

Department of Legislative Services
Maryland General Assembly
2010 Session

FISCAL AND POLICY NOTE

House Bill 1555 (Delegate Conway)

Health and Government Operations

Budget and Taxation

Fire, Rescue, and Ambulance Funds - Distribution of Money to Companies
Outside the State

This emergency bill alters the entities to which money from the Senator William H. Amoss Fire, Rescue, and Ambulance Fund or the Volunteer Company Assistance Fund (VCAF) may be distributed to include fire, rescue, and ambulance companies located outside of Maryland if the company, department, or station has been a member of the Maryland State Firemen's Association for at least the past 10 years and has a first due response area in Maryland.

Fiscal Summary

State Effect: Extending eligibility to additional fire, rescue, and ambulance companies will not affect overall State funding for the two grant programs. The proposed FY 2011 State budget includes \$10.0 million in special funds to the Amoss Fund and \$3.1 million in general and special funds for grants to MSFA.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: The Senator William H. Amoss Fire, Rescue, and Ambulance Fund promotes (1) the delivery of effective and high quality fire protection, rescue, and ambulance services in Maryland; (2) increased financial support for fire, rescue, and ambulance companies by counties; and (3) the continued financial viability of volunteer fire, rescue, and ambulance companies. The fund provides grants to local jurisdictions

for the purchase of fire and rescue equipment and capital building improvements. These grants are administered by the Maryland Emergency Management Agency (MEMA). Distributions are made according to each county's percentage of total property tax accounts relative to the statewide total. Each county is guaranteed a minimum 2% share of total funds, in addition to the amounts that are distributed to qualifying municipalities. In addition, the jurisdiction must expend funds for fire protection from its own sources that are at least equal to the amount of State funds to be received. The fund receives \$10.0 million in special funds annually.

VCAF, administered by the Maryland State Firemen's Association (MSFA), provides grants and loans to assist companies with the cost of purchasing or refurbishing fire and rescue equipment and updating or replacing facilities needed to house equipment. The proposed fiscal 2011 State budget includes \$3.1 million in general and special funds for grants to MSFA. As of March 2010, the cash balance in VCAF, from all fund sources, totaled \$5.4 million. All accounts administered by MSFA are within MEMA's budget.

Background: The bill will affect two fire companies serving Caroline and Wicomico counties. The Delmar Volunteer Fire Company and the Marydel Volunteer Fire Company have been members of MSFA for 10 years and have received Amoss Fund grants as shown in **Exhibit 1**. Both are geographically located in Delaware. The Delmar Company services portions of Maryland's Wicomico County and Delaware's Sussex County. The Marydel Company services portions of Maryland's Caroline County and Delaware's Kent County. Neither receives funds from VCAF.

Exhibit 1
State Grants Under the Senator Amoss Fund

<u>Fiscal</u>	<u>Delmar VFD</u>	<u>Marydel VFD</u>
2004	\$16,631	\$14,634
2005	16,183	14,634
2006	16,173	14,634
2007	16,362	14,634
2008	16,685	14,999
2009	15,758	14,634

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Military Department, Board of Public Works, Department of State Police, Department of Legislative Services

Fiscal Note History: First Reader - March 24, 2010
ncs/hlb

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