

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the Legislature. LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

FISCAL IMPACT REPORT

SPONSOR <u>Borrego/Lujan/Jaramillo</u>	LAST UPDATED <u>2/3/2024</u> ORIGINAL DATE <u>1/19/24</u>
SHORT TITLE <u>Firefighter Recruitment Fund in DFA</u>	BILL NUMBER <u>House Bill 88/aHAFC</u>
ANALYST <u>Hilla</u>	

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT* (dollars in thousands)

Agency/Program	FY24	FY25	FY26	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
DFA		\$139.5	\$139.5	\$279.0	Recurring	General Fund

Parentheses () indicate expenditure decreases.
 *Amounts reflect most recent analysis of this legislation.

Duplicates appropriation in General Appropriation Act
 Duplicates Senate Bill 21

Sources of Information

LFC Files

Agency Analysis Received From
 Department of Finance and Administration (DFA)

SUMMARY

Synopsis of HAFC Amendment to House Bill 88

The House Appropriations and Finance Committee (HAFC) amendment to House Bill 88 removes the \$35 million appropriation.

Synopsis of Original House Bill 88

House Bill 88 creates a program within the Department of Finance and Administration to distribute funds for statewide and local firefighter recruitment. The department shall establish criteria for the distribution of funds to state and local fire departments and includes volunteer firefighters who are certified and have taken the oath prescribed for firefighters and for licensed emergency medical technicians. The bill appropriates \$35 million from the general fund to the agency in FY25 through FY27, with unexpended balances reverting to the general fund in FY27.

This bill does not contain an effective date and, as a result, would go into effect 90 days after the Legislature adjourns, or May 15, 2024, if enacted.

FISCAL IMPLICATIONS

DFA says, “In combination with the law enforcement funding appropriated to LGD during the last two legislative sessions, the proposed correction officer recruitment fund and this firefighter recruitment fund, an FTE is requested to develop application criteria, and administer grant awards, distribution of funds, and reporting processes. The total cost for DFA to establish an FTE to manage these funds is \$139,512 which includes salary, benefits, and equipment.”

SIGNIFICANT ISSUES

The bill duplicates a special request for the Department of Finance and Administration for FY25 for \$35 million for the firefighter recruitment fund, which is included in the HAFC substitute for the General Appropriation Act (HB2). This bill also duplicates Senate Bill 21.

This bill also relates to the fire protection grant fund outlined in Section 59A-53-18 NMSA 1978.

The Department of Finance and Administration (DFA) states that New Mexico has over 300 fire departments with over half of them operated by volunteers. With a decline in staffing levels of both permanent firefighters and volunteers, this fund would help convert the volunteer positions to full time positions, helping establish fire departments in rural areas, reducing the need for volunteers. DFA states that increasing the number of certified firefighters and licensed EMS would reduce emergency response times and expand public safety services in rural areas.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Duplicates a DFA special request for FY25 for \$35 million for the firefighter recruitment fund which is included in the HAFC substitute for the General Appropriation Act (HB2), as well as duplicates Senate Bill 21.

EH/ss/cf/ne/al/ss