Department of Legislative Services

Maryland General Assembly
1999 Session

FISCAL NOTE

Revised

House Bill 1068   (Delegate Bozman, *et al.*)

Appropriations

Maryland Emergency Medical System Operations Fund - Funding for the Senator William H. Amoss Fire, Rescue, and Ambulance Fund

This bill requires that $10 million in insurance premium tax revenues be distributed to the Maryland Emergency Medical System Operations Fund on an annual basis to be used for providing grants under the Senator William H. Amoss Fire, Rescue, and Ambulance Fund.

Fiscal Summary

State Effect: Special fund revenues and expenditures increase by $10.0 million in FY 2000; general fund revenues decrease by an equal amount. Future year revenues and expenditures remain constant.

(in millions)	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004
GF Revenues	($10.0)	($10.0)	($10.0)	($10.0)	($10.0)
SF Revenues	10.0	10.0	10.0	10.0	10.0
SF Expenditures	10.0	10.0	10.0	10.0	10.0
Net Effect	($10.0)	($10.0)	($10.0)	($10.0)	($10.0)

Note: ( ) = decrease; GF = general funds; FF = federal funds; SF = special funds; - =indeterminate effect

Local Effect: Revenues and expenditures could increase by an aggregate $10.0 million in FY 2000 and $10 million in subsequent years. Potential significant expenditure savings by local governments.

Small Business Effect: Meaningful.

Fiscal Analysis

Background: An estimated $182.3 million in general fund revenues is expected to be collected under the insurance premium tax in fiscal 1999.

The Senator William H. Amoss Fire, Rescue, and Ambulance Fund is established to promote increased financial support for fire, rescue, and ambulance companies by local government and the continued financial viability of volunteer fire, rescue, and ambulance companies. Grant funds may be used for acquisition or rehabilitation of fire or rescue apparatus, capital equipment used in connection with fire or rescue apparatus, and rehabilitation of facilities used primarily to house fire fighting apparatus, equipment, ambulances, and rescue vehicles. The proposed fiscal 2000 budget includes $10 million in the fund.

State Effect: Special fund revenues and expenditures under the Senator William H. Amoss Fire, Rescue, and Ambulance Fund could increase by $10 million in fiscal 2000, if the $10 million specified by the bill is used to supplement existing fund dollars. However, if the $10 million specified by the bill is used to supplant existing fund dollars, then special fund expenditures for other programs supported by the Maryland Emergency Medical System Operations Fund could increase. Insurance premium tax general fund revenues decrease by $10 million. Future year revenues and expenditures would remain constant.

Local Effect: Revenues and expenditures for local fire, rescue, and ambulance services could increase by an aggregate $10.0 million in fiscal 2000 and in subsequent years. Local governments could realize potential significant expenditure savings to the extent that Senator William H. Amoss Fire, Rescue, and Ambulance Fund grant dollars received from the State supplant the need to use local dollars.

Small Business Effect: Assuming that some or all of the purchases by grantees may come from small businesses, and that all of these purchases may not be able to be made without the grants provided by this special fund, this bill would yield some meaningful business opportunities. Further, volunteer fire, rescue, and ambulance companies would be favorably affected to the extent that they receive Senator William H. Amoss Fire, Rescue, and Ambulance Fund grants.

Information Source(s): Insurance Administration, Maryland Institute for Emergency Medical Services Systems, Department of Health and Mental Hygiene (Community and Public Health Administration), Department of Legislative Services

Fiscal Note History: First Reader - March 18, 1999

Analysis by: Sue Friedlander   Direct Inquiries to:

John Rixey, Coordinating Analyst

(410) 946-5510

(301) 970-5510