

# SENATE BILL 899

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CF HB 778

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By: **Senators Mathias, Brinkley, Colburn, DeGrange, Edwards, Forehand, Glassman, Jennings, Manno, Middleton, Montgomery, Simonaire, and Stone**

Introduced and read first time: February 11, 2013

Assigned to: Rules

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## A BILL ENTITLED

1 AN ACT concerning

2 **Local Government – Fire, Rescue, and Ambulance Funds – Distribution of**  
3 **Money to Volunteer Companies**

4 FOR the purpose of requiring that each county distribute a certain minimum  
5 percentage of funds that the county receives from the Senator William H. Amoss  
6 Fire, Rescue, and Ambulance Fund to volunteer fire, rescue, and ambulance  
7 companies; providing a formula by which the amount of the money required to  
8 be distributed under this Act shall be calculated; requiring the Director of the  
9 Maryland Emergency Management Agency to submit an annual report to the  
10 General Assembly on the amount of money distributed by each county to  
11 volunteer companies; requiring each county to include certain information in a  
12 certain report; providing for the application of this Act; and generally relating to  
13 the distribution of money from the Senator William H. Amoss Fire, Rescue, and  
14 Ambulance Fund.

15 BY repealing and reenacting, without amendments,  
16 Article – Public Safety  
17 Section 8–102(a), (b), (d), and (f)  
18 Annotated Code of Maryland  
19 (2011 Replacement Volume and 2012 Supplement)

20 BY repealing and reenacting, with amendments,  
21 Article – Public Safety  
22 Section 8–103, 8–104, and 8–105  
23 Annotated Code of Maryland  
24 (2011 Replacement Volume and 2012 Supplement)

25 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
26 MARYLAND, That the Laws of Maryland read as follows:

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



**Article – Public Safety**

1

2 8–102.

3 (a) There is a Senator William H. Amoss Fire, Rescue, and Ambulance Fund.

4 (b) The purposes of the Fund are to promote:

5 (1) the delivery of effective and high quality fire protection, rescue,  
6 and ambulance services in the State;7 (2) increased financial support for fire, rescue, and ambulance  
8 companies by counties; and9 (3) the continued financial viability of volunteer fire, rescue, and  
10 ambulance companies given the greatly increased costs of equipment.

11 (d) The Fund consists of:

12 (1) money appropriated in the State budget to the Fund; and

13 (2) revenue distributed to the Fund under § 16–609 of the Business  
14 Regulation Article.

15 (f) (1) State money provided under this section may only be used to:

16 (i) acquire or rehabilitate fire or rescue equipment, including  
17 ambulances;18 (ii) acquire or rehabilitate capital equipment used in connection  
19 with fire or rescue equipment; and20 (iii) rehabilitate facilities used primarily to house fire fighting  
21 equipment, ambulances, and rescue vehicles.

22 (2) State money provided under this section may not be used:

23 (i) for administrative costs;

24 (ii) for compensation or fringe benefits to employees or members  
25 of county governments, or fire, rescue, or ambulance companies;

26 (iii) for travel or meal expenses;

27 (iv) for fuel, utility, or routine maintenance costs of facilities or  
28 equipment;

1 (v) to acquire new or replacement fire hydrants, water mains, or  
2 emergency alarm systems not installed at a fire, rescue, or ambulance facility;

3 (vi) for insurance;

4 (vii) for fund-raising activities;

5 (viii) to refinance debt or another obligation incurred before July  
6 1, 1985;

7 (ix) to replace or repair eligible items to the extent that  
8 insurance proceeds are available;

9 (x) for costs associated with the "9-1-1" emergency telephone  
10 system; or

11 (xi) for land or interests in land.

12 8-103.

13 (a) Subject to subsection [(b)] (C) of this section, each county shall receive an  
14 initial allocation of money based on a percentage to be determined in the following  
15 manner:

16 (1) the Director of Assessments and Taxation shall certify to the  
17 Director each county's total percentage of land use property tax accounts, including  
18 vacant unimproved properties, relative to the statewide total of all land use property  
19 tax accounts for the first completed fiscal year immediately preceding the fiscal year  
20 for which money is to be allocated;

21 (2) except as provided in item (3) of this subsection, the percentage  
22 determined in item (1) of this subsection shall then be applied for each county to any  
23 amount included in the State budget for the purposes of this subtitle; and

24 (3) each county shall receive an allocation of at least 2% of the total  
25 Fund as appropriated in the State budget, in addition to the amount that is  
26 distributed to fire, rescue, and ambulance companies, departments, or stations located  
27 in qualified municipal corporations in accordance with subsection [(b)] (C) of this  
28 section.

29 **(B) (1) IN ACCORDANCE WITH THE FORMULA PROVIDED IN**  
30 **PARAGRAPH (2) OF THIS SUBSECTION, EACH COUNTY SHALL DISTRIBUTE A**  
31 **MINIMUM PERCENTAGE OF FUNDS THAT THE COUNTY RECEIVES FROM THE**  
32 **FUND TO VOLUNTEER FIRE, RESCUE, AND AMBULANCE COMPANIES.**

1           **(2) THE PERCENTAGE OF FUNDS REQUIRED TO BE DISTRIBUTED**  
2 **BY EACH COUNTY UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL BE**  
3 **EQUAL TO THE SAME TOTAL PERCENTAGE OF FUNDS DISTRIBUTED BY EACH**  
4 **COUNTY TO VOLUNTEER FIRE, RESCUE, AND AMBULANCE COMPANIES FROM**  
5 **THE FUND IN FISCAL YEAR 2011 OR AT LEAST 51% OF THE ALLOCATION**  
6 **RECEIVED BY EACH COUNTY UNDER SUBSECTION (A) OF THIS SECTION,**  
7 **WHICHEVER IS GREATER.**

8           **(3) SUBJECT TO § 2-1246 OF THE STATE GOVERNMENT ARTICLE,**  
9 **THE DIRECTOR SHALL REPORT BY DECEMBER 31 OF EACH YEAR TO THE**  
10 **GENERAL ASSEMBLY ON THE FUNDS DISTRIBUTED BY EACH COUNTY UNDER**  
11 **PARAGRAPH (2) OF THIS SUBSECTION TO VOLUNTEER FIRE, RESCUE, AND**  
12 **AMBULANCE COMPANIES.**

13           **(4) THIS SUBSECTION DOES NOT APPLY TO:**

14                   **(I) BALTIMORE CITY; OR**

15                   **(II) DISTRIBUTIONS MADE TO FIRE, RESCUE, AND**  
16 **AMBULANCE COMPANIES, DEPARTMENTS, OR STATIONS LOCATED IN QUALIFIED**  
17 **MUNICIPAL CORPORATIONS IN ACCORDANCE WITH SUBSECTION (C) OF THIS**  
18 **SECTION.**

19           **[(b)] (C) (1)** Subject to paragraph (6) of this subsection, each county shall  
20 distribute the money provided under this subtitle on the basis of need to fire, rescue,  
21 and ambulance companies, departments, or stations in the county, including  
22 companies, departments, or stations:

23                   (i) located in municipal corporations; or

24                   (ii) located outside the State if the company, department, or  
25 station:

26                           1. has been a member of the Maryland State Firemen's  
27 Association for at least the past 10 years; and

28                           2. has a first due response area in the State.

29           (2) Each county shall determine need in accordance with procedures  
30 that the county uses to adopt its budget.

31           (3) In determining need under this subsection, the county shall  
32 consider:

1 (i) the failure to meet minimum standards established by the  
2 county or the Maryland State Firemen's Association;

3 (ii) the existence or potential existence of an emergency  
4 situation as described in § 8-203 of this title;

5 (iii) the age and condition of existing facilities and equipment;

6 (iv) the lack of availability of mutual aid;

7 (v) any service problems associated with demographic  
8 conditions; and

9 (vi) any other relevant factors.

10 (4) In addition to consideration of the factors in paragraph (3) of this  
11 subsection, for a volunteer company the county shall consider the company's inability  
12 to raise money to pay for the item.

13 (5) Notwithstanding paragraphs (3) and (4) of this subsection, each  
14 county shall give the highest funding priority to the failure to meet minimum  
15 standards or the existence of an emergency situation as described in § 8-203 of this  
16 title.

17 (6) Distribution of money to fire, rescue, and ambulance companies,  
18 departments, or stations located in qualified municipal corporations in a county in the  
19 aggregate may not be less than 50% of the proportion that the expenditures of the  
20 qualified municipal corporation bear to total aggregate expenditures for fire protection  
21 in that county.

22 (7) To receive money under this subsection, each county shall  
23 participate in the Maryland Fire Incident Reporting System and Ambulance  
24 Information System.

25 8-104.

26 (a) (1) (i) The money distributed under this subtitle shall be used by  
27 each county for the purposes listed in § 8-102(f)(1) of this subtitle as an addition to  
28 and may not be substituted for any money appropriated from sources other than the  
29 Fund.

30 (ii) In each fiscal year, each county shall make expenditures for  
31 fire protection from sources other than the Fund in an amount that is at least equal to  
32 the average amount of the expenditures for fire protection during the 3 preceding  
33 fiscal years.

1                   (iii) Except as provided in paragraph (2) of this subsection, a  
2 county that fails to satisfy the requirements of this subsection may not receive money  
3 under this subtitle for that fiscal year.

4                   (2) For each fiscal year, each county that fails to satisfy the  
5 requirements of paragraph (1) of this subsection may receive money under this  
6 subtitle subject to a penalty equal to the percentage by which the county fails to meet  
7 the county's maintenance of effort for that fiscal year.

8                   (b) (1) Each county shall make expenditures for fire protection from its  
9 own sources that are at least equal to the amount of State money to be received.

10                   (2) A county may receive less than the amount initially allocated.

11                   (3) In determining the amount of expenditures for fire protection made  
12 by a county, before certification, the Director shall review the financial information of  
13 the county for the first completed fiscal year before the fiscal year for which State  
14 money is appropriated.

15                   (4) Money received from the Emergency Assistance Trust Fund under  
16 § 8–203 of this title or other State money may not be used as the match required under  
17 this subsection.

18                   (c) (1) Money not distributed to a county because the requirements of  
19 subsections (a) and (b) of this section are not satisfied shall be distributed to the  
20 counties that meet the requirements of subsections (a) and (b) of this section in  
21 accordance with this subsection.

22                   (2) (i) Subject to subparagraph (ii) of this paragraph, each county  
23 that meets the requirements of subsections (a) and (b) of this section shall receive an  
24 allocation of the money distributed under paragraph (1) of this subsection based on a  
25 percentage to be determined in accordance with § 8–103(a) of this subtitle.

26                   (ii) For purposes of determining the percentage allocated to each  
27 county under this subsection, the property tax accounts of each county that fails to  
28 satisfy the requirements of subsection (a) or (b) of this section shall be excluded from  
29 the statewide total.

30                   (3) Each county shall distribute money provided under this subsection  
31 in accordance with § [8–103(b)] **8–103(C)** of this subtitle.

32                   (d) (1) The money distributed under this subtitle and allocated to a  
33 county shall be accounted for and audited in accordance with the procedures for  
34 accounting and auditing of other governmental revenues.

35                   (2) Money not expended by the county by the end of a fiscal year shall  
36 be placed in a special fund for expenditure in the next succeeding fiscal year.

1           (3) (i) Money distributed under this subtitle that remains  
2 unencumbered or unexpended by the county after the second fiscal year shall be  
3 repaid to the Director for deposit in the General Fund.

4           (ii) The Comptroller may set off any shared revenues due to a  
5 county instead of repayment under this subsection.

6           (4) (i) Money distributed under this subtitle to be expended by a  
7 volunteer or municipal fire, rescue, or ambulance company shall be maintained in a  
8 separate account and shall be audited in the same manner as other money of the  
9 volunteer or municipal company is audited.

10           (ii) Copies of the audit of the separate account shall be  
11 submitted to the respective county government and to the Maryland Emergency  
12 Management Agency.

13 8–105.

14           (a) (1) On or before December 31 of each year, each county shall submit to  
15 the Director a report for the preceding fiscal year that states:

16           (i) the amount of money distributed to each recipient and the  
17 purpose of expenditure of this money categorized as provided in § 8–102(f)(1) of this  
18 subtitle;

19           (ii) the amount and disposition of any unencumbered or  
20 unexpended money; [and]

21           (iii) the amount of expenditures for fire protection by the county,  
22 **INCLUDING THE AMOUNT OF MONEY DISTRIBUTED TO VOLUNTEER FIRE,**  
23 **RESCUE, AND AMBULANCE COMPANIES FROM SOURCES OTHER THAN THE**  
24 **FUND; AND**

25           **(IV) THE NATURE AND ESTIMATED DOLLAR AMOUNT OF ANY**  
26 **IN-KIND CONTRIBUTIONS MADE BY THE COUNTY TO VOLUNTEER FIRE, RESCUE,**  
27 **AND AMBULANCE COMPANIES.**

28           (2) Each county shall provide a copy of the report required under  
29 paragraph (1) of this subsection, subject to § 2–1246 of the State Government Article,  
30 to the Department of Legislative Services.

31           (b) Each year the Director shall report to the Governor and, subject to §  
32 2–1246 of the State Government Article, to the General Assembly on the information  
33 provided by the counties on the distribution of money provided under this subtitle,

1 including an assessment of the extent to which the purposes of this subtitle are being  
2 achieved.

3           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
4 July 1, 2013.