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FISCAL IMPACT REPORT

ORIGINAL DATE 02/03/12

SPONSOR Miera LAST UPDATED _____ HB 11

SHORT TITLE Fire Protection Across Jurisdictions SB _____

ANALYST Lucero

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY12	FY13	FY14	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		NFI	NFI	NFI	Recurring	

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Public Regulation Commission (PRC)

SUMMARY

Synopsis of Bill

House Bill 11 amends Chapter 59A, Article 53, the Fire Protection Fund Law, to allow a municipality's fire department to service an area adjacent and contiguous to its corporate limits provided that the other municipality or county consents to it. A municipality may apply for fire protection fund eligibility for any fire station located within the additional area to be serviced.

The bill also specifies that any municipality may apply for fire protection eligibility for a fire station at a municipal owned airport whether outside or within its corporate limits.

FISCAL IMPLICATIONS

The State Fire Marshal reports that the bill does not have any additional fiscal implications to state or local governments. The formula determining the total amount to be distributed from the fire protection fund to all fire departments would not change.

SIGNIFICANT ISSUES

A survey by the Fire Service Support Bureau of the Fire Marshal Division of PRC collected GPS coordinates for every fire station in New Mexico for identification and homeland security purposes. Through that effort it was discovered that some stations are not geographically located

within the proper boundaries. It was also noted that some municipalities own airports with fire stations outside of the legal corporate boundaries of the municipality. Without a change in the current law those stations will no longer qualify for funding.

Currently the law allows local governments to enter into agreements whereby fire departments can cooperate beyond local government boundaries. However, it limits funding of specific stations to those that are located only within the government's legal boundaries. This bill updates the statute to what is occurring in the field.

ADMINISTRATIVE IMPLICATIONS

The State Fire Marshal reports that the administration of fire fund distributions and contractual agreements between local governments would be easier.

OTHER SUBSTANTIVE ISSUES

The State Fire Marshal reports:

New Mexico has experienced a significant change in demographics and population growth throughout the state. In many areas it makes sense that a municipality locates a station outside of a corporate boundary and for a county to locate a station within a municipality. It may even be prudent, in some cases, for a local government to provide fire protection services for certain areas of an adjoining local government's legal territory, by mutual agreement. When such agreements are made, the entity providing the services should not be penalized by being unable to receive funding for any station constructed in that area.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Some stations currently receiving fire funds would become ineligible and the ability for local governments to cooperate on fire protection could be hampered.

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