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## FISCAL IMPACT REPORT

SPONSOR Ingle ORIGINAL DATE 02/28/11  
LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_  
SHORT TITLE Expand Fire Protection Fund Uses SB 505  
ANALYST Haug

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY11	FY12	FY13	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
<b>Total</b>		NFI	NFI			

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Public Regulation Commission (PRC)

Department of Health (DOH)

New Mexico Municipal League (NMML)

### SUMMARY

#### Synopsis of Bill

Senate Bill 505 would allow local governments to use the fire protection fund for emergency medical services, except for salaries, in addition to using the fund for fire suppression services.

### FISCAL IMPLICATIONS

Senate Bill 505 contains no appropriation and has no fiscal implications.

### SIGNIFICANT ISSUES

The NMML comments:

In many Fire Departments the provision of Emergency Medical Services is an integral part of the service provided by the department. Many departments roll fire service vehicles along with emergency medical service vehicles to the scene of accidents, fires and other emergency situations.

Despite the fact that some departments charge a fee for transport in emergency medical service vehicles, the uncollectable receivables for such charges can run as high as 66%

and many smaller municipalities and fire districts cannot afford to purchase ambulances with general fund resources.

The legislation **does not require** a municipality or fire district to use the funds for emergency medical service equipment or supplies but merely allows use of Fire Fund resources if a municipality or fire district elects to do so.

Past Fire Marshalls have approved the use of Fire Protection Funds for the purchase of advanced medical supplies and equipment for use in providing emergency medical services to the general public.

The DOH states:

The final report from the 2007 Governor's House Memorial 20 Task Force on Emergency Medical Services in New Mexico reported that much of the public believes that EMS is synonymous with fire protection. The task force's final report states that these two public safety responsibilities are funded separately and disproportionately. In 2006, New Mexico fire departments received a total of 77,185 requests for service. Of these, 4,695 or 6.1% were for fire response. Conversely, 57,030 or 73.9% were requests for EMS response. The remainder of requests was for reasons other than fire or EMS response.

Many of these agencies function in the rural and frontier areas of New Mexico and tend to be underfunded for their EMS activities, according to the final report of the 2007 House Memorial Task Force. This report stated that, in 2007, available state funding provided less than 40% of the EMS operational costs for small EMS services, including fire-based EMS agencies.

While the majority of requests for service to fire departments are for EMS response, the fire protection fund is not allowed to support this activity at the present time. Fire-based EMS agencies are currently eligible for funding from the New Mexico EMS Fund. Comparing the fire protection fund to the EMS fund, the task force reported that, in 2006, the fire protection fund average distribution to fire departments was \$80,801, while the average distribution from the EMS Fund Act to EMS agencies was \$9,482. Since that report, the available funding from the EMS Fund for these EMS services has decreased from \$9,482 to \$8,514 in FY11.

SB505 would allow for the use of fire protection fund monies to support the EMS activities of fire-based EMS agencies, allowing them to better support the EMS response in their areas.

There are 335 EMS agencies in New Mexico. 229 are fire-based municipal or county agencies providing EMS to their communities.

According to the PRC:

Currently, the statute and administrative code allow the use of fire protection fund monies for the purchase of emergency medical services equipment and supplies when the primary purpose is to render aid and assistance to injured emergency responders. The

new language, “and fire department emergency medical services”, implies that supplies, equipment, training and vehicles (ambulances) for use in aid to the general public would qualify for purchase with fire protection funds.

It is not known if local governments would shift fire protection fund monies from fire suppression services to fire department rescue / ambulance services and then reduce monies from other sources that normally are used for rescue / ambulance services, thus reducing the total budget for a fire department and effecting the quality of fire suppression services.

GH/bym