

GENERAL ASSEMBLY OF NORTH CAROLINA



Session 2007

Legislative Fiscal Note

REVISED

BILL NUMBER: Senate Bill 1741 (First Edition)

SHORT TITLE: Rescue Squad Workers' Relief Fund.

SPONSOR(S): Senator Kerr

	FISCAL IMPACT				
	Yes ()	No (x)	No Estimate Available ()		
	<u>FY 2008-09</u>	<u>FY 2009-10</u>	<u>FY 2010-11</u>	<u>FY 2011-12</u>	<u>FY 2012-13</u>
REVENUES:					
NC Association of Rescue & Emergency Medical Services, Inc. Rescue Squad Workers' Relief Fund	\$13,987	\$18,650	\$18,650	\$18,650	\$18,650
TOTAL REVENUES	\$0	\$0	\$0	\$0	\$0
EXPENDITURES:	No Fiscal Impact				
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED:					
North Carolina Association of Rescue and Emergency Medical Services, Inc., North Carolina Rescue Squad Workers' Relief Fund.					
EFFECTIVE DATE: October 1, 2008					

BILL SUMMARY: Under G.S. 20-183.7(c), a portion of fees collected for vehicle safety inspections are paid to the Rescue Squad Workers' Relief Fund (Fund). Under G.S. 58-88-30 dictates 10% of that portion is withheld by the North Carolina Association of Rescue and Emergency Medical Services, Inc. (Association), for the administration of the Fund. This bill raises that percentage to 12%.

ASSUMPTIONS AND METHODOLOGY:

The Association receives a portion of the fees collected for performing an inspection and putting an inspection sticker on a vehicle. Of the total amount given to the Association, 10% is designated for administrative costs, 2% is designated for the Department of Insurance, and the remaining 88% is distributed to the Rescue Squad Workers' Relief Fund for benefits and other services.

The 10% earmarked to the Association for administrative costs totaled \$93,250 in FY 2006-07. However, the Association's administrative costs totaled \$104,794 in FY 2006-07, resulting in a net loss of \$11,544.

An additional \$13,987 is generated for administrative costs by this bill in FY 2008-09,¹ and an additional \$18,650 is generated for future fiscal years.

Association officials projected administrative costs to increase next fiscal year due to the high volume of mailings and higher postage rates, but could not provide an estimate of the increase. The additional 2% given to the Association will generate more money than needed based on current spending.

The total amount provided by the State to the Association for administrative costs will be \$107,237 in FY 2008-09, and \$111,889 in future fiscal years.

SOURCES OF DATA: Department of Insurance, North Carolina Association of Rescue and Emergency Medical Services, Inc.

TECHNICAL CONSIDERATIONS:

1. The State statute (G.S. 55-88-30) cited in the bill text is incorrect. The correct statute to be cited is G.S. 58-88-30.

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DATE: June 11, 2008



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¹ Because SB 1741 becomes effective on October 1, 2008, this is a pro-rated estimate for the fiscal impact for the remaining 9 months of FY 2008-09. This figure also considers the 3 months during which the Fund will still receive 10% of total receipts from inspection stickers for administrative costs until SB 1741 becomes effective.