
By: The President (Department of Fiscal Services)

Introduced and read first time: January 31, 1997

Assigned to: Budget and Taxation

Committee Report: Favorable

Senate action: Adopted

Read second time: March 18, 1997

CHAPTER ____

1 AN ACT concerning

2 **Volunteer Fire and Rescue Entities - Requests for Financial Assistance - Governmental**
3 **Review**

4 FOR the purpose of requiring the Department of Budget and Management to forward
5 certain requests for financial assistance from a volunteer fire company or rescue
6 squad to the Department of Fiscal Services instead of the Legislative Auditor for
7 review; authorizing the Department of Fiscal Services, after a certain review, to
8 advise the Department of Budget and Management if the request for financial
9 assistance appears justified; and generally relating to governmental review of
10 requests for financial assistance from a volunteer fire company or rescue squad.

11 BY repealing and reenacting, with amendments,
12 Article 38A - Fires and Investigations
13 Section 46A
14 Annotated Code of Maryland
15 (1993 Replacement Volume and 1996 Supplement)

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

18 **Article 38A - Fires and Investigations**

19 46A.

20 (a) (1) There is an Emergency Assistance Trust Fund to assure adequate fire
21 protection and rescue services for the people of this State. After consultation with the
22 Maryland State Firemen's Association, the Governor is authorized to include an amount
23 in the State budget each year for the purposes set forth in this section. Any portion of
24 appropriated funds that are not obligated at the end of the fiscal year shall not revert to

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1 the General Fund and shall be carried over for use in the next fiscal year. Amounts
2 received as repayments on loans from the Emergency Assistance Trust Fund shall be
3 placed in the trust fund and made available to fund requests for financial assistance.

4 (2) The Board of Public Works may authorize use of the trust funds upon
5 recommendation by the Department of Budget and Management in accordance with this
6 section.

7 (3) (i) A volunteer fire company or rescue squad shall submit all requests
8 for financial assistance under this section to the Maryland State Firemen's Association
9 for approval by a board of review in accordance with the Association's bylaws.

10 (ii) All requests for financial assistance shall include financial
11 statements for the 2 fiscal years immediately prior to the fiscal year in which the
12 application is made. Each request shall also include the audit of the financial statements
13 if an audit was conducted. The volunteer company shall certify that it has applied for
14 financial assistance from its local government or governments and been denied, either in
15 part or in full, funding for its request.

16 (iii) If the Maryland State Firemen's Association disapproves a request
17 or does not take action within 45 days of the request, then the volunteer fire company or
18 rescue squad requesting assistance may appeal to a panel comprised of the president of
19 the Maryland State Firemen's Association, the State Fire Marshal, and the chairman of
20 the Fire and Rescue Education and Training Commission. The decision of the appeals
21 panel shall be final and not subject to further review.

22 (4) Upon approval of a request for the use of trust funds, the Maryland
23 State Firemen's Association or the appeals panel, as the case may be, shall transmit its
24 recommendation to the Department of Budget and Management along with the request
25 for financial assistance and any other supporting information required by the
26 Department.

27 (5) The Department of Budget and Management shall forward each request
28 for financial assistance to the [Legislative Auditor] DEPARTMENT OF FISCAL SERVICES
29 for review. The [Legislative Auditor] DEPARTMENT OF FISCAL SERVICES, upon review
30 of the financial statements, may advise the Department of Budget and Management if the
31 request for financial assistance appears justified.

32 (6) The Department of Budget and Management, with the approval of the
33 Board of Public Works, shall adopt regulations in accordance with Title 10, Subtitle 1 of
34 the State Government Article necessary to administer the Emergency Assistance Trust
35 Fund program.

36 (7) Upon warrant of the Comptroller, the State Treasurer shall disburse
37 trust funds to a volunteer fire company or rescue squad for the purposes of this section as
38 authorized by the Board of Public Works.

39 (b) The Board of Public Works may award either a grant or a loan or a
40 combination of both from the Emergency Assistance Trust Fund after a favorable
41 recommendation from the Department of Budget and Management if:

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1 (1) An act of God or other unforeseen event has substantially impaired the
 2 ability of a volunteer fire company or rescue squad to provide adequate and safe service;
 3 or

4 (2) The volunteer fire company or rescue squad is unable to maintain the
 5 minimum level of performance for adequate and safe service established by standards of
 6 the Maryland State Firemen's Association because of a demonstrated lack of financial
 7 resources; and

8 (3) The Department of Budget and Management and the volunteer fire
 9 company or rescue squad receiving assistance have executed an agreement which provides
 10 that trust funds will be used as represented in the request for approval to the Board of
 11 Public Works and which grants to the State such security in the equipment or facilities
 12 acquired with trust funds and in the proceeds of that equipment or those facilities as is
 13 determined by the Board to be appropriate and adequate.

14 (c) A grant or loan awarded under this section shall be used only for:

15 (1) Apparatus equipment, including elevated equipment, pumpers, tankers,
 16 ladder trucks, ambulances, rescue vehicles, or other large equipment used for fire fighting
 17 and emergency services;

18 (2) Communications equipment;

19 (3) Protective equipment, including helmets, turnout coats and pants, boots,
 20 eyeshields, gloves, and self-contained respiratory protection units;

21 (4) Any other equipment necessary to carry out the ordinary functions of
 22 supporting fire fighting and rescue activities; or

23 (5) Facilities used to house fire fighting equipment, ambulances, and rescue
 24 vehicles.

25 (d) (1) A grant or loan awarded under this section may not:

26 (i) Be used to refinance any debt or other obligation of a volunteer
 27 fire company or rescue squad incurred before July 1, 1982; or

28 (ii) Be expended for replacement or repair of eligible items to the
 29 extent that insurance proceeds are available for those purposes.

30 (2) A volunteer fire company or rescue squad receiving trust funds under
 31 this section shall provide at least a 30 percent matching dollar amount for grants or loans,
 32 as the case may be. If a volunteer fire company or rescue squad cannot reasonably provide
 33 the required dollar match prior to disbursement of trust funds, the Board of Public Works
 34 may waive that requirement or provide for repayment of the matching dollar amount
 35 within a reasonable period of time not to exceed 18 months from the date of purchase of
 36 the equipment or facilities.

37 (3) Funds to provide the required matching dollar amount may include
 38 contributions from local government. However, a local government may not reduce the
 39 amount of money that the volunteer fire company or rescue squad would otherwise be

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1 entitled to receive from the local government because of State financial assistance
2 provided under this section.

3 (4) Financial assistance from the trust fund may not be approved if a
4 volunteer company has not made a good faith effort to obtain funds from its local
5 government.

6 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
7 October 1, 1997.