



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 1178

PRINTERS NO. 3467

PRIME SPONSOR: Knowles

COST / (SAVINGS)

FUND	FY 2022/23	FY 2023/24
General Fund; Active Volunteer Tuition and Loan Assistance Program Fund	See Fiscal Impact	See Fiscal Impact

SUMMARY: House Bill 1178, Printer's Number 3467, allocates funding transferred from the Consumer Fireworks Tax to be used for firefighting and EMS activities, allows merged fire companies and EMS companies to continue to receive combined grant amounts, and creates the Active Volunteer Tuition and Loan Assistance Program.

ANALYSIS: This bill amends Title 35 (Health and Safety) making several changes related to grant programs for fire and emergency medical service (EMS) companies and provides enabling provisions for new and existing programs to allocate funding transferred from the Consumer Fireworks Tax as outlined under Act 74 of 2022.

Section 7383 is amended and additional sections are added to address the following:

- Subsection 7383(d) directs the Office of the State Fire Commissioner (OSFC) to use designated funds for Fireworks Danger Education.
- Section 7385.1 establishes the Capital and Operational Grants Program for career fire departments to be administered by the OSFC.
- Section 7385.2 establishes the Capital and Operational Grants Program for emergency service training centers to be administered by the OSFC.
- Section 7388.1 directs the use of designated funds for online firefighting training programs.

The bill also strikes out language under Chapter 78 limiting fire and EMS company grant awards that have merged, specifically the 10-year provision related to merged companies, so that companies continue to receive grant amounts awarded prior to any merger.

A new Chapter 79B is added to Title 35 establishing the Active Volunteer Tuition and Loan Assistance Program within the Pennsylvania Higher Education Assistance Agency (PHEAA) to provide tuition or loan assistance to active volunteers with volunteer organizations who are students at approved institutions of higher learning. Tuition or loans shall be provided to eligible students to pursue approved programs of education from money appropriated for the program.

An individual shall be eligible to receive tuition or loan assistance if eligibility criteria are met as outlined in the bill. Before participating in the program, an individual must sign a promissory note obligating the individual to repay the full amount of the tuition or loan assistance received by the individual if payment requirements are not met under the program.

The amount of tuition or loan payments shall be as follows:

- (a) Payments to a full-time student shall be \$1,000 per academic year;
- (b) Payments to a part-time student shall not exceed \$500 for an academic year; and
- (c) Tuition or loan assistance shall be granted on a first-come, first-served basis.

The agency shall promulgate regulations and establish rules or guidelines to administer this program. Administrative costs to implement the program for the fiscal year beginning July 1, 2022, and each fiscal year thereafter shall not exceed 3.5 percent of the total amount of funding appropriated. Monies shall be deposited into the Active Volunteer Tuition and Loan Assistance Program Fund which shall be a nonlapsing restricted receipts account in the State Treasury.

Section 8112.1 directs the Department of Health's Bureau of Emergency Medical Services to utilize funding from the Consumer Fireworks Tax as outlined under Act 74 of 2022. This funding is to issue scholarships to EMS providers who complete EMS training programs and reimburse EMS agencies for recruitment and retention costs.

This legislation would take effect as follows:

- (1) the amendment under Chapter 78 limiting fire and EMS company grant awards shall take effect in 60 days; and
- (2) the remainder of this act shall take effect immediately.

FISCAL IMPACT: Enactment of this legislation will have no adverse impact on Commonwealth funds as the new and existing programs under this bill will receive funding that is allocated from the Consumer Fireworks Tax as outlined under Act 74 of 2022. The resulting revenue comes from the current annual registration fees and 12 percent tax rate imposed on consumer fireworks, which is approximately \$14 million in tax revenue and \$800,000 license fees annually.

Under Act 74, the fireworks tax revenue distribution is allocated as follows:

- \$1.5 million to the EMS Grant Program;
- \$1 million for Fire and EMS Higher Education and Trade School Assistance Program;
- \$1 million for EMS basic education workforce development grant program;
- \$500,000 to Fire and EMS training center capital grant program;
- \$500,000 for career fire department capital grant program;
- \$250,000 for a public service campaign on the danger of fireworks; and
- \$250,000 for firefighter online training program.

The bill also establishes the Active Volunteer Tuition and Loan Assistance Program for eligible students. Program funds would be contingent upon money appropriated by the General Assembly and deposited into a nonlapsing restricted receipts account in the State Treasury. PHEAA would be authorized to use up to 3.5 percent of the total appropriation to cover its administrative costs.

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House Appropriations Committee (R)

DATE: September 21, 2022

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.