

**SENATE APPROPRIATIONS COMMITTEE
FISCAL NOTE**

BILL NO. Senate Bill 932

PRINTER NO. 1358

AMOUNT

No Fiscal Impact

No Fiscal Impact

FUND

Municipal Pension Aid Fund

Fire Insurance Tax Fund

DATE INTRODUCED

October 31, 2019

PRIME SPONSOR

Senator Boscola

DESCRIPTION

Senate Bill 932 amends Title 35 (Health and Safety) to change the definition of “volunteer firefighters’ relief association”.

This legislation changes the definition of “volunteer firefighters’ relief association” to expand the definition to include fire companies that are a combination of a volunteer and paid fire company.

FISCAL IMPACT:

Senate Bill 932 will have no fiscal impact on Commonwealth funds.

Currently, Act 205 of 1984 distributes funds received via the Foreign Fire Insurance Tax, which is the net amount received by the Commonwealth from the tax on gross premiums paid by foreign fire insurance companies under the Tax Reform Code of 1971. The revenues are distributed to municipalities serviced by volunteer fire companies for distribution to the relief associations for fire companies actively providing service to the municipality. In addition, Foreign Fire Insurance Tax revenues are disbursed to municipalities serviced by paid fire companies for distribution to the Municipal Pension Aid Fund. In the case of combination volunteer/paid fire companies, revenues are distributed in proportion to the amount of service provided by the paid and volunteer firefighters.

This legislation changes the definition of “volunteer firefighters’ relief association” to include the approximate 50 combination volunteer/paid fire companies. This change will not change the distribution of Foreign Fire Insurance Tax revenue. It will provide for the flexibility in the expenditure of the funds of the relief associations for the 50 combination volunteer/paid companies.