

UNOFFICIAL COPY OF HOUSE BILL 1515

E4

(6lr3218)

ENROLLED BILL

-- Health and Government Operations/Budget and Taxation --

Introduced by **Delegates Glassman, Bozman, Conway, Costa, Jennings,
Malone, Moe, Parrott, Sossi, Stull, and Weir**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this
____ day of _____ at _____ o'clock, ____ M.

Speaker.

CHAPTER _____

1 AN ACT concerning

2 **Public Safety - Volunteer Company Assistance Fund - Grants and Loans**

3 FOR the purpose of clarifying that certain permissible reasons for awards from the
4 Volunteer Company Assistance Fund apply only to grants from the Fund;
5 altering a prohibition on certain grant or loan awards from being used to
6 refinance certain debts or obligations; ~~clarifying that certain requirements~~
7 ~~regarding documents to be included with requests for awards from the Fund~~
8 ~~only apply to loan requests repealing a prohibition against the Board of Public~~
9 ~~Works making certain loans from the Fund if a certain volunteer company has~~
10 ~~not made a good faith effort to obtain money from its local government;~~
11 ~~clarifying that a requirement that a certain volunteer company certify that the~~
12 ~~company made a certain application and was denied only applies to grant~~
13 ~~requests;~~ altering the circumstances under which a volunteer company may
14 appeal certain actions of the Maryland State Firemen's Association; providing
15 that the Treasurer shall disburse certain money from Fund to the Association;
16 altering a requirement that a certain volunteer company submit certain

1 financial statements to the Association; providing that the intent of the General
2 Assembly is that the Governor include an appropriation for the Fund in the
3 annual State budget; and generally relating to grants and loans from the
4 Volunteer Company Assistance Fund.

5 BY repealing and reenacting, with amendments,
6 Article - Public Safety
7 Section 8-203, 8-204, and 8-206
8 Annotated Code of Maryland
9 (2003 Volume and 2005 Supplement)

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

12 **Article - Public Safety**

13 8-203.

14 (a) The purpose of the Fund is to ensure adequate fire protection and rescue
15 services in the State.

16 (b) A grant or loan awarded under this section shall be used only for
17 purchasing, replacing, or improving:

18 (1) equipment, including elevated equipment, pumpers, tankers, ladder
19 trucks, ambulances, rescue vehicles, or other large equipment used for fire fighting
20 and emergency services;

21 (2) communications equipment;

22 (3) protective equipment, including helmets, turnout coats and pants,
23 boots, eyeshields, gloves, and self-contained respiratory protection units;

24 (4) any other equipment necessary to carry out the ordinary functions of
25 supporting fire fighting and rescue activities; or

26 (5) facilities used to house fire fighting equipment, ambulances, and
27 rescue vehicles.

28 (c) (1) (i) A volunteer company receiving a grant from the Fund shall
29 provide at least a 30% match of the amount of the grant.

30 (ii) If a volunteer company cannot reasonably provide the required
31 match before the grant is disbursed, the Board of Public Works may waive the
32 requirement or may allow repayment of the match within a reasonable time not
33 exceeding 18 months after the purchase, replacement, or improvement of the
34 equipment or facilities.

1 (2) (i) Money to provide the required match may include contributions
2 from local government.

3 (ii) A local government may not reduce the amount of money that
4 the volunteer company would otherwise be entitled to receive from the local
5 government because of State money provided under this section.

6 (3) Loans from the Fund may only be awarded to assist with up to 75% of
7 the total cost of the equipment or facilities being purchased.

8 (d) After a favorable recommendation from the Association, the Board of
9 Public Works may award a grant, loan, or both from the Fund to a volunteer company
10 if:

11 (1) FOR A GRANT AWARD:

12 (i) an act of God or other unforeseen event substantially impairs
13 the ability of the volunteer company to provide adequate and safe service; or

14 (ii) the volunteer company is unable to maintain the minimum
15 level of performance for adequate and safe service established by standards of the
16 Association because of a demonstrated lack of financial resources; and

17 (2) the Association and the volunteer company have executed an
18 agreement that:

19 (i) provides that the grant or loan will be used as represented to
20 the Board of Public Works in the request for approval; and

21 (ii) gives to the State security in the equipment or facilities
22 purchased with the [grant or] loan and in the proceeds of that equipment or those
23 facilities as determined by the Board of Public Works to be appropriate and adequate.

24 (e) A grant or loan awarded under this section may not:

25 (1) be used to refinance a debt or other obligation of a volunteer company
26 [incurred before July 1, 1982]; or

27 (2) be spent to replace or repair eligible items to the extent that
28 insurance proceeds are available for those purposes.

29 (f) The Board of Public Works may not approve a grant or loan ~~or loan~~ from
30 the Fund to a volunteer company if the volunteer company has not made a good faith
31 effort to obtain money from its local government.

32 8-204.

33 (a) (1) A volunteer company shall submit each request for a grant or loan
34 from the Fund to the Association for approval by a board of review in accordance with
35 the Association's bylaws.

1 (2) Each request for a {grant or} loan shall include:

2 (i) financial statements for the 2 fiscal years immediately
3 preceding the fiscal year in which the request is made;

4 (ii) any available audit of the financial statements; and

5 (iii) a detailed explanation of the reasons for the request.

6 (3) For each request for a grant {or loan} from the Fund, the volunteer
7 company shall certify that the volunteer company applied for money from its local
8 government and was denied, either wholly or partly.

9 (b) (1) If the Association disapproves a request or does not take action
10 within [45] 90 days after the request FOR ANY REASON OTHER THAN BECAUSE
11 FUNDS ARE NOT AVAILABLE, the volunteer company requesting a grant or loan may
12 appeal to a panel composed of the president of the Association, the State Fire
13 Marshal, and the chairman of the Fire and Rescue Education and Training
14 Commission.

15 (2) The decision of the panel is final and is not subject to further review.

16 (c) On approval of a request for a grant or loan, the Association or the panel
17 shall transmit its recommendation to the Board of Public Works.

18 (d) As authorized by the Board of Public Works, the Treasurer shall disburse
19 money from the Fund to THE ASSOCIATION IN THE NAME OF a volunteer company for
20 the purposes of this subtitle on warrant of the Comptroller.

21 8-206.

22 (a) On or before August 30 of each fiscal year, the Association shall submit to
23 the Department, the Legislative Auditor, and to the Board of Public Works an annual
24 report that includes:

25 (1) the number and total amount of grants AND the number and total
26 amount of loans made in the previous fiscal year;

27 (2) for each grant or loan made:

28 (i) the volunteer company that received the grant or loan;

29 (ii) the amount of the grant or loan; and

30 (iii) the specific purpose of making the grant or loan;

31 (3) for each volunteer company that received a grant or loan:

32 (i) the financial statement of the volunteer company for the
33 previous fiscal year or the year in which the grant or loan was received, whichever is
34 [more recent] AVAILABLE; and

1 (ii) documentation of the volunteer company's actual expenditures
2 from the grant or loan;

3 (4) for each loan made, the terms of the loan, including origination date,
4 loan term, payment terms, payment amount, payments made to date, outstanding
5 balance, and loan status; and

6 (5) summary listings of grants and loans made during the previous fiscal
7 year and outstanding loans, by county.

8 (b) The Department shall:

9 (1) review the documentation submitted in accordance with subsection
10 (a) of this section on an annual basis to determine if each grant or loan was spent in
11 accordance with this subtitle and the request approved by the Board of Public Works;
12 and

13 (2) report the findings to the Senate Budget and Taxation Committee
14 and the House Appropriations Committee on an annual basis.

15 (c) The Legislative Auditor may:

16 (1) review the documentation submitted in accordance with subsection
17 (a) of this section to determine if each grant or loan was spent in accordance with this
18 subtitle and the requests approved by the Board of Public Works; and

19 (2) report the findings to the Department and, subject to § 2-1246 of the
20 State Government Article, to the Joint Audit Committee of the General Assembly.

21 (d) The Comptroller may audit the financial affairs of the Association to
22 ensure compliance with this subtitle.

23 SECTION 2. AND BE IT FURTHER ENACTED, That it is the intent of the
24 General Assembly that the Governor shall include in the annual State budget an
25 appropriation for the Volunteer Company Assistance Fund.

26 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
27 July 1, 2006.