



House Bill 365

Public Safety – Fire, Rescue, and Ambulance Funds - Distribution

MACo Position: **SUPPORT**

Date: March 19, 2014

To: Budget and Taxation Committee

From: Leslie Knapp, Jr.

The Maryland Association of Counties (MACo) **SUPPORTS** House Bill 365. The bill makes needed clarifications and reforms to the Senator William H. Amoss Fire, Rescue and Ambulance Fund (Amoss Fund).

HB 778/SB 899 of 2013 created the Workgroup to Study the Laws and Practices Related to the Distribution of Money to Volunteer and Career Companies, which was tasked with looking at various aspects of the Amoss Fund. The Workgroup was composed of legislators and professional, volunteer, and other firefighter representatives. Although not a formal member, MACo was invited to participate on the Workgroup and offer the county perspective. The Military Department staffed and also participated on the Workgroup.

HB 365 represents the consensus recommendations of the Workgroup, including MACo and the Military Department. The bill updates and clarifies many aspects of the Amoss Fund, including: fund distribution; audit and reporting requirements; permissible funding uses; and maintenance of effort (MOE) calculations, exemptions, and penalties.

The bill makes it easier for a county to comply with the MOE requirement by excluding capital costs from the MOE calculation (which create temporary spikes in a county's MOE level) and allowing a county to withhold or reclaim funding from a fire, rescue, or ambulance company that is not meeting Amoss Fund requirements. The bill also clarifies when and how the MOE penalty should be applied and creates an exemption and rebasing process similar to the MOE process for public school funding.

HB 365 makes needed changes to the Amoss Fund statute including clearer definitions, funding distribution clarifications, and the creation of an equitable MOE exemption and rebasing process. Accordingly, MACo recommends the Committee issue a **FAVORABLE** report on HB 365.