

Description of Legislation

1. Summary of Legislation: Liberalizes eligibility requirements for Rescue Squads seeking grants from the Volunteer Rescue/EMS Fund by (1) waiving match requirements for squads with less than \$1000 liquid assets requesting up to \$3,000 grant, and (2) allowing grants to squads with paid employees up to 168 hours per week.

2. Effective Date: Effective upon ratification

3. Fund or Tax Affected: Volunteer Rescue/EMS Fund

4. Principal Department/Program Affected: Department of Insurance

Cost or Revenue Impact on State

	<u>FY</u>	<u>FY</u>
	91-92	92-93
1. Non-Recurring Costs/Revenues		
2. Recurring <u>Costs</u> /Revenues	\$350,000	\$350,000
3. Fiscal/Revenue Assumptions		

Cost/Revenue Impact on County or Local Government

	<u>FY</u>	<u>FY</u>
	91-92	92-93
1. Non-Recurring Costs/Revenues		
2. Recurring Costs/Revenues		
3. Fiscal/Revenue Assumptions		

Sources of Data for Fiscal Note: Department of Insurance

Comments/Explanation: The Volunteer/EMS Fund administered by the Department of Insurance receives 18 cents of each Motor Vehicle Safety Inspection Fee. Grants are made from the fund to Rescue Squads eligible for funding under criteria set forth in G.S. 58-87-5. The first year of the program 73 squads received a total of approximately \$365,000. The second year 99 squads received a total of \$594,000. The third grant cycle is pending.

Income to the Fund from the MVSI fee is now \$1.1 million/year. The current balance is \$2.1 million.

There are 430 rescue squads in North Carolina, of which an estimated 150 are eligible under existing criteria. The Department of Insurance estimates that 100 squads not now eligible could meet the liquid assets or paid positions criteria imposed by this legislation - 25 by virtue of the new liquid assets provision and 75 by virtue of the amended paid positions requirement.

Assume:

1. All 25 eligible for grants of \$3,000 not requiring match apply successfully. (25 X \$3,000 = \$75,000)
2. For the 75 made eligible for grants under the paid positions change, the proportion of eligibles successfully applying for grants and the average grant award are the same as in the latest grant cycle. ($\frac{2}{3} \times 75 \times \$6,000 = \$300,000$).

The anticipated increased outlay from the Fund is (1) plus (2), or \$375,000.

This should be regarded as a liberal estimate. The unknown factor is compliance with other criteria in the statute not affected by this legislation. To the extent that the 100 additional eligibles estimated by the Department of Insurance per these amendments fail other criteria imposed by the Association of Rescue and Medical Services grant funding will not be offered.



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