



SPONSOR: Rep. D. Short & Rep. Carson & Sen. Ennis &
Sen. Simpson

HOUSE OF REPRESENTATIVES
149th GENERAL ASSEMBLY

HOUSE BILL NO. 243

AN ACT TO AMEND TITLE 16 OF THE DELAWARE CODE RELATING TO VOLUNTEER FIRE AND
AMBULANCE COMPANIES.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

1 Section 1. Amend § 6608, Title 16 of the Delaware Code by making deletions as shown by strikethrough and
2 insertions as shown by underline as follows:

3 § 6608. Audits of volunteer fire and ambulance companies.

4 (a) The State Fire Prevention Commission shall promulgate regulations requiring financial audits of volunteer fire
5 and ambulance companies and the Smyrna and Georgetown American Legion Ambulances and the Mid-Sussex Rescue
6 Squad. The regulations shall include, but not be limited to, specifying the required types of audits, the reporting periods,
7 procedures for reviewing the audits and the processes to be followed in the event a company fails to submit or submits an
8 inadequate audits.

9 ~~(b) The State Fire Prevention Commission shall have the authority, after a hearing, to impose a civil penalty not to~~
10 ~~exceed \$100 against any volunteer fire and ambulance companies, the Smyrna and Georgetown American Legion~~
11 ~~Ambulances and the Mid-Sussex Rescue Squad that fails to comply with any regulation promulgated pursuant to subsection~~
12 ~~(a) of this section. Each day a violation continues may be deemed a separate offense in the State Fire Prevention~~
13 ~~Commission's discretion. However, in no event shall the total penalties exceed \$5,000 per reporting period.~~

14 (b) The State Fire Prevention Commission shall have the authority, in addition to any other authority provided by
15 law, after consulting with the State Auditor of Accounts, to require additional audits and enforce compliance with any
16 regulation or order relating to financial audits of any volunteer fire and ambulance company, the Smyrna and Georgetown
17 American Legion Ambulances and the Mid-Sussex Rescue Squad as follows:

18 (1) To require an organization to procure the services of 1 or more certified public accountants certified under the
19 laws of the State of Delaware to audit the organization's accounts for any fiscal year(s) as the State Fire Prevention
20 Commission may deem appropriate, with the costs to be paid by such organization being audited. In the event any
21 organization fails to secure the services of a qualified accountant within 30 days following any request made pursuant to

22 this subsection, the State Fire Prevention Commission shall authorize the State Auditor of Accounts to procure a certified
23 public accountant to perform the audit and assess the costs to such organization.

24 (2) The scope and procedures for any audit mandated in accordance with subsection 1 of this section shall be
25 determined by the State Auditor of Accounts.

26 (3) Demand that the State Treasurer withhold any funds allocated and not previously released to an organization
27 under any current or future Grant-in-Aid Appropriation Act of the State of Delaware to the organization to the extent
28 necessary to satisfy any unpaid penalties and costs assessed to such organization by the State Fire Prevention Commission.

29 (4) Demand that the State Treasurer withhold any funds allocated and not previously released to an organization
30 under any current or future Grant-in-Aid Appropriation Act of the State of Delaware to an organization until such a time as
31 the organization complies with any accounting requirement, regulation or remedial measure issued by the State Fire
32 Prevention Commission.

33 (5) Report evidence of criminal activity to the Attorney General.

34 (c) The penalties specified in this section are in addition to and not in lieu of any other penalties provided for under
35 this chapter.

SYNOPSIS

This bill is the direct result of the Delaware Financial Review of Volunteer Fire Companies Task Force Report of February 2017, created by House Concurrent Resolution 95 of the 148th General Assembly. The revised subsection (b) established in this Bill will provide the State Fire Prevention Commission with the authority to make sure that volunteer fire and ambulance companies properly complete their audit requirements and maintain fiscal responsibility. If a company fails to comply with audit requirements, the State Fire Prevention Commission can have the State Treasurer withhold Grant-in-Aid funds from the offending company.