

**Department of Legislative Services**  
Maryland General Assembly  
2004 Session

**FISCAL AND POLICY NOTE**

House Bill 259

(Frederick County Delegation)

Environmental Matters

Education, Health, and Environmental  
Affairs

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**Frederick County - Loans to Volunteer Fire or Rescue Companies**

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This bill expands the authority of the Frederick County Commissioners to provide loans to approved volunteer fire and rescue companies by including loans for land or buildings to be used by the companies.

The bill takes effect July 1, 2004.

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**Fiscal Summary**

**State Effect:** None.

**Local Effect:** Frederick County finances would not be materially affected by providing loans for land or buildings to be used by approved volunteer fire and rescue companies.

**Small Business Effect:** None.

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**Analysis**

**Current Law:** The Frederick County Commissioners are authorized to provide loans to approved volunteer fire or rescue companies only for the purchase of fire or rescue equipment.

**Background:** Frederick County advises that loans permitted by the bill would be made from the County Loan Fund. Frederick County further advises that all repaid principal and any interest earned on the loans would be deposited in the loan fund. Accordingly,

county finances would not be materially affected by authorizing the Frederick County Commissioners to provide loans to approved volunteer fire and rescue companies for land or buildings. Frederick County advises that the County Loan Fund had a balance of approximately \$800,000 as of December 2003 and that loans made from the fund have had an average original loan amount of \$65,000 and an average term of eight years.

There are 26 volunteer fire and rescue companies in Frederick County that provide fire fighting and ambulance services. In fiscal 2003, these companies responded to approximately 24,300 incidents.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** SB 445 (Senators Brinkley and Mooney) – Education, Health, and Environmental Affairs.

**Information Source(s):** Frederick County, Department of Legislative Services

**Fiscal Note History:** First Reader - February 9, 2004  
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