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FISCAL IMPACT REPORT

ORIGINAL DATE 2-09-10

SPONSOR Nava LAST UPDATED _____ HB _____

SHORT TITLE Fire Protection Grants as Volunteer Stipends SB 100

ANALYST Lucero

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY10	FY11		
	None		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Public Regulation Commission (PRC)

Health Policy Commission (HPC)

SUMMARY

Synopsis of Bill

Senate Bill 100 proposes to amend 59A-53-19 NMSA 1978, The Fire Protection Fund Law in the Insurance Code, to allow the fire protection council to consider stipends for volunteer firefighters in underserved areas when considering criteria for assessing the critical needs of a municipal and county fire districts.

The bill proposes to allow consideration for grant assistance to pay stipends to volunteer firefighters in underserved areas. The fire protection council would define what an “underserved area” and that stipends comply with the Federal Fair Labor Standard Act and federal Department of Labor requirements. The council shall require a basic level of training before a volunteer may receive a stipend. The council would also determine if the fire department applying should require a service commitment from its volunteer firefighters in exchange for stipends and weight the applications against other criteria or requirements

FISCAL IMPLICATIONS

None identified.

SIGNIFICANT ISSUES

The Public Regulation Commission (PRC) notes that allowing the Fire Protection Grant Fund for use in paying stipends to qualified volunteer firefighters may assist local communities in their effort to recruit and retain firefighters.

ADMINISTRATIVE IMPLICATIONS

The fire protection grant council would be required to set the guidelines for applicants when applying for grant funds. The State Fire Marshal serves on the council as a nonvoting member and the staff of the Fire Marshal Division of the PRC is made available to the council for advisory purposes and technical assistance. Fire Marshal staff can assist the council with said guidelines.

RELATIONSHIP

Relates to SJM 41 which requests that Local Government Division of Department of Finance and Administration and the Fire Marshal Division of the PRC look for ways for local government to recruit and retain volunteer firefighters.

TECHNICAL ISSUES

The Health Policy Commission notes that it is unclear if the stipends could be awarded for Emergency Medical Services (EMS) duties performed by volunteer firefighters. The Fire Protection Grant funds are generally very specifically directed at fire service costs only, not allowing for any kind of EMS expenditures. The EMS Bureau would recommend clarifying that this money be allowed to reimburse volunteer firefighters for EMS service performed by their volunteer fire department. The EMS Fund Act does not have a provision allowing a use of funds for reimbursement of volunteers.

OTHER SUBSTANTIVE ISSUES

The PRC reports that Laws 2007, Chapter 152, eliminated the general fund reversion of the fire protection fund by fiscal year 2021. Each fiscal year the amount distributed to the Fire Protection Grant Fund would increase by 6.7% and the amount reverted to the general fund would decrease by the same amount. However, In the Laws 2009, Chapter 3, froze the distribution percentage from the Fire Protection Fund to the Fire Protection Grant Fund for FY09 and FY10 at the FY08 level of 13.4%.