

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE
Revised

Senate Bill 804 (Senator Amoss)
Budget and Taxation

Referred to Ways and Means

Howard and Prince George's Counties - Fire Protection - Funding

This enrolled emergency bill reduces aid from the Fire, Rescue, and Ambulance Fund to Howard and Prince George's counties if they do not meet the local spending amount required.

Fiscal Summary

State Effect: Fire, Rescue, and Ambulance Fund expenditures could increase by at least \$169,771 in FY 1996 and by an indeterminate amount through FY 1999.

Local Effect: Howard County revenues from the Fire, Rescue, and Ambulance Fund could increase by \$169,771 and \$559,810 in aid to Prince George's County could be affected in FY 1996 as described below.

Fiscal Analysis

Background: Under current law, a local jurisdiction's spending for fire, rescue, and ambulance service must equal or exceed the average amount spent over the prior three years to qualify for State aid.

State Expenditures: To the extent that Howard and Prince George's counties do not qualify for State aid under the 100% requirement, general fund expenditures could increase in fiscal 1996 and 1997.

Fire, Rescue, and Ambulance Fund expenditures would increase in fiscal 1996 by \$159,839 as Howard County would become eligible for a grant of that amount. Prince George's County has not submitted its expenditure data for fiscal 1995. If the county has not met the current law 100% maintenance of effort requirement, the county would forfeit \$559,810 in

State aid. If reducing the maintenance of effort requirement means that the county would receive a portion of the aid which it would otherwise lose, the county would retain the aid.

In addition, the lower spending needed to meet the maintenance of effort requirement in fiscal 1995 and 1996 could reduce the spending needed to meet the requirement in fiscal 1997 through 1999. To the extent that this makes these jurisdictions eligible for aid, State aid expenditures could increase in fiscal 1998 through 1999.

Local Effect: To the extent that spending in Howard and Prince George's counties in fiscal 1995 and 1996 is not sufficient to meet the 100% maintenance of effort requirement, revenues in fiscal 1996 and 1997 could increase.

In fiscal 1995 Howard County did not meet the 100% maintenance of effort requirement. This bill would make Howard County eligible for \$159,839 in Fire, Rescue, and Ambulance Funds. Prince George's County has not submitted expenditure data for fiscal 1995. The county is scheduled to receive \$559,810 in fiscal 1996 if it meets the current law 100% maintenance of effort requirement.

In addition, the lower spending needed to meet the maintenance of effort requirement in fiscal 1995 and 1996 could reduce the spending needed to meet the requirement in fiscal 1997 through 1999. To the extent that this makes these jurisdictions eligible for aid, local revenues could increase in fiscal 1998 through 1999.

Information Source(s): Department of Public Safety and Correctional Services (Division of Finance), Department of Fiscal Services

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