

N.C. GENERAL ASSEMBLY LEGISLATIVE FISCAL NOTE

Fiscal Research
733-4910

Prepared By: Richard Bostic	Date Prepared: May 10, 1989	Bill No. HB 1162	Edition: 1
Approved By: Tom Covington TOMC	MAY 15, 1989		Sponsor: Rep. John Kerr
Short Title: Rescue Squad Defined			

TYPE OF FISCAL IMPACT	COUNTY/		FUNDS AFFECTED:			
	State Gov't	Local Gov't	() General	() Highway	() Other: Local	
			State Fiscal Impact	FY	FY	FY
No Fiscal Impact	(X)	(X)	State Total Req'ments Receipts/Revenues			
Increase Expenditure	()	()	Net State Expend./Rev. No. of Positions			
Decrease Expenditure	()	()				
			Local Fiscal Impact	FY	FY	FY
Increase Revenue	()	()	Local Total Req'ments Receipts/Revenues			
Decrease Revenue	()	()	Net Local Expend./Rev. No. of Positions			
No Estimate Avail.	()	()				

Description of Legislation

1. Summary of Legislation:

Redefines rescue, rescue squad and rescue unit to increase eligibility for Volunteer Rescue Squad Fund and Rescue Squad Workers' Relief Fund

2. Effective Date:

Upon ratification

3. Fund or Tax Affected:

None

4. Principal Department/Program Affected:

Department of Insurance/Volunteer Rescue Squad Fund
and Rescue Squad Workers' Relief Fund

Cost or Revenue Impact on State

FY	FY	FY
88-89	89-90	

1. Non-Recurring Costs/Revenues

2. Recurring Costs/Revenues

3. Fiscal/Revenue Assumptions

Cost/Revenue Impact on County or Local Government

FY	FY	FY
88-89	89-90	

1. Non-Recurring Costs/Revenues

2. Recurring Costs/Revenues

3. Fiscal/Revenue Assumptions

Sources of Data for Fiscal Note

General Statutes of North Carolina, Department of Insurance

Technical Considerations/Comments

House Bill 1162 has no fiscal impact on the state or local governments, but does increase the number of rescue squads eligible for the Volunteer Rescue Squad Fund and the Rescue Squad Workers' Relief Fund. HB 1162 does not alter the funding mechanism established in G.S. 20-183.7. This statute apportions .20 of each vehicle inspection sticker fee to the Volunteer Rescue Squad Fund and .05 of the fee to the Rescue Squad Workers' Relief Fund. HB 1162 will make these funds available to more rescue squads and individuals.

Volunteer Rescue Squad Fund

Grants up to \$15,000 will be awarded from the Volunteer Rescue Squad Fund beginning December 15, 1989. These grants for equipment purchases or capital expenditures must be matched by non-state funds. The Department of Insurance and the Office of Emergency Medical Services of the Department of Human Resources will determine the criteria by which grant applications will be judged. HB 1162 mandates that the criteria include rescue units that "are not necessarily trained in emergency medical services, fire fighting, or law enforcement, but who expose themselves to an external, non-medical, and non-patient related peril to effect the removal of individuals facing the same type of peril to areas of relative safety". This language was sought by the Department of insurance to clarify that emergency medical services would qualify for these grants and that the funds could be used to purchase emergency medical equipment. In sum, the bill increases the pool of eligible applicants from 600 to 800, but does not increase the available pool of funds.

Rescue Squad Workers' Relief Fund

The Relief Fund is disbursed by the Commissioner of Insurance to the North Carolina Association of Rescue and Emergency Medical Services, Inc. The Association uses the funds to aid rescue or EMS workers as follows:

- 1) Provide compensation to those out of work due to injury or sickness received on duty;
- 2) Support dependents of workers killed on duty;
- 3) Award scholarships to children of members, deceased members or retired members; and,
- 4) Pay death benefits to dependents of workers killed in the line of duty.

Although HB 1162 redefines rescue unit and rescue squad, it does not change the eligibility standards for the relief fund. A rescue squad or EMS worker still must meet the qualifications in G.S.118-62 (membership in Assoc. and 36 hours of training) to receive benefits from the fund. If HB 1162 does prompt additional workers to qualify for benefits, the fund is protected by G.S. 118-61 (c)(5) that states that if the fund is determined to be actuarially unsound, all payments will be reduced pro rata as long as insufficient funds exist.



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