

Fire Department Dues



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Fire Department Dues Program

Introduction

The state administers a fire department dues program, which uses revenues collected from insurers doing a fire insurance business in the state to fund state and local fire prevention and fire protection programs. The program is often referred to as the "2% fire dues program" because the revenue collected by the state from insurers to support the program is equal to 2% of the fire insurance premiums received by the insurers.

The Department of Safety and Professional Services (DSPS) distributes most of the 2% fire department dues revenues to each city, village, or town maintaining a local fire department that complies with state law. The program was administered by the Department of Commerce prior to 2011-12. The Department of Commerce was repealed under 2011 Act 32 and the program and staff were transferred to DSPS (the former Department of Regulation and Licensing).

Municipalities must use the fire dues payments they receive from the state only for eligible activities related to operation of a fire department. In addition, state revenues received under the fire dues program are used for DSPS administration of statewide fire prevention and fire protection programs, state administration of fire dues eligibility and payments, and Wisconsin Technical College System (WTCS) support of firefighter training programs.

This paper describes fire department dues program revenues collected by the state. It also describes expenditures made from fire department dues revenues, including: (a) DSPS distribution of fire dues payments to local governments that maintain fire departments; (b) DSPS administration of fire prevention and fire protec-

tion programs; (c) WTCS administration of firefighter training programs; and (d) WTCS firefighter school training program local assistance (tuition payments for fire fighters).

The DSPS fire prevention program is authorized under section 101.14 of the statutes, and the fire dues program is authorized under s. 101.573 and 101.575 of the statutes. DSPS administers the fire prevention and fire dues programs under administrative rules SPS 314 of the Wisconsin Administrative Code.

Revenue

Any insurer doing a fire insurance business in Wisconsin must pay to the state, under s. 601.93 of the statutes, fire department dues equal to 2% of the amount of all Wisconsin based premiums paid to the company during the preceding calendar year for insurance against loss by fire, including insurance on property exempt from taxation. In addition, under s. 101.573 (1) of the statutes, fire department dues also include 2% of the premiums paid to the local government property insurance fund for the insurance of any public property, other than state property.

Fire department dues revenues are collected by the Office of the Commissioner of Insurance (OCI). Every insurer doing a fire insurance business in the state is required to file a statement with OCI by March 1 each year. The statement must show the amount of premiums for fire insurance for the preceding calendar year. Before May 1 of each year, OCI reports to DSPS on the amount of fire department dues received from

Table 1: Fire Department Dues Revenues Reported by the Office of the Commissioner of Insurance

Fiscal Year	Amount	% Change
2004-05	\$15,034,700	
2005-06	16,151,300	7.4%
2006-07	15,361,000	-4.9
2007-08	15,467,300	0.7
2008-09	15,758,000	1.9
2009-10	16,167,200	2.6
2010-11	16,549,600	2.4
2011-12	17,675,700*	6.8
2012-13	17,434,600*	-1.4
2013-14	19,736,700	13.2

*Reported revenue, however, 2011-12 figures include an overpayment of over \$600,000 that was deducted from the 2012-13 payment.

insurers during the prior calendar year. Table 1 shows the amount of fire department dues reported by OCI to DSPS (or Commerce, prior to 2012) for the past 10 fiscal years. Wisconsin domiciled companies are known as "domestic" insurers and account for approximately half of the total fire insurance coverage in the state, and thus for approximately half of the total fire department dues revenues received by the state. Companies based in other states are termed "nondomestic" or "foreign" companies and pay the remainder of the fire dues.

In addition to the fire dues assessed on insurance companies, Wisconsin imposes taxes on insurance companies. (See the Legislative Fiscal Bureau informational paper entitled, "Taxation of Insurance Companies" for more information.) Wisconsin taxes on insurance premiums employ both "retaliatory" and "reciprocal" provisions, intended to equalize the state tax treatment of insurers operating in more than one state. The 2% fire dues are included in the calculation of retaliatory and reciprocal taxation. Most other states utilize retaliatory taxation but do not provide reciprocity. The retaliatory statute specifies that Wisconsin may impose higher taxes than its statutory rate on a foreign insurer doing business in the state, to the extent that the insurer's home

state imposes a tax on Wisconsin firms operating there that is higher than Wisconsin's statutory rate. The reciprocal statute provides that foreign (non-Wisconsin) insurers doing business in the state shall pay no additional and no higher taxes, fees or other charges than their home state imposes on similar Wisconsin insurers operating there. This provision allows a foreign insurer to be taxed at rates lower than those specified in the Wisconsin statutes, if its home state imposes a lower tax. Under the retaliatory statute, if, for example, the fire dues rate would be increased, it could potentially trigger retaliatory tax provisions in other states that would increase the taxes Wisconsin domiciled insurers pay in the other states.

Summary of Expenditures

The Department of Safety and Professional Services is required to calculate, by May 1 each year, the proper amount of fire dues to be paid to each qualifying city, village or town. The statutes direct DSPS to calculate this by adding unexpended funds from the prior year to the fire department dues revenues reported by OCI. Then DSPS subtracts the appropriated amounts for the DSPS administrative appropriation and the two WTCS fire fighter training appropriations. Finally, DSPS withholds 0.5% of the remaining fire dues funds. The resulting amount is distributed to municipalities. The 0.5% of fire dues funds that is withheld from distribution is disbursed in the following fiscal year if needed to correct errors of DSPS or OCI, or to correct payments to municipalities. Any of the 0.5% of revenues that is withheld but not distributed is added to the revenue available in the subsequent year for distribution to municipalities.

Any unencumbered funds at the end of the fiscal year in the annual DSPS administrative appropriation, WTCS operations appropriation, or the WTCS fire fighter school training program

local assistance appropriation revert back to the fire dues distribution appropriation and are available for distribution to municipalities in the subsequent year.

Table 2 illustrates the calculation made by DSPS of the fire department dues revenues available for distribution to municipalities in 2013-14.

Table 3 shows the actual expenditures of fire dues revenues for the four appropriations from fiscal years 2004-05 through 2013-14. Table 3 also shows the appropriated amounts for 2014-15 for the DSPS and the two WTCS appropriations, and the estimated amount available for distribution to municipalities. The annual expenditures differ from the revenues reported by OCI in Table 1 because of the impact of withholding 0.5% of revenue each year for subsequent corrections and for the expenditure of prior year's committed, but unspent, funds.

Table 2: Fire Dues Revenues Available for Distribution to Fire Departments, Calculation on May 1, 2014 for 2013-14 Distribution

Revenues	
Remaining 0.5% funds withheld in the prior year	\$79,844.88
Prior year unexpended administrative Funds - DSPS	73,960.94
Prior year unexpended funds - WTCS	0.00
Accounting adjustment	-269.82
Fire Department Dues Reported by OCI	<u>19,736,685.21</u>
Total Program Revenue	<u>\$19,890,221.21</u>
Less Program Appropriations	
DSPS fire prevention and fire dues administration	- \$807,700.00
WTCS fire schools local assistance	- 600,000.00
WTCS fire schools administration	<u>- 413,900.00</u>
Total Program Appropriations	<u>- \$1,821,600.00</u>
Gross Amount Available for Distribution	\$18,068,021.21
Less 0.5% Withheld	- \$90,341.11
Final Amount Available for Distribution to Municipalities*	\$17,978,278.10

*In 2013-14, the actual amount distributed in July, 2014, was \$17,977,549, which was \$729 lower due to the DSPS method of rounding, in order to distribute less than the available amount.

Table 3: Expenditures of Fire Department Dues Revenues

Fiscal Year	Fire Dues Distribution to Municipalities (1)	Percent Change in Distribution	DSPS Fire Prevention and Fire Dues Administration (2)	WTCS Fire Schools Local Assistance	WTCS Fire Schools Administration	Total Fire Dues Expenditures
2004-05	\$13,332,500	1.5	\$640,700	\$600,000	\$290,800	\$14,863,900
2005-06	14,503,600	8.8%	642,000	600,000	435,000	16,180,600
2006-07	13,612,800	-6.1	673,100	600,000	431,700	15,317,600
2007-08	13,712,100	0.7	738,500	600,000	667,800 (3)	15,718,300
2008-09	13,982,400	2.0	715,700	600,000	533,800 (3)	15,831,900
2009-10	14,410,800	5.2	668,400	600,000	437,900	16,417,100
2010-11	14,840,600	0.9	626,900	600,000	437,900	16,505,400
2011-12	16,098,600	8.5	540,500	600,000	406,200	17,645,300
2012-13	15,889,100	-1.3	534,900	600,000	406,200	17,430,300
2013-14	17,977,500	13.1	571,300	600,000	413,900	19,562,700
2014-15 est.	18,200,000	1.2	808,000	600,000	414,800	20,022,800

(1) Fire dues are distributed for municipality eligibility in the preceding calendar year. For example, the 2013-14 fire dues were distributed for calendar year 2013 activities.

(2) Department of Commerce prior to 2011-12, Department of Safety and Professional Services (DSPS) as of 2011-12.

(3) WTCS expenditures exceeded the appropriated amount because WTCS received approval in 2007-08 under s. 16.515 of the statutes for an additional \$316,600 in expenditures for equipment and for fire fighter training programs (\$91,300 of this amount was committed in 2007-08, but was spent in 2008-09).

Fire Dues Distribution to Municipalities

The Department of Safety and Professional Services is responsible for the distribution of fire department dues under ss. 101.573 and 101.575 of the statutes to cities, villages, and towns that maintain fire departments or contract for fire protection if the municipalities meet specific criteria. DSPS distributes a proportionate share of the revenues based on the equalized valuation of real property improvements on land within the qualifying cities, villages and towns. If a municipality had 1% of the equalized value of real property improvements in the state, the municipality would receive 1% of the fire dues distributed in that year. However, qualified municipalities may not receive less than they received in fiscal year 1978-79 for calendar year 1978 (a total of \$3.5 million statewide). In 2012-13, a total of \$9,300 was distributed to 15 municipalities under the hold harmless provision. In 2013-14, \$8,700 was distributed to 13 municipalities under the provision.

OCI reported to DSPS by May 1, 2014, on the amount of 2013 fire dues paid by insurers. DSPS then calculated the fire dues distribution to municipalities to be paid in 2013-14. The January 1, 2013, equalized valuation was used to calculate the fire dues distributed from the 2013-14 appropriation. The Department of Administration paid the amounts determined by DSPS by August 1. Payments to local governments for calendar year 2013 fire dues were compiled in May, 2014, and paid in July, 2014, from the 2013-14 appropriation. The distribution of 2013-14 (calendar year 2013) fire dues to 1,850 municipalities was \$18.0 million.

Table 4 shows the fire dues payments distributed in every county in the three most recent fiscal years of 2011-12 (calendar year 2011 dues), 2012-13 (calendar year 2012) and 2013-14 (calendar year 2013, paid to the municipality in July,

2014). The table shows the number of towns, villages, and cities in every county that received fire dues payments in 2013-14, and the total amount of payments distributed.

Eligibility Requirements

Every city, village, or town that maintains a fire department that complies with statutory requirements is entitled to receive a proportionate share of fire department dues. DSPS is responsible for determining whether a local government is entitled to receive a fire dues payment.

Any city, village, or town may receive fire dues if it has a fire department which meets all of the following requirements:

- a. Is organized to provide continuous fire protection in the city, village, or town and has a designated chief;
- b. Singly, or in combination with another fire department under a mutual aid agreement, can ensure the response of at least four fire fighters, none of whom is the chief, to a first alarm for a building;
- c. Provides a training program in accordance with DSPS rules;
- d. Provides facilities capable, without delay, of receiving an alarm and dispatching fire fighters and apparatus; and
- e. Maintains either a voluntary fire department that holds a meeting at least once each month or a paid or partly paid fire department with sufficient personnel ready for service at all times.

The city, village, or town maintaining a fire department may only use fire dues for the direct provision of the following four activities:

Table 4: Fire Dues Payments to Municipalities, by County (Fiscal Years 2011-12 through 2013-14)

County	Number of Recipient Municipalities (2013-14)	2011-12 (CY2011)	2012-13 (CY2012)	2013-14 (CY2013)	County	Number of Recipient Municipalities (2013-14)	2011-12 (CY2011)	2012-13 (CY2012)	2013-14 (CY2013)
Adams	19	\$66,281	\$65,405	\$73,567	Manitowoc	30	\$196,829	\$193,416	\$217,252
Ashland	16	35,778	35,482	40,382	Marathon	56	337,637	332,635	381,855
Barron	35	117,120	114,987	135,940	Marinette	25	104,282	111,363	128,018
Bayfield	28	58,488	57,951	67,461	Marquette	19	48,879	48,968	55,274
Brown	24	652,620	651,365	760,454	Menominee	1	7,517	7,508	8,032
Buffalo	23	31,237	31,553	36,119	Milwaukee	19	2,206,670	2,129,179	2,356,277
Burnett	24	65,429	63,246	71,627	Monroe	34	95,348	97,513	116,263
Calumet	17	94,412	93,480	109,830	Oconto	28	108,226	111,051	126,165
Chippewa	31	150,437	154,394	178,050	Oneida	21	168,133	169,900	192,652
Clark	44	62,928	64,863	75,364	Outagamie	31	506,417	503,750	576,913
Columbia	34	172,824	169,461	189,956	Ozaukee	14	340,337	336,170	378,888
Crawford	21	35,480	34,854	41,007	Pepin	11	19,016	18,695	21,671
Dane	59	1,694,014	1,665,649	1,914,100	Pierce	25	106,230	105,796	119,210
Dodge	41	204,748	204,114	230,244	Polk	35	126,067	127,181	143,505
Door	19	195,019	195,741	220,109	Portage	27	173,246	174,628	200,702
Douglas	22	110,338	107,705	120,737	Price	22	38,172	37,827	43,199
Dunn	30	95,410	93,606	108,572	Racine	17	526,300	503,633	545,538
Eau Claire	18	237,763	244,901	283,488	Richland	22	36,699	37,144	41,233
Florence	8	16,071	16,511	18,724	Rock	28	352,459	348,899	387,316
Fond du Lac	32	243,256	241,585	276,066	Rusk	33	30,996	30,421	35,915
Forest	15	28,518	29,053	31,537	Saint Croix	33	233,959	227,636	273,371
Grant	52	100,765	102,018	115,812	Sauk	37	224,707	221,669	249,759
Green	23	96,654	97,783	111,117	Sawyer	20	75,642	72,194	83,145
Green Lake	16	64,894	61,930	69,956	Shawano	36	95,501	95,996	109,166
Iowa	25	62,751	63,373	71,860	Sheboygan	28	313,007	310,036	348,322
Iron	12	21,904	21,104	24,169	Taylor	27	39,233	41,202	48,662
Jackson	27	42,563	43,887	52,202	Trempealeau	26	63,683	65,954	75,077
Jefferson	24	234,424	228,170	255,887	Vernon	32	60,233	62,258	71,177
Juneau	28	60,473	60,890	67,799	Vilas	15	155,927	150,272	163,685
Kenosha	12	432,770	409,739	452,348	Walworth	28	430,452	411,481	454,342
Kewaunee	14	53,396	53,863	62,031	Washburn	25	64,409	63,401	71,411
La Crosse	18	276,631	288,177	334,647	Washington	20	446,983	440,706	490,695
Lafayette	26	35,178	36,214	40,899	Waukesha	37	1,584,914	1,562,429	1,760,658
Langlade	19	50,894	51,524	58,341	Waupaca	34	129,654	131,372	151,250
Lincoln	18	71,828	72,691	79,659	Waushara	25	73,151	73,162	82,229
					Winnebago	21	429,790	429,959	491,863
					Wood	34	174,611	176,457	196,803
					Total	1,850	\$16,098,610	\$15,889,132	\$17,977,549

- a. The purchase of fire protection equipment;
- b. Fire inspection and public education;
- c. Training of fire fighters and fire inspec-

tors performing public fire education and fire inspection duties; and

- d. Whole or partial funding of fire fighters' pension funds or other special funds for the benefit of disabled or retired fire fighters.

In order for any city, village, or town which contracts with another municipality for fire protection to be eligible for fire dues payments, the contract with the other municipality must be sufficient to provide fire protection to the entire city, village, or town. Any city, village, or town that contracts for fire protection service must give the fire department dues payments received from the state to the municipality or fire department providing the fire protection service, and that municipality or fire department must use those payments only for the four eligible activities specified above.

In addition to these requirements, the municipality must be in substantial compliance with all program requirements. Before DSPS pays fire department dues to a city, village or town, the Department is required to determine that the city, village, town, or fire department is in substantial compliance with the program requirements to: (a) spend fire dues only on permitted uses; (b) comply with program requirements; and (c) provide for fire inspections of every public building and place of employment in the fire department's territory, generally at least once in each non-overlapping six-month period per calendar year, or two inspections per year, except in the City of Milwaukee, which establishes its own inspection schedule.

In addition, 2013 Act 20 established a requirement that municipalities must be in substantial compliance with the s. 101.141 requirements to keep records of fires and submit the reports of fires to the U.S. Fire Administration for inclusion in the National Fire Incident Reporting System. Prior to enactment of 2013 Act 20, fire departments were required to comply with the fire incident reporting requirements, but the receipt of fire dues was not conditioned upon compliance with the reporting requirements.

The statutes authorize DSPS to promulgate rules that allow for less frequent inspections, based on the type of occupancy or use of the

premises. Administrative rule SPS 314.01 (13)(b) 7., effective March 1, 2008, authorizes municipalities to pass an ordinance under which the municipality conducts one fire inspection per calendar year instead of two, provided the interval between those inspections does not exceed 15 months. DSPS does not keep records of which municipalities have adopted such an ordinance.

DSPS utilizes an online self-certification process whereby, on or before April 1 of every year, the city, village, or town clerk, and the chief of the fire department providing fire protection to the municipality, must complete an online registration and certification process. The officials must certify that the fire department is in substantial compliance with the fire dues program requirements. Effective January 1, 2014, DSPS modified the online self-certification process to include a certification of compliance with the fire incident reporting requirements included in 2013 Act 20.

Determination of Substantial Compliance

The requirement of "substantial compliance" was established by 2003 Act 219. Administrative rules effective January 1, 2005, define "substantial compliance" under administrative code section SPS 314.03 (1)(i) as:

"Substantial compliance," for the purposes of s. 101.575 (4)(a)1. and 2., Stats., means an ample amount of the required activity was performed through a concerted effort aimed at total compliance. A determination of substantial compliance is obtained through a common-sense approach to evaluating whether enough effort was made to comply with the applicable statute or code requirements. Substantial compliance is not a specific number or percent of compliance. A determination of substantial compliance in any one year or regulatory standard does not mean that the same amount of compliance or effort in the following year or in another area of the code automatically equals substantial compliance."

If DSPS determines that a city, village, or town does not meet the "substantial compliance" eligibility requirements, DSPS pays the fire dues to the municipality for that calendar year and issues a notice of noncompliance to the chief of the fire department, the governing body and the highest elected official of the municipality. If the municipality does not meet the requirements within one year after receipt of the notice or prior to the next audit by DSPS, whichever is later, the city, village, or town will not be entitled to fire dues for that year and for all subsequent calendar years until the requirements are met.

DSPS issues a notice of noncompliance based on one or more of the following reasons: (a) the municipality fails to return the self-certification form on time; (b) the municipality returns an incomplete self-certification form; (c) the municipality self-certifies noncompliance; or (d) an audit by DSPS results in failure. Table 5 includes information about noncompliance with fire dues requirements from 2008-09 through 2013-14. During the six years, all determinations of noncompliance have been based on the municipality's self-certification of noncompliance, a failure to self-certify compliance, or that the municipality indicated it did not provide fire prevention services. The table shows the number of municipalities that received notices of noncompliance.

Table 5 also shows the number of on-site audits performed by DSPS, and the number of municipalities that did not receive fire dues payments due to noncompliance.

In 2011-12, DSPS issued notices of noncom-

pliance for 76 municipalities. Eight municipalities did not receive fire dues payments due to noncompliance. The eight municipalities are the Town of City Point in Jackson County, Town of Beaver in Marinette County, Village of Melvina in Monroe County, Town of Little River in Oconto County, Village of Couderay in Sawyer County, Town of Bartelme in Shawano County, and the Towns of Maplehurst and Roosevelt in Taylor County.

In 2012-13, DSPS issued 56 notices of noncompliance for 50 municipalities. The reasons for the 56 notices included 50 failures to self-certify, three that self-certified as noncompliant, one with two fire protection providers where one failed to self-certify and the other self-certified noncompliance, and two incomplete. Two municipalities did not receive fire dues payments due to noncompliance. The two were the Village of Elderon in Marathon County and the Village of Couderay in Sawyer County.

In 2013-14, DSPS issued 17 notices of noncompliance to 17 municipalities. The reasons for the notices included 12 for failure to self-certify, and five that self-certified as noncompliant. The same two municipalities that did not receive fire dues payments in 2012-13 did not receive payments in 2013-14 due to noncompliance. In 2013-14, DSPS did not keep separate data on the number of municipalities that were or were not in compliance with the fire incident reporting requirements.

During the 2009-11 biennium, Commerce fire prevention coordinators stopped performing on-

Table 5: Municipalities Determined to be Noncompliant with Fire Dues Requirements

	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Number of Noncompliant Municipalities	38	25	65	76	50	17
On-Site Audits Performed by Commerce/DSPS	17	0	2	0	11	24
Number of Municipalities That Did Not Receive Payment Due to Noncompliance	4	5	1	8	2	2

site audits because of a vacancy. In the 2011-13 biennial budget act, the vacant fire prevention coordinator position was eliminated. DSPS resumed performing onsite audits in 2012-13 and 2013-14. In 2014-15, DSPS is developing a plan to increase the number of audits performed annually.

Administrative rules in SPS 314.01 establish an appeals process to be followed if DSPS determines a municipality is not in substantial compliance with the fire dues requirements. The appeals process does not apply in situations where the noncompliance is based on the self-certification by the fire department and municipality. A fire department or a municipality served by the fire department may submit an appeal within 30 days after DSPS's determination of ineligibility. An appeals board appointed by DSPS would consider the appeal and forward its findings to the Secretary of DSPS within 30 days. The DSPS Secretary would uphold or overturn the Department's initial determination of failure. This appeals procedure has not been used yet because all determinations of noncompliance have been based on the municipality's self-certification of noncompliance or two or more years of the municipality failing to submit a self-certification form.

If DSPS withholds payments of any fire dues to a municipality that would have used the dues for payments into any fire fighter's pension fund or other special funds for disabled or retired fire fighters, the municipality would be required to make a payment to the pension fund or other special fund from any other available fund of the municipality. If no other fund would be available, the municipality would be required to make the payment from the next taxes levied and collected for the city, village, or town.

DSPS Administrative Appropriation

DSPS is responsible for administering a statewide fire prevention program. DSPS is appropriated \$807,700 in 2013-14 and \$808,000 in 2014-15 from fire dues revenues with 5.5 positions. DSPS actual expenditures were \$571,300 in 2013-14, rather than the full appropriated amount. This was due to a delay relating to a fire reporting system described at the end of this section.

The Department uses the administrative funds for activities such as: (a) conducting annual training sessions for local fire inspectors; (b) providing onsite consultations and technical assistance to fire department officials and inspectors related to fire prevention and fire safety elements of the state building and fire prevention codes; (c) administering code provisions related to fire prevention; (d) determining eligibility of municipalities to receive fire dues distribution; (e) calculating payments of fire dues; (f) verifying compliance of fire municipalities with the fire dues program criteria; (g) maintaining a database of fire incident reporting records of all fires occurring in the state; and (h) providing information related to fire safety.

The 5.5 full-time equivalent (FTE) DSPS positions include: (a) 4.0 FTE fire prevention coordinators whose duties include to audit municipalities for fire dues grant eligibility, assist municipalities and local fire departments to meet state requirements, and provide technical support, onsite consultations, and training regarding fire prevention; and (b) 1.5 FTE program support positions who are responsible for entering fire prevention data into databases, providing information related to fire prevention programs, and managing the fire incident reporting and self-certification activities of the fire prevention program.

During 2013-15, the four fire prevention coordinators spent most of their time: (a) consulting with local fire department and municipal officials regarding fire dues compliance requirements, and the fire prevention code and commercial building code requirements for new buildings and changes of use in existing buildings; (b) providing onsite consultations and training for municipal fire departments; and (c) performing onsite audits of fire departments.

The statutes require an administrative rule that defines "administrative expenses" for expenditures under the administrative appropriation. Administrative rules included in SPS 314.03 (1) and effective in 2004, define "administrative expenses" as expenditures for the direct costs and indirect costs of administering s. 101.14 (fire inspections, prevention, detection and suppression), s. 101.141 (record keeping of fires) and s. 101.573 (fire dues distribution) of the statutes, as follows:

a. "Direct costs" means the cost of salaries, limited-term employees, fringe benefits, and supplies to administer the three statutes.

b. "Indirect costs" means the cost, determined on a pro rata basis, of management and administrative services provided to administer the three statutes.

c. "Supplies" means equipment, memberships, postage, printing, rent, subscriptions, telecommunications, travel, utilities, and similar outfitting and services, directly related to administering the three statutes.

The approximately \$808,000 appropriated each year in the DSPS administrative appropriation includes \$180,000 in each of 2013-14 and 2014-15 (of which \$95,000 is provided on a one-time basis) provided in 2013 Act 20 (the 2013-15

biennial budget act) to contract with a private vendor to provide software, technical assistance, and training to local fire departments to help them meet their statutory requirement to report every fire involving a building to the U.S. Fire Administration for inclusion in the National Fire Incident Reporting System. DSPS did not spend any of the funds allocated to the contract in 2013-14. As of November, 2014, DSPS was in the process of purchasing software from the state's software purchasing contract. The Department was in the process of determining what technical assistance and training services would be provided and procuring those services from a separate contractor.

Wisconsin Technical College System Programs

The Wisconsin Technical College System (WTCS) is responsible for fire fighter training programs in the WTCS districts. In each of 2013-14 and 2014-15, \$600,000 of fire dues revenues is appropriated for tuition for members of volunteer and paid fire departments to attend fire fighter training programs. WTCS reimburses technical college districts for their training costs. In 2013-14, funding supported training for 4,669 fire-fighters in programs conducted by WTCS districts.

In addition, the WTCS is appropriated \$413,900 in 2013-14 and \$414,800 in 2014-15 from fire dues revenues with 3.0 permanent positions for: (a) development and purchase of curriculum materials; (b) workshops for fire fighters; (c) an annual workshop for WTCS fire fighter instructors and trainers from fire departments; (d) technical assistance to WTCS districts; and (e) testing and certification of fire fighters.