

**675 IAC 12-14-1 Definitions**

Authority: IC 22-13-2-2

Affected: IC 22-12-1-18.7; IC 36-8-12-2

Sec. 1. (a) The definitions in this section apply throughout this rule.

(b) "Office" means either of the following:

- (1) The state fire marshal.
- (2) Employees of the state fire marshal.

(c) "Personal protective equipment" means any of the following:

(1) Protective:

- (A) coats;
- (B) trousers;
- (C) coveralls;
- (D) footwear;
- (E) gloves; and
- (F) hoods.

(2) Proximity protective:

- (A) coats;
- (B) trousers;
- (C) coveralls;
- (D) footwear;
- (E) gloves; and
- (F) hoods.

(3) Emergency medical:

- (A) garments;
- (B) face protection devices; and
- (C) gloves.

(4) Helmets.

(5) Self-contained breathing apparatus.

(6) Vapor protective suits.

(7) Liquid splash-protective suits.

(8) Chemical-protective clothing.

(d) "Qualified entity" has the meaning set forth in IC 22-12-1-18.7.

(e) "Revolving fund" means the firefighting and emergency equipment revolving loan fund established by IC 22-14-5 [IC 22-14-5 was repealed by P.L.107-2007, SECTION 18, effective July 1, 2007.]. (Fire Prevention and Building Safety Commission; 675 IAC 12-14-1; filed May 29, 1997, 2:40 p.m.: 21 IR 395; readopted filed Sep 11, 2001, 2:49 p.m.: 25 IR 530; filed Aug 30, 2006, 2:25 p.m.: 20060927-IR-675050108FRA; readopted filed Sep 21, 2007, 9:20 a.m.: 20071010-IR-675070388RFA; readopted filed Oct 10, 2007, 9:16 a.m.: 20071031-IR-675070388RFA)

**675 IAC 12-14-2 Use of loan proceeds**

Authority: IC 22-13-2-2

Affected: IC 22-12-1-18.7; IC 36-8-12-2

Sec. 2. Other allowable incidental expenses under IC 22-14-5-9(1) [IC 22-14-5 was repealed by P.L.107-2007, SECTION 18, effective July 1, 2007.] may include the cost of accounting or other professional services incurred by the qualified entity in obtaining a loan from the revolving fund. (Fire Prevention and Building Safety Commission; 675 IAC 12-14-2; filed May 29, 1997, 2:40 p.m.: 21 IR 396; readopted filed Sep 11, 2001, 2:49 p.m.: 25 IR 530; readopted filed Sep 21, 2007, 9:20 a.m.: 20071010-IR-675070388RFA; readopted filed Oct 10, 2007, 9:16 a.m.: 20071031-IR-675070388RFA)

**675 IAC 12-14-3 Application process**

Authority: IC 22-13-2-2

Affected: IC 4-21.5-3-7; IC 22-12-1-18.7; IC 36-8-12-2

Sec. 3. (a) A qualified entity may apply for a loan from the revolving fund on the application form provided by the office. The office shall make application forms available upon request.

(b) Upon receipt of the properly completed and executed application, the office shall review the application and notify the qualified entity of the approval or disapproval of the application. For purposes of this subsection, an application shall not be deemed complete until the office has received all documents required under section 5 of this rule.

(c) In the event the loan is disapproved, the qualified entity shall be given written notice by the office.

(d) A qualified entity may appeal the disapproval of any loan application to the commission in accordance with the provisions of IC 4-21.5-3-7. (*Fire Prevention and Building Safety Commission; 675 IAC 12-14-3; filed May 29, 1997, 2:40 p.m.: 21 IR 396; readopted filed Sep 11, 2001, 2:49 p.m.: 25 IR 530; readopted filed Sep 21, 2007, 9:20 a.m.: 20071010-IR-675070388RFA; readopted filed Oct 10, 2007, 9:16 a.m.: 20071031-IR-675070388RFA*)

**675 IAC 12-14-4 Loan terms and conditions**

Authority: IC 22-13-2-2

Affected: IC 22-12-1-18.7; IC 36-8-12-2

Sec. 4. (a) Upon approval of the application by the office and before delivery of the loan proceeds, the qualified entity, by its designated officers, shall execute a promissory note, a loan and security agreement, and such other documents as are necessary to ensure that the transaction is legal, valid, binding, and enforceable.

(b) The terms and conditions of the promissory note and loan and security agreement shall include, but not be limited to, the following:

(1) A covenant as to the exclusive purpose of the loan pursuant to IC 22-14-5-9(1) [*IC 22-14-5 was repealed by P.L.107-2007, SECTION 18, effective July 1, 2007.*].

(2) The grant to the office by the qualified entity of a security interest in the equipment and apparatus purchased with the loan proceeds, for the balance of the loan, accrued interest, penalties, and collection expenses.

(3) A repayment period not to exceed seven (7) years.

(4) An interest rate set by the board of finance that is not more than two percent (2%) below the prime bank lending rate prevailing on the date the loan was approved by the office.

(5) If any deferral of principal is allowed, such period shall not exceed two (2) years.

(6) If repayment is limited to a specific revenue source of the qualified entity, the repayment shall not be a general obligation of the qualified entity and shall be payable solely from the specified revenue source.

(7) There shall be no prepayment penalty for payment of the loan sooner than required by the terms of the promissory note.

(8) The amount and frequency of the installment payments, including the principal and interest, together with the address to which the payments are to be delivered.

(9) One (1) or more covenants with respect to the qualified entity's continuing obligation to provide the following to the office:

(A) Signed purchase orders and other documentation evidencing the qualified entity's obligation to purchase the equipment and apparatus that is to be purchased with the loan proceeds.

(B) Canceled checks or other documentation evidencing payment by the qualified entity to the seller of the equipment and apparatus that is to be purchased with the loan proceeds.

(C) Delivery receipts and other documentation, including, where applicable, motor vehicle title documentation, evidencing the receipt by the qualified entity of the equipment and apparatus that is to be purchased with the loan proceeds.

(10) Such representations and warranties as may be necessary to ensure that the promissory note and the loan and security agreement are legal, valid, binding, and enforceable.

(*Fire Prevention and Building Safety Commission; 675 IAC 12-14-4; filed May 29, 1997, 2:40 p.m.: 21 IR 396; readopted filed Sep 11, 2001, 2:49 p.m.: 25 IR 530; readopted filed Sep 21, 2007, 9:20 a.m.: 20071010-IR-675070388RFA; readopted filed Oct 10, 2007, 9:16 a.m.: 20071031-IR-675070388RFA*)

**675 IAC 12-14-5 Form of application**

Authority: IC 22-13-2-2

Affected: IC 22-12-1-18.7; IC 36-8-12-2

Sec. 5. (a) The application shall contain at least the following information:

(1) Name, address, telephone number, federal employer identification number, and, where applicable, state nonprofit identification number of the qualified entity.

(2) Name, title, address, and telephone number of contact person for the qualified entity.

(3) Names of governmental units, if any, with which the qualified entity has contracted to provide fire protection or emergency services.

(4) Organizational structure of the qualified entity.

(5) Where applicable, the tax exempt status of the qualified entity for both state and federal income tax purposes.

(6) Amount of loan requested and purpose.

(7) A description of the equipment and/or apparatus to be purchased and whether or not it is new or used.

(8) Specific source of repayment revenue.

(9) Statement of need.

(10) Name of person authorized to execute loan documents.

(11) The total assessed property tax value of the qualified entity or the total assessed property tax value of those areas for which the qualified entity actually provides fire protection or other emergency services.

(12) The total population of the qualified entity, based on the most recent census performed by the United States Census Bureau, or the total population of those areas for which the qualified entity actually provides fire protection or other emergency services, based on the most recent census performed by the United States Census Bureau.

(13) The total amount of the qualified entity's last calendar year budget, or last fiscal year budget if the qualified entity does not operate on a calendar year basis, that was spent on firefighting or emergency equipment or apparatus, including, without limitation, personal protective equipment.

(b) Attachments to the loan application shall include the following:

(1) Certified copy of the qualified entity's organizational documents, such as its constitution or articles of incorporation, or applicable statute or ordinance or other law creating the qualified entity.

(2) If operated by a governmental entity, a copy of the resolution of the legislative body of the unit creating the qualified entity.

(3) If the qualified entity is a nonprofit corporation, a copy of its bylaws and a certificate of existence from the corporations division of the office of the secretary of state of Indiana.

(4) A resolution of the governing body of the qualified entity authorizing the application for the loan, designation of authorized signatory, and execution of all documents necessary to the consummation of the loan.

(5) A verified financial statement of the qualified entity, signed by the chief financial officer, showing the income, expenses, assets, liabilities, and sources of income of the qualified entity as of the date of the application, and for the previous three (3) annual accounting periods.

(6) A copy of the contract, bid specifications, or proposal for purchase of the equipment and/or apparatus to be purchased with the loan proceeds.

*(Fire Prevention and Building Safety Commission; 675 IAC 12-14-5; filed May 29, 1997, 2:40 p.m.: 21 IR 397; readopted filed Sep 11, 2001, 2:49 p.m.: 25 IR 530; readopted filed Sep 21, 2007, 9:20 a.m.: 20071010-IR-675070388RFA; readopted filed Oct 10, 2007, 9:16 a.m.: 20071031-IR-675070388RFA)*

**675 IAC 12-14-6 Loan priority rating system**

Authority: IC 22-13-2-2

Affected: IC 22-12-1-18.7; IC 36-8-12-2

Sec. 6. The loan priority rating system shall consist of a point system based on the number of points allocated to the qualified entity using the following criteria:

(1) The total assessed property tax value of the qualified entity, or the total assessed property tax value of those areas for which the qualified entity actually provides fire protection or other emergency services. A total of fifty (50) points shall be allocated to this criterion as follows:

- (A) \$7,000,000 or less, 50 points.
- (B) \$7,000,001 to \$7,500,000, 47 points.
- (C) \$7,500,001 to \$8,000,000, 44 points.
- (D) \$8,000,001 to \$8,500,000, 41 points.
- (E) \$8,500,001 to \$9,000,000, 38 points.
- (F) \$9,000,001 to \$9,500,000, 35 points.
- (G) \$9,500,001 to \$10,000,000, 32 points.
- (H) \$10,000,001 to \$10,500,000, 29 points.
- (I) \$10,500,001 to \$11,000,000, 26 points.
- (J) \$11,000,001 to \$11,500,000, 23 points.
- (K) \$11,500,001 to \$12,000,000, 20 points.
- (L) \$12,000,001 to \$12,500,000, 17 points.
- (M) \$12,500,001 to \$13,000,000, 14 points.
- (N) \$13,000,001 to \$13,500,000, 11 points.
- (O) \$13,500,001 to \$14,000,000, 8 points.
- (P) \$14,000,001 to \$14,500,000, 5 points.
- (Q) \$14,500,001 to \$15,000,000, 2 points.
- (R) Over \$15,000,000, 0 points.

(2) The total population of the qualified entity, based on the most recent census performed by the United States Census Bureau, or the total population of those areas for which the qualified entity actually provides fire protection or other emergency services, based on the most recent census performed by the United States Census Bureau. A total of twenty (20) points shall be allocated to this criterion as follows:

- (A) 500 or less, 20 points.
- (B) 501–1,500, 19 points.
- (C) 1,501–2,500, 18 points.
- (D) 2,501–3,500, 17 points.
- (E) 3,501–4,500, 16 points.
- (F) 4,501–5,500, 15 points.
- (G) 5,501–6,500, 14 points.
- (H) 6,501–7,500, 13 points.
- (I) 7,501–8,500, 12 points.
- (J) 8,501–9,500, 11 points.
- (K) 9,501–10,500, 10 points.
- (L) 10,501–11,500, 9 points.
- (M) 11,501–12,500, 8 points.
- (N) 12,501–13,500, 7 points.
- (O) 13,501–14,500, 6 points.
- (P) 14,501–15,500, 5 points.
- (Q) 15,501–16,500, 4 points.
- (R) 16,501–17,500, 3 points.
- (S) 17,501–18,500, 2 points.
- (T) More than 18,500, 0 points.

(3) The total amount of the qualified entity's last calendar year budget, or last fiscal year budget if the qualified entity does not operate on a calendar year basis, that was spent on the acquisition of firefighting or emergency equipment or apparatus, including, without limitation, personal protective equipment. A total of thirty (30) points shall be allocated to this criterion as follows:

- (A) \$2,000 or less, 30 points.
- (B) \$2,001–\$3,000, 28 points.
- (C) \$3,001–\$4,000, 26 points.
- (D) \$4,001–\$5,000, 24 points.
- (E) \$5,001–\$6,000, 22 points.

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- (F) \$6,001–\$7,000, 20 points.
- (G) \$7,001–\$8,000, 18 points.
- (H) \$8,001–\$10,000, 16 points.
- (I) \$10,001–\$12,000, 14 points.
- (J) \$12,001–\$14,000, 12 points.
- (K) \$14,001–\$16,000, 10 points.
- (L) \$16,001–\$18,000, 8 points.
- (M) \$18,001–\$20,000, 6 points.
- (N) \$20,001–\$22,000, 4 points.
- (O) \$22,001–\$24,000, 2 points.
- (P) More than \$24,001, 0 points.

*(Fire Prevention and Building Safety Commission; 675 IAC 12-14-6; filed May 29, 1997, 2:40 p.m.: 21 IR 397; errata filed Apr 15, 1998, 10:30 a.m.: 21 IR 3367; readopted filed Sep 11, 2001, 2:49 p.m.: 25 IR 530; readopted filed Sep 21, 2007, 9:20 a.m.: 20071010-IR-675070388RFA; readopted filed Oct 10, 2007, 9:16 a.m.: 20071031-IR-675070388RFA)*

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