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FISCAL IMPACT REPORT

SPONSOR Griego, P. **ORIGINAL DATE** 01/28/10
LAST UPDATED _____ **HB** _____
SHORT TITLE Mora County Ambulance Services **SB** 179
ANALYST Aubel

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY10	FY11		
	\$85.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to Senate Bill 178

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Finance and Administration (DFA)

Department of Health (DOH)

SUMMARY

Synopsis of Bill

Senate Bill 179 appropriates \$85 thousand from the general fund to the Local Government Division of the Department of Finance and Administration for ambulance services in Mora County in fiscal year 2011. Any unexpended or unencumbered balance remaining at the end of fiscal year 2011 shall revert to the general fund.

FISCAL IMPLICATIONS

The appropriation of \$85 thousand contained in this bill is a recurring expense to the general fund to pay for ambulance service in Mora County.

SIGNIFICANT ISSUES

Mora County requested and received a \$75 thousand loan from the Board of Finance Emergency Fund to pay for ambulance services on August 12, 2009, presumably for fiscal year 2010. According to the Local Government Division of DFA, the county does not have the financial resources to repay the remaining loan of \$75 thousand.

DFA maintains that “the \$75,000 loan was critical in meeting the expenses of providing ambulance services, which is a continuing public health and safety issue. This funding had previously been met by annual special appropriations in the General Appropriations Act to the N.M. Department of Health (DOH). That funding was cut and the DOH had no other funding resources to meet this need.”

According to prior discussions with BOF, the DOH funding referred to above was cut in 2008 and an attempt to restore it in the 2009 Legislative Session failed.

DOH provides additional background information:

“Mora County has a total population of 4,800 people, about half of which live in Mora Valley. Residences are spread out and personal transportation is limited for some families. The ambulance service is a critical safety net for both residents and tourists. The ambulance service which serves Mora Valley and the surrounding area is certified by the Public Regulation Commission as an ambulance service. They have a physician medical director, Emergency Medical Service (EMS) director and a training coordinator. They respond when dispatched for all medical and traumatic health emergencies within the Mora Valley and the surrounding areas of Mora County.

Mora Valley EMS applies for and receives money from the Local Systems Funding portion of the EMS Fund. Mora Valley EMS received \$14,817 in FY10 and has applied for FY11 funding. The amount of FY11 funding has not yet been determined, but will be similar.”

DFA notes the concern that a cycle is being established whereby Mora County will need to make an annual loan request from the BOF, followed by a request for a state appropriation to repay the loan, and in the case an appropriation is not made by the Legislature, initiate a request for BOF to convert the loan to a grant.

Creating a recurring appropriation would ensure that the ambulance services continue in Mora County without the county being subject to this BOF cycle.

RELATIONSHIP

Senate Bill 179 relates to Senate Bill 178, which requests an appropriation of \$75 thousand to repay the BOF loan of \$75 thousand for ambulance services in Mora County, presumably for FY10.

OTHER SUBSTANTIVE ISSUES

The county received a loan of \$53,079 from the BOF in 2005 to clean up illegally dumped oil and address structural problems at the county courthouse. The county requested and received a one-year extension. The loan became due in December 1, 2007, but no further action to repay, request an extension, or request the loan be converted to a grant has occurred. DFA suggests that turnover of county managers may have contributed to this sequence of events.

ALTERNATIVES

According to prior BOF discussions, the Taxation and Revenue Department has been working with Mora County to bring its property tax rolls current. It may be that sufficient revenue from collecting taxes on newly identified parcels and revised values would help support an ambulance service. As an alternative, DFA notes that the county may have some increments remaining in the local Gross Receipts Tax that would allow the county to impose a tax increase to support this vital service.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

DFA maintains that if the appropriation is not passed, it will put Mora County in the position of continually requesting loans from the BOF.

POSSIBLE QUESTIONS

How much does ambulance service cost Mora County annually?

What is the incremental amount needed assuming Mora County receives the \$14.8 thousand through the Local Systems Funding of the EMS Fund?

How much does Mora County receive in the Small County distribution?

Could any of this funding be used to help support ambulance services?

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