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FISCAL IMPACT STATEMENT

LS 7110

BILL NUMBER: HB 1645

NOTE PREPARED: Dec 29, 2006

BILL AMENDED:

SUBJECT: Firefighting Building and Equipment Fund.

FIRST AUTHOR: Rep. Lutz

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: This bill provides that money in a cumulative firefighting building and equipment fund may also be used for the (1) maintenance of buildings; (2) purchase of medical supplies; and (3) payment of the paramedic part of a firefighter's salary.

Effective Date: July 1, 2007.

Explanation of State Expenditures: The state does not pay property tax replacement credit on the levies for the fund.

Explanation of State Revenues:

Explanation of Local Expenditures: The bill provides that the legislative body of a unit or the board of fire trustees of a fire protection district may use funds in the cumulative building and equipment fund for maintenance of buildings used by the fire department or a volunteer fire department or used by a provider of emergency medical services (in addition to the purchase, construction, renovation, or addition to buildings as provided under existing law).

Units can also currently use the fund to purchase firefighting equipment, including making payments under a lease rental with option to purchase agreement made to acquire the equipment. The bill provides that the unit may also use the fund to purchase medical supplies used for emergency medical services and to pay the paramedic part of a firefighter's salary.

The bill could change expenditures from the fund. The future expenditures from the fund for the added

purposes is indeterminable. For CY 2006, the total certified statewide levy for the local funds was about \$22 M.

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected: Fire protection districts and units.

Information Sources: Department of Local Government Finance Database (LOGODABA).

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