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## FISCAL IMPACT REPORT

ORIGINAL DATE 02/02/12

SPONSOR P. Griego LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_

SHORT TITLE Mora Ambulance Services SB 231

ANALYST Boerner

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY12	FY13		
	100.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Department of Finance and Administration (DFA)

**Relates to HB127** which appropriates \$88.0 thousand from the general fund to DFA to pay for ambulance services in Mora County. HB127 is a nonrecurring expense from the general fund and unexpended or unencumbered balances would revert to the general fund at the end of FY13.

### SUMMARY

#### Synopsis of Bill

Mora Ambulance Services appropriates \$100,000 from the general fund to the Local Government Division of the Department of Finance and Administration for Mora County to continue ambulance services.

### FISCAL IMPLICATIONS

The appropriation of \$100,000 contained in this bill is a RECURRING expense to the general fund. Any unexpended or unencumbered balance remaining at the end of a fiscal year shall NOT revert to the general fund.

This bill creates a new fund and provides for continuing appropriations. The LFC has concerns with including continuing appropriation language in the statutory provisions for newly created funds, as earmarking reduces the ability of the legislature to establish spending priorities.

**SIGNIFICANT ISSUES**

The DFA reports that in the 2004 (HB315), 2006 (HB619) and 2010 (SB179) legislative sessions there was legislation introduced for the same purpose, all of which failed to pass.

Additionally, in 2010 SB178 was introduced to appropriate \$75,000 to the Local Government Division to repay an outstanding loan from the State Board of Finance (BOF) for ambulance services in Mora County. This legislation failed to pass in committee. The BOF reports that on May 1, 2010 the \$75,000 emergency loan was converted to a grant.

It should also be noted that the Mora County ambulance service has been funded in part by the Emergency Management Services (EMS) Fund Act, administered by the Department of Health. This distribution is meant to supplement (with specified allowable expenses) the EMS needs of local governments. The distribution of EMS Fund Act monies is on an application basis which also requires a service report for documentation. Mora County received \$11,561 in FY12; \$13,022 in FY11; \$14,817 in FY10; and \$13,916 in FY09. The maximum distribution from the Fund Act is \$22,000 with a minimum of \$7,000.

**ADMINISTRATIVE IMPLICATIONS**

The Local Government Division of the DFA would administer this appropriation to Mora County through established procedures for grants management.

**ALTERNATIVES**

The DFA states that the establishment of user fees and/or enactment of any allowable remaining gross receipts tax increments could help defer operating costs.

**WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL?**

The DFA states that if the bill is not enacted, Mora County will have to cover the costs of operating ambulance services; since the legislative appropriation process has not been previously successful, it could be assumed that Mora County has managed to cover operating ambulance costs in the past.

CEB/lj:amm