

SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

BILL NO. Senate Bill 866

PRINTER'S NO. 2235

AMOUNT

\$5,000,000
(\$5,000,000)

FUND

General Fund-Fire Co. Grants Program
Property Tax Relief Reserve Fund

DATE INTRODUCED

March 25, 2011

PRIME SPONSOR

Senator Ward

HISTORY OF BILL

Referred to VETERANS AFFAIRS AND EMERGENCY PREPAREDNESS, March 25, 2011

Reported as committed, Oct. 31, 2011

First consideration, Oct. 31, 2011

Re-referred to APPROPRIATIONS, Dec. 14, 2011

Re-reported as amended, June 4, 2012

DESCRIPTION AND PURPOSE OF BILL

Senate Bill 866 extends the authority of the Pennsylvania Emergency Management Agency (PEMA) to award grants under Subchapters B (relating to fire company grant program) and C (relating to volunteer ambulance service grant program) of Chapter 78 of Title 35, from its current expiration date of June 30, 2012 to June 30, 2016.

The bill changes the definition of Fire Company to permit both volunteer and municipal fire companies be eligible for grants awarded under Subchapter B.

The bill transfers \$5 million annually from the Property Tax Relief Reserve Fund to the Fire Company Grant Program. It also allows the State Fire Commissioner, upon approval of the Governor, to retain up to \$100,000 of the total amount of the grants approved in the immediately preceding fiscal year for administrative expenses incurred to oversee the implementation of the grant awards under Subchapter B and C.

The act takes effect immediately.

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FISCAL IMPACT:

PEMA receives an annual transfer of \$25 Million from the State Gaming Fund to fund the Fire Company and Volunteer Services Grants Program. However, separate authority for PEMA to award the grants under this program is provided in Section 7841 of Chapter 78 of Title 35, and is scheduled to sunset on June 30, 2012. Senate Bill 866 extends the authority under Section 7841 to award the grants to June 30, 2016. No fiscal impact to the Commonwealth will result from the extension of the authority to award grants.

However, without the extension of the authority, after June 30, 2012, grants to fire companies and ambulance services for purposes provided in Subchapters B and C of Chapter 78 of Title 35, respectively, would cease to be awarded and could cause financial hardship to affected companies and services.

The bill authorizes the sum of \$5 million to be transferred annually from the Property Tax Relief Reserve Fund to the Fire Company Grant program to supplement the annual \$25 million transfer from the State Gaming Fund.

The bill also allows the State Fire Commissioner, upon approval of the Governor, to retain up to \$100,000 of the total amount of the grants approved in the immediately preceding fiscal year for administrative expenses incurred to oversee the implementation of the grant awards under Subchapter B and C.