



# HOUSE COMMITTEE ON APPROPRIATIONS

## FISCAL NOTE

SENATE BILL NO. 866

PRINTERS NO. 2270

PRIME SPONSOR:

Ward

### REVENUE INCREASE / (DECREASE)

FUND	FY 2011/12	FY 2012/13
General Fund	\$0	\$0
Fire Company and Volunteer Service Grant Program	\$0	\$5,000,000
Property Tax Relief Reserve Fund	\$0	(\$5,000,000)

**SUMMARY:** Senate Bill 866, Printer's Number 2270, amends Title 35 (Health and Safety) further providing for volunteer companies loan fund; for additional funding in grants to volunteer fire companies and volunteer services; for expiration and specificity; and making editorial changes.

**ANALYSIS:** Chapter 78 (Grants to Volunteer Fire Companies and Volunteer Services) of Title 35) provides grants to volunteer companies. This legislation amends Title 78 by removing the term volunteer in the title and throughout the chapter as it refers to fire companies. The grant program is currently funded by a \$25 million transfer from the State Gaming Fund as provided in Section 1799-E(a) of the Fiscal Code. Section 7841 of Title 35 provides that the authority to award grants shall expire June 30, 2012. The grant program is extended four more years until June 30, 2016.

The legislation increases the amount of funding to the grant program by \$5 million a year by providing an additional transfer of \$5 million from the Property Tax Relief Reserve Fund.

A new definition of "fire company" is added to Chapter 78 which includes a volunteer fire company or a municipal fire company located in this Commonwealth.

Language is added permitting the commissioner to use up to \$250,000 of the funds available for the volunteer company grants program for the administration for the grant program.

Section 7365(c) is added providing that the commissioner may use up to \$250,000 from the Volunteer Companies Loan Fund for the administrative costs of the loan program.

The act shall take effect immediately.

**FISCAL IMPACT:** Enactment of this legislation will have no adverse fiscal impact on the General Fund. The Fire Company and Volunteer Services Grant Program will receive an additional \$5 million annually beginning in fiscal year 2012-13. The transfer of \$5 million from the Property Tax Relief Reserve Fund would reduce the balance in the fund by \$5 million annually. The Property Tax Relief Reserve Fund is a set aside of gaming monies to be used in the event that the revenues from the 34% tax on gross terminal revenues from slots is insufficient to provide sustainable amounts of property tax relief in any fiscal year.

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House Appropriations Committee (R)

**DATE:** June 25, 2012

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