Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current and previously issued FIRs are available on the NM Legislative Website (<u>www.nmlegis.gov</u>) and may also be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

| SPONSOR | Campos | ORIGINAL DATE LAST UPDATED | 02/05/20 HE | B | _ |
|------------|--------------------|-------------------------------|----------------|--------------|---|
| SHORT TITI | E Ambulance Servic | es | SF | R 144 | |

ANALYST Hanika-Ortiz

<u>APPROPRIATION</u> (dollars in thousands)

| Appropr | iation | Recurring | Fund Affected | |
|---------|-----------|-----------------|------------------|--|
| FY20 | FY21 | or Nonrecurring | | |
| | \$9,000.0 | Recurring | General Fund | |

(Parenthesis () Indicate Expenditure Decreases)

<u>REVENUE</u> (dollars in thousands)

| Estimated Revenue | | | Recurring | Fund |
|-------------------|-----------|--------------------------------------|--------------------|---|
| FY20 | FY21 | FY22 | or Nonrecurring | Affected |
| | \$9,000.0 | Recurring because does not revert | Recurring | Ambulance Service Assistance Fund |

(Parenthesis () Indicate Revenue Decreases)

SOURCES OF INFORMATION LFC Files

<u>Responses Received From</u> New Mexico Municipal League (NMML)

<u>No Response Received</u> Public Regulation Commission (PRC)

SUMMARY

Synopsis of Bill

Senate Bill 144 appropriates \$9 million from the general fund to the ambulance service assistance fund for expenditure in FY21 and subsequent fiscal years for the purposes of the fund.

FISCAL IMPLICATIONS

The appropriation of \$9 million contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of a fiscal year shall not revert

Senate Bill 144 – Page 2

to the general fund.

The commission will be allowed to recover from the fund costs to administer the fund which includes awarding competitive grants up to \$75 thousand to local public ambulance service providers. To receive a grant, providers must provide or obtain non-state funding equal to 25 percent of the cost of the equipment, training or certifications for which the grant is being awarded.

This bill creates a new fund and provides for continuing appropriations. The LFC has concerns with including continuing appropriation language in the statutory provisions for newly created funds, as earmarking reduces the ability of the legislature to establish spending priorities.

SIGNIFICANT ISSUES

Senate Bill 144 creates a new section of the "Ambulance Standards Act" that establishes the "ambulance service assistance fund" administered by the PRC.

Other than administrative fees, Senate Bill 144 restricts the use of the fund to the purchase or refurbishment of ambulances, medical equipment or required training and certification of ambulance drivers and other emergency medical services staff.

PERFORMANCE IMPLICATIONS

As used in the Ambulance Standards Act, an "ambulance" means a vehicle, including motor vehicles or watercraft, designed and used or intended to be used for the transportation of sick or injured persons. Exempted from the Ambulance Standards Act, are ambulances owned by a private company, corporation or business used primarily for the transportation of sick or injured employees from their place of business to a hospital or other facility for treatment.

ADMINISTRATIVE IMPLICATIONS

The commission would be required to adopt rules as required to administer the ambulance service assistance fund and determine factors for deciding on competitive grants from the fund.

OTHER SUBSTANTIVE ISSUES

NMML commented it supports this legislation.

TECHNICAL ISSUES

The term "local" when referring to ambulance service providers is vague.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

A fund to award competitive grants to local ambulance service providers will not be created.

AHO/rl