection fund. All rules shall be filed and published as required by law. Rules of this nature promulgated by the superintendent of insurance or the state fire marshal under the authority of the public regulation commission and now in effect shall continue in effect until revoked or modified. Nothing in this section shall be construed to grant regulatory authority over the Volunteer Firefighters Retirement Act to the state fire marshal.

EXPENDITURE. -- Any person who expends, directs or permits the expenditure of any money distributed from the fire protection fund for purposes not expressly authorized by the Fire Protection Fund Act or by rules duly promulgated by the state fire marshal pursuant to that law shall be personally liable to the state for the full amount of the money wrongfully expended, together with interest on the money and costs. An action to recover the amount of a 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

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2	wrongful expenditure.					
3	SECTION 41. [NEW MATERIAL] FIRE PROTECTION GRANT					
4	COUNCILDUTIES					
5	A. The "fire protection grant council" is created.					
6	Subject to the requirements of Subsection C of this section,					
7	the council consists of:					
8	(1) a representative of the New Mexico					
9	municipal league;					
10	(2) a representative of the New Mexico					
11	association of counties;					
12	(3) five members, one from each congressional					
13	district and two at large, appointed by the governor, who serve					
14	at the pleasure of the governor; and					
15	(4) the state fire marshal, who serves as a					
16	nonvoting advisory member.					
17	B. The council shall elect a chair and vice chair					
18	from its membership.					
19	C. No appointee to the council shall be a member or					
20	employee of the state fire marshal's office or the board.					
21	D. The public members are entitled to receive per					
22	diem and mileage as provided in the Per Diem and Mileage Act					
23	for state employees and shall receive no other compensation,					
24	perquisite or allowance.					

with the officer of a verified statement describing the

The council shall develop criteria for assessing

the critical needs of municipal fire departments and county fire districts for:

- (1) fire apparatus and equipment;
- (2) communications equipment;
- (3) equipment for wildfires;
- (4) fire station construction or expansion;
- (5) equipment for hazardous material response;

and

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- (6) stipends for volunteer firefighters in underserved areas.
- F. 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.
- G. In awarding grant assistance, the council may require conditions and procedures necessary to ensure that the money is expended in the most prudent manner.
- H. When considering applications for grant assistance to pay stipends to volunteer firefighters in underserved areas, the council shall:
 - (1) define "underserved area";

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	(2)	ensure	the	propo	sed	stip	ends	will	comp1	Lу
with the federal	Fair	Labor	Stan	dards	Act	of l	1938	and U	nited	
States department of labor requirements for maintaining										
woluntoor status	•									

- (3) require a basic level of training before a volunteer may receive a stipend;
- (4) consider whether the fire district requires a service commitment from its volunteer firefighters in exchange for stipends; and
- (5) weight the applications against other criteria or requirements determined by the council.

SECTION 42. TEMPORARY PROVISION--TRANSFERS OF FUNCTIONS, RULES, APPROPRIATIONS, MONEY, PERSONNEL, RECORDS, FILES, EQUIPMENT, SUPPLIES AND OTHER PROPERTY--CONTRACTUAL OBLIGATIONS--STATUTORY REFERENCES--ACTIVE APPEALS.--

A. On July 1, 2015, all functions, rules, appropriations, money, personnel, records, files, equipment, supplies and other property of the fire marshal division of the public regulation commission are transferred to the state fire marshal's office. Rules shall remain in effect for the office, the fire protection fund and the fire protection grant fund until amended or repealed.

B. On July 1, 2015, all contractual obligations of the fire marshal division of the public regulation commission shall be binding on the state fire marshal's office.

- C. On July 1, 2015, all references in the law to the fire marshal division of the public regulation commission or the fire marshal shall be references to the state fire marshal's office or the state fire marshal. All references in law to the state fire board or the public regulation commission in its position as the state fire board shall be deemed to be references to the state fire board.
- D. Appeals to the public regulation commission in its position as the state fire board as of July 1, 2015 that have not been heard by the public regulation commission may be completed by the public regulation commission unless the state fire board has already been appointed and is ready to begin serving by July 30, 2015. Until all appeals active between July 1 and July 30, 2015 are completed, any time limits in the State Fire Marshal Act or the Fire Protection Fund Act may be suspended on the order of the state fire board.

SECTION 43. REPEAL.--

- A. Sections 59A-52-1 through 59A-52-26 NMSA 1978 (being Laws 1984, Chapter 127, Sections 947 through 971 and Laws 2013, Chapter 80, Section 1, as amended) are repealed.
- B. Sections 59A-53-1 through 59A-53-19 NMSA 1978 (being Laws 1984, Chapter 127, Sections 972 and 973, Laws 2012, Chapter 20, Section 2, Laws 1984, Chapter 127, Sections 974 and 975, Laws 1989, Chapter 312, Section 5, Laws 1998, Chapter 76, Section 3, Laws 2007, Chapter 152, Section 1, Laws 2012,

Chapter 20, Section 6, Laws 1984, Chapter 127, Sections 977 through 985, 987 and 988 and Laws 2006, Chapter 103, Sections 7 and 8, as amended) are repealed.

SECTION 44. EFFECTIVE DATE.--The effective date of the provisions of this act is July 1, 2015.

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