

BY: Budget and Taxation Committee

AMENDMENTS TO SENATE BILL NO. 154

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, strike in their entirety lines 2 and 3 and substitute "Volunteer Company Assistance Fund"; strike beginning with "increasing" in line 4 down through "Association;" in line 12 and substitute "repealing certain provisions concerning the Emergency Assistance Trust Fund; establishing the Volunteer Company Assistance Fund as a continuing, nonlapsing fund; establishing the Emergency Assistance Trust Account and the Low Interest Revolving Loan Account in the Fund; providing for the purposes and uses of the Emergency Assistance Trust Account and the Low Interest Revolving Loan Account; providing for the administration of the Fund; providing certain sources of revenue for the Fund; authorizing the Board of Public Works to authorize use of the Accounts; requiring certain volunteer ambulance, fire, or rescue companies to submit a request for certain financial assistance containing certain information to the Maryland State Firemen's Association; requiring certain volunteer companies to submit certain certification of a certain denial for local financial assistance with an application for funding under the Emergency Assistance Trust Account; requiring certain volunteer companies to provide certain matching funds to receive funds from the Emergency Assistance Trust Account under certain circumstances; providing for an appeals procedure under the Emergency Assistance Trust Account if the Maryland State Firemen's Association denies or fails to take action on a certain request; providing for the composition of the appeals panel; requiring the Maryland State Firemen's Association or the appeals panel to transmit a certain recommendation and certain documentation to the Department of Budget and Management; requiring the Department of Budget and Management to forward a certain request to the Department of Legislative Services; requiring the Department of Legislative Services to review a certain request; requiring the Department of Budget and Management to adopt certain regulations; authorizing the Comptroller to audit the finances of the Maryland State Firemen's Association for a certain purpose; requiring certain volunteer companies to forward certain statements and documents to the Department of Budget and Management and the Legislative Auditor in a certain manner; requiring the Legislative Auditor to submit certain reports to the Department of Budget and Management and the Joint Audit Committee of the General Assembly in a certain manner; authorizing the Governor to

(Over)

include a certain amount in the State budget to be appropriated to and administered by the Maryland State Firemen's Association for certain purposes; requiring the Maryland State Firemen's Association to develop certain criteria for a specified purpose; requiring the Association to submit a certain annual report containing certain information in a certain manner to the Department of Budget and Management; requiring the Department of Budget and Management to review a certain report; requiring the Department of Budget and Management to report to certain committees of the General Assembly concerning a certain report; providing that money in the Maryland Emergency Medical System Operations Fund shall be used for a certain Low Interest Revolving Loan Account under a certain Volunteer Company Assistance Fund;"; in line 12, after "terms;" insert "repealing a certain obsolete provision;"; strike beginning with "Maryland" in line 13 down through "Fund" in line 14 and substitute "Volunteer Company Assistance Fund"; strike in their entirety lines 15 through 20, inclusive, and substitute:

"BY repealing

Article 38A - Fires and Investigations

Section 46A through 46C, inclusive, and the subtitle "Volunteer Company Emergency Trust Fund"

Annotated Code of Maryland

(1997 Replacement Volume and 1999 Supplement)

BY adding to

Article 38A - Fires and Investigations

Section 46 through 46H, inclusive, to be under the new subtitle "Volunteer Company Assistance Fund"

Annotated Code of Maryland

(1997 Replacement Volume and 1999 Supplement)";

and in line 23, strike "13-954 and".

#### AMENDMENT NO. 2

On page 1, in line 27, after "That" insert "Sections(s) 46A through 46C, inclusive, and the subtitle "Volunteer Company Emergency Trust Fund" of Article 38A - Fires and Investigations of the Annotated Code of Maryland be repealed.

SECTION 2. AND BE IT FURTHER ENACTED, That".

On pages 2 through 4, strike in their entirety the lines beginning with line 2 on page 2 through line 5 on page 4, inclusive.

AMENDMENT NO. 3

On page 4, after line 5, insert:

"VOLUNTEER COMPANY ASSISTANCE FUND

46.

(A) (1) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) "ASSOCIATION" MEANS THE MARYLAND STATE FIREMEN'S ASSOCIATION.

(3) "BOARD" MEANS THE BOARD OF PUBLIC WORKS.

(4) "DEPARTMENT" MEANS THE DEPARTMENT OF BUDGET AND MANAGEMENT.

(5) "VOLUNTEER COMPANY" MEANS A VOLUNTEER AMBULANCE, FIRE, OR RESCUE COMPANY LOCATED IN THE STATE.

(B) THERE IS A VOLUNTEER COMPANY ASSISTANCE FUND.

(C) THE VOLUNTEER COMPANY ASSISTANCE FUND IS COMPRISED OF:

(1) THE EMERGENCY ASSISTANCE TRUST ACCOUNT; AND

(2) THE LOW INTEREST REVOLVING LOAN ACCOUNT.

(Over)

(D) (1) THE FUND IS A CONTINUING, NONLAPSING FUND WHICH IS NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

(2) THE TREASURER SHALL SEPARATELY HOLD AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

(3) ANY INVESTMENT EARNINGS OF THE FUND SHALL BE PAID INTO THE FUND.

(4) AMOUNTS RECEIVED AS REPAYMENTS ON LOANS FROM THE EMERGENCY ASSISTANCE TRUST ACCOUNT OR THE LOW INTEREST REVOLVING LOAN ACCOUNT SHALL BE PLACED IN THE RESPECTIVE ACCOUNT AND MADE AVAILABLE TO FUND REQUESTS FOR FINANCIAL ASSISTANCE.

(E) THE DEPARTMENT, WITH THE APPROVAL OF THE BOARD, SHALL ADOPT REGULATIONS IN ACCORDANCE WITH TITLE 10, SUBTITLE 1 OF THE STATE GOVERNMENT ARTICLE NECESSARY TO ADMINISTER THE FUND.

46A.

(A) IN THIS SECTION, "ACCOUNT" MEANS THE EMERGENCY ASSISTANCE TRUST ACCOUNT.

(B) (1) THERE IS AN EMERGENCY ASSISTANCE TRUST ACCOUNT.

(2) THE PURPOSE OF THE ACCOUNT IS TO ASSURE ADEQUATE FIRE PROTECTION AND RESCUE SERVICES FOR THE PEOPLE OF THIS STATE.

(C) AFTER CONSULTATION WITH THE ASSOCIATION, THE GOVERNOR IS AUTHORIZED TO INCLUDE AN AMOUNT IN THE STATE BUDGET EACH YEAR FOR THE PURPOSES SET FORTH IN THIS SECTION.

(D) A GRANT OR LOAN AWARDED UNDER THIS SECTION SHALL BE USED ONLY FOR:

(1) APPARATUS EQUIPMENT, INCLUDING ELEVATED EQUIPMENT, PUMPERS, TANKERS, LADDER TRUCKS, AMBULANCES, RESCUE VEHICLES, OR OTHER LARGE EQUIPMENT USED FOR FIRE FIGHTING AND EMERGENCY SERVICES;

(2) COMMUNICATIONS EQUIPMENT;

(3) PROTECTIVE EQUIPMENT, INCLUDING HELMETS, TURNOUT COATS AND PANTS, BOOTS, EYESHIELDS, GLOVES, AND SELF-CONTAINED RESPIRATORY PROTECTION UNITS;

(4) ANY OTHER EQUIPMENT NECESSARY TO CARRY OUT THE ORDINARY FUNCTIONS OF SUPPORTING FIRE FIGHTING AND RESCUE ACTIVITIES; OR

(5) FACILITIES USED TO HOUSE FIRE FIGHTING EQUIPMENT, AMBULANCES, AND RESCUE VEHICLES.

(E) (1) (I) A VOLUNTEER COMPANY RECEIVING FUNDS UNDER THIS SECTION SHALL PROVIDE AT LEAST A 30% MATCHING DOLLAR AMOUNT FOR GRANTS OR LOANS.

(II) IF A VOLUNTEER COMPANY CANNOT REASONABLY PROVIDE THE REQUIRED DOLLAR MATCH PRIOR TO DISBURSEMENT OF FUNDS, THE BOARD MAY WAIVE THAT REQUIREMENT OR PROVIDE FOR REPAYMENT OF THE MATCHING DOLLAR AMOUNT WITHIN A REASONABLE PERIOD OF TIME NOT TO EXCEED 18 MONTHS FROM THE DATE OF PURCHASE OF THE EQUIPMENT OR FACILITIES.

(2) (I) FUNDS TO PROVIDE THE REQUIRED MATCHING DOLLAR AMOUNT MAY INCLUDE CONTRIBUTIONS FROM LOCAL GOVERNMENT.

(II) A LOCAL GOVERNMENT MAY NOT REDUCE THE AMOUNT OF MONEY THAT THE VOLUNTEER COMPANY WOULD OTHERWISE BE ENTITLED TO

RECEIVE FROM THE LOCAL GOVERNMENT BECAUSE OF STATE FINANCIAL ASSISTANCE PROVIDED UNDER THIS ACCOUNT.

(F) THE BOARD MAY AWARD EITHER A GRANT OR A LOAN OR A COMBINATION OF BOTH FROM THE ACCOUNT, AFTER A FAVORABLE RECOMMENDATION FROM THE DEPARTMENT, IF:

(1) (I) AN ACT OF GOD OR OTHER UNFORESEEN EVENT HAS SUBSTANTIALLY IMPAIRED THE ABILITY OF A VOLUNTEER COMPANY TO PROVIDE ADEQUATE AND SAFE SERVICE; OR

(II) THE VOLUNTEER COMPANY IS UNABLE TO MAINTAIN THE MINIMUM LEVEL OF PERFORMANCE FOR ADEQUATE AND SAFE SERVICE ESTABLISHED BY STANDARDS OF THE ASSOCIATION BECAUSE OF A DEMONSTRATED LACK OF FINANCIAL RESOURCES; AND

(2) THE DEPARTMENT AND THE VOLUNTEER COMPANY RECEIVING ASSISTANCE HAVE EXECUTED AN AGREEMENT THAT:

(I) PROVIDES THAT FUNDS WILL BE USED AS REPRESENTED IN THE REQUEST FOR APPROVAL TO THE BOARD; AND

(II) GRANTS TO THE STATE SECURITY IN THE EQUIPMENT OR FACILITIES ACQUIRED WITH THE FUNDS AND IN THE PROCEEDS OF THAT EQUIPMENT OR THOSE FACILITIES AS IS DETERMINED BY THE BOARD TO BE APPROPRIATE AND ADEQUATE.

(G) A GRANT OR LOAN AWARDED UNDER THIS SECTION MAY NOT:

(1) BE USED TO REFINANCE ANY DEBT OR OTHER OBLIGATION OF A VOLUNTEER COMPANY INCURRED BEFORE JULY 1, 1982; OR

(2) BE EXPENDED FOR REPLACEMENT OR REPAIR OF ELIGIBLE ITEMS TO THE EXTENT THAT INSURANCE PROCEEDS ARE AVAILABLE FOR THOSE

PURPOSES.

(H) THE BOARD MAY NOT APPROVE FINANCIAL ASSISTANCE FROM THE ACCOUNT IF A VOLUNTEER COMPANY HAS NOT MADE A GOOD FAITH EFFORT TO OBTAIN FUNDS FROM ITS LOCAL GOVERNMENT.

46B.

(A) THIS SECTION APPLIES ONLY TO THE EMERGENCY ASSISTANCE TRUST ACCOUNT.

(B) (1) A VOLUNTEER COMPANY SHALL SUBMIT ALL REQUESTS FOR FINANCIAL ASSISTANCE UNDER THIS SUBTITLE TO THE ASSOCIATION FOR APPROVAL BY A BOARD OF REVIEW IN ACCORDANCE WITH THE ASSOCIATION'S BYLAWS.

(2) ALL REQUESTS FOR FINANCIAL ASSISTANCE SHALL INCLUDE:

(I) FINANCIAL STATEMENTS FOR THE 2 FISCAL YEARS IMMEDIATELY PRIOR TO THE FISCAL YEAR IN WHICH THE APPLICATION IS MADE; AND

(II) THE AUDIT OF THE FINANCIAL STATEMENTS, IF AN AUDIT WAS CONDUCTED.

(3) FOR AN APPLICATION FOR FUNDING UNDER THE EMERGENCY ASSISTANCE TRUST ACCOUNT, A VOLUNTEER COMPANY SHALL CERTIFY THAT THE VOLUNTEER COMPANY HAS APPLIED FOR FINANCIAL ASSISTANCE FROM ITS LOCAL GOVERNMENT AND BEEN DENIED, EITHER IN PART OR IN FULL, FUNDING FOR THE REQUEST.

(C) (1) IF THE ASSOCIATION DISAPPROVES A REQUEST OR DOES NOT TAKE ACTION WITHIN 45 DAYS OF THE REQUEST, THEN THE VOLUNTEER COMPANY

(Over)

REQUESTING ASSISTANCE MAY APPEAL TO A PANEL COMPRISED OF THE PRESIDENT OF THE ASSOCIATION, THE STATE FIRE MARSHAL, AND THE CHAIRMAN OF THE FIRE AND RESCUE EDUCATION AND TRAINING COMMISSION.

(2) THE DECISION OF THE APPEALS PANEL SHALL BE FINAL AND NOT SUBJECT TO FURTHER REVIEW.

(3) UPON APPROVAL OF A REQUEST FOR THE USE OF FUNDS, THE ASSOCIATION OR THE APPEALS PANEL SHALL TRANSMIT ITS RECOMMENDATION TO THE DEPARTMENT ALONG WITH THE REQUEST FOR FINANCIAL ASSISTANCE AND ANY OTHER SUPPORTING INFORMATION REQUIRED BY THE DEPARTMENT.

(D) (1) THE DEPARTMENT SHALL FORWARD EACH REQUEST FOR FINANCIAL ASSISTANCE TO THE DEPARTMENT OF LEGISLATIVE SERVICES FOR REVIEW.

(2) THE DEPARTMENT OF LEGISLATIVE SERVICES, UPON REVIEW OF THE FINANCIAL STATEMENTS, MAY ADVISE THE DEPARTMENT IF THE REQUEST FOR FINANCIAL ASSISTANCE APPEARS JUSTIFIED.

(E) THE BOARD MAY AUTHORIZE USE OF THE FUNDS FROM THE EMERGENCY TRUST ACCOUNT UPON RECOMMENDATION BY THE DEPARTMENT IN ACCORDANCE WITH THIS SECTION.

(F) UPON WARRANT OF THE COMPTROLLER, THE STATE TREASURER SHALL DISBURSE FUNDS FROM THE FUND TO A VOLUNTEER COMPANY FOR THE PURPOSES OF THIS SUBTITLE, AS AUTHORIZED BY THE BOARD.

46C.

(A) THE COMPTROLLER MAY AUDIT THE FINANCIAL AFFAIRS OF THE ASSOCIATION IN ORDER TO INSURE COMPLIANCE WITH THIS SUBTITLE.

(B) (1) FOR EACH VOLUNTEER COMPANY RECEIVING FUNDS UNDER



THIS SUBTITLE , THE DEPARTMENT SHALL REQUIRE THE VOLUNTEER COMPANY TO SUBMIT WITHIN 90 DAYS OF THE RECEIPT OF THE EQUIPMENT OR BENEFICIAL OCCUPANCY:

(I) FINANCIAL STATEMENTS FOR THE FISCAL YEAR IN WHICH THE FUNDS WERE RECEIVED; AND

(II) DOCUMENTATION OF ACTUAL EXPENDITURES.

(2) EACH VOLUNTEER COMPANY RECEIVING FUNDS UNDER THIS SUBTITLE SHALL FORWARD THE FINANCIAL STATEMENTS AND THE DOCUMENTATION REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION, SUBJECT TO § 2-1246 OF THE STATE GOVERNMENT ARTICLE, TO THE LEGISLATIVE AUDITOR.

(C) THE LEGISLATIVE AUDITOR SHALL:

(1) REVIEW THE FINANCIAL STATEMENTS AND THE DOCUMENTATION SUBMITTED IN ACCORDANCE WITH SUBSECTION (B) OF THIS SECTION TO DETERMINE IF THE FUNDS WERE EXPENDED ACCORDING TO THE PROVISIONS OF THE REQUEST FOR FINANCIAL ASSISTANCE AS APPROVED BY THE BOARD; AND

(2) REPORT THE FINDINGS TO THE DEPARTMENT AND, SUBJECT TO § 2-1246 OF THE STATE GOVERNMENT ARTICLE, TO THE JOINT AUDIT COMMITTEE OF THE GENERAL ASSEMBLY.

46D.

AFTER CONSULTATION WITH THE ASSOCIATION, THE GOVERNOR IS AUTHORIZED TO INCLUDE THE AMOUNT IN THE STATE BUDGET EACH YEAR TO BE APPROPRIATED TO AND ADMINISTERED BY THE ASSOCIATION TO:

(Over)

- (1) FORMULATE, PUBLISH, AND DISTRIBUTE THE FIRE LAWS OF MARYLAND;
- (2) FORMULATE, PUBLISH, AND DISTRIBUTE AN ANNUAL REPORT AND MONTHLY OR OTHER TIMELY BULLETINS AND REPORTS;
- (3) PUBLISH AND DISTRIBUTE FIRE PREVENTION MATERIAL;
- (4) KEEP RECORDS RELATING TO THE ANNUAL INSPECTIONS OF FIRE AND RESCUE APPARATUS, EQUIPMENT, AND FACILITIES; AND
- (5) ESTABLISH AND MAINTAIN A DATA BASE ON MANPOWER AVAILABILITY AND TRAINING, OPERATIONAL COST, APPARATUS AVAILABILITY, RESPONSE TIME, STATE AND LOCAL FINANCIAL SUPPORT, AND OTHER RELEVANT FACTORS IN PROVIDING FIRE AND RESCUE SERVICES.

46E.

- (A) IN THIS SECTION, "ACCOUNT" MEANS THE LOW INTEREST REVOLVING LOAN ACCOUNT.
- (B) THERE IS A LOW INTEREST REVOLVING LOAN ACCOUNT.
- (C) THE ACCOUNT SHALL CONSIST OF ANY FUNDS APPROPRIATED IN THE STATE BUDGET.
- (D) THE BOARD MAY AWARD A LOAN FROM THE ACCOUNT TO PROVIDE A LOAN TO A VOLUNTEER COMPANY TO ASSIST WITH UP TO 75% OF THE COST OF:
  - (1) PURCHASING OR REFURBISHING APPARATUS; AND
  - (2) UPGRADING OR REPLACING FACILITIES NEEDED TO STORE EQUIPMENT.

(E) A LOCAL GOVERNMENT MAY NOT REDUCE THE AMOUNT OF MONEY THAT THE VOLUNTEER COMPANY WOULD OTHERWISE BE ENTITLED TO RECEIVE FROM THE LOCAL GOVERNMENT BECAUSE OF STATE FINANCIAL ASSISTANCE PROVIDED UNDER THIS ACCOUNT.

46F.

(A) FOR THE PURPOSE OF GRANTING LOANS UNDER § 46E OF THIS SUBTITLE, THE ASSOCIATION SHALL:

(1) DEVELOP LOAN CRITERIA;

(2) DEVELOP TERMS OF A LOAN, INCLUDING THE ESTABLISHMENT OF INTEREST RATES;

(3) ESTABLISH A LOW INTEREST REVOLVING LOAN ACCOUNT BOARD; AND

(4) RECOMMEND TO THE BOARD THE APPROVAL OR DENIAL OF LOANS.

(B) A VOLUNTEER COMPANY MAY SUBMIT A LOAN REQUEST FOR FINANCIAL ASSISTANCE TO THE ASSOCIATION.

(C) EACH LOAN REQUEST SHALL INCLUDE:

(1) A DETAILED EXPLANATION OF THE REASONS FOR THE REQUEST;

(2) FINANCIAL STATEMENTS FOR THE 2 FISCAL YEARS IMMEDIATELY PRIOR TO THE FISCAL YEAR IN WHICH THE APPLICATION IS MADE; AND

(3) THE AUDIT OF THE FINANCIAL STATEMENT, IF AN AUDIT WAS

(Over)

CONDUCTED.

46G.

(A) (1) THE LOW INTEREST REVOLVING LOAN ACCOUNT BOARD ESTABLISHED BY THE ASSOCIATION UNDER § 46F OF THIS SUBTITLE SHALL REVIEW EACH LOAN REQUEST RECEIVED BY A VOLUNTEER COMPANY IN ACCORDANCE WITH CRITERIA DEVELOPED UNDER § 46F OF THIS SUBTITLE.

(2) THE LOW INTEREST REVOLVING LOAN ACCOUNT BOARD SHALL RECOMMEND TO THE ASSOCIATION THE APPROVAL OR REJECTION OF EACH LOAN REQUEST.

(3) (I) THE ASSOCIATION MAY AGREE OR DISAGREE WITH THE LOW INTEREST REVOLVING LOAN ACCOUNT BOARD RECOMMENDATION.

(II) IF THE LOW INTEREST REVOLVING LOAN ACCOUNT BOARD RECOMMENDS TO THE ASSOCIATION THAT A LOAN REQUEST BE REJECTED AND THE ASSOCIATION AGREES, THE ASSOCIATION SHALL PROMPTLY SEND A WRITTEN NOTICE TO THE VOLUNTEER COMPANY STATING THAT THE REQUEST HAS BEEN REJECTED.

(III) IF THE LOW INTEREST REVOLVING LOAN ACCOUNT BOARD RECOMMENDS TO THE ASSOCIATION THAT A LOAN REQUEST BE APPROVED AND THE ASSOCIATION AGREES, THE ASSOCIATION SHALL SUBMIT THE LOAN REQUEST TO THE BOARD FOR APPROVAL.

(B) UPON FINAL APPROVAL BY THE BOARD, THE LOAN SHALL BE MADE TO THE REQUESTING VOLUNTEER COMPANY.

46H.

(A) THE ASSOCIATION SHALL SUBMIT AN ANNUAL REPORT TO THE DEPARTMENT AND TO THE BOARD BY AUGUST 30 OF EACH FISCAL YEAR TO

INCLUDE THE FOLLOWING INFORMATION:

- (1) THE NUMBER OF LOANS MADE DURING THE FISCAL YEAR;
- (2) THE ENTITIES THAT RECEIVED A LOAN AND THE AMOUNT OF THE LOAN DURING THE FISCAL YEAR;
- (3) THE SPECIFIC PURPOSE FOR GRANTING EACH LOAN DURING THE FISCAL YEAR;
- (4) THE FINANCIAL STATEMENTS OF EACH VOLUNTEER COMPANY FOR THE FISCAL YEAR IN WHICH THE FUNDS WERE RECEIVED; AND
- (5) DOCUMENTATION OF EACH VOLUNTEER COMPANY'S ACTUAL EXPENDITURES.

(B) THE DEPARTMENT SHALL:

- (1) REVIEW THE FINANCIAL STATEMENT AND THE DOCUMENTATION SUBMITTED IN ACCORDANCE WITH THIS SECTION TO DETERMINE IF THE FUNDS WERE EXPENDED ACCORDING TO THE PROVISIONS OF THE REQUEST FOR FINANCIAL ASSISTANCE AS APPROVED BY THE BOARD; AND
- (2) REPORT THE FINDINGS TO THE SENATE BUDGET AND TAXATION COMMITTEE AND THE HOUSE APPROPRIATIONS COMMITTEE.”.

AMENDMENT NO. 4

On page 4, strike in their entirety lines 7 through 23, inclusive.

AMENDMENT NO. 5

On page 5, in line 24, strike “FUND” and substitute “ACCOUNT UNDER THE VOLUNTEER COMPANY ASSISTANCE FUND”; and in line 25, strike “§§ 47A THROUGH 47C” and substitute “§§ 46E THROUGH 46H”.

(Over)

AMENDMENT NO. 6

On page 5, in line 33, strike "October 1, 2000" and substitute "July 1, 2000".