



# HOUSE BILL 869: Enhance State Fire Protection Grant Fund.

2023-2024 General Assembly

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<b>Committee:</b>	House Insurance. If favorable, re-refer to Appropriations. If favorable, re-refer to Rules, Calendar, and Operations of the House	<b>Date:</b>	May 2, 2023
<b>Introduced by:</b>	Reps. Blackwell, Clampitt, Reeder	<b>Prepared by:</b>	Bill Patterson
<b>Analysis of:</b>	First Edition		Committee Co-Counsel

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**OVERVIEW:** *House Bill 869 would increase the maximum annual appropriations to the State Fire Protection Grant Fund from the General Fund and from the University of North Carolina receipts, and would expand the purposes for which allocations from the Fund can be used.*

**CURRENT LAW:** The State Fire Protection Grant Fund ("Fund") is established in the Department of Insurance ("Department") for the purpose of compensating local fire districts and political subdivisions of the State for providing local fire protection to State-owned buildings and their contents.

The Fund is currently eligible to receive annual appropriations of up to:

- \$4,180,000 from the General Fund for local fire protection for State-owned property supported by the General Fund.
- \$158,000 from the Highway Fund for local fire protection for State-owned property supported by the Highway fund.
- \$1,345,000 from the University of North Carolina ("UNC") receipts for local fire protection for State-owned property supported by UNC receipts.

**BILL ANALYSIS:** Section 1 of House Bill 869 would increase the maximum annual appropriation to the Fund from the General Fund to \$15,000,000 and would increase the maximum annual appropriation to the Fund from UNC receipts to \$2,500,000.

In any fiscal year when the Fund is appropriated less than \$15,000,000 from the General Fund, the appropriation to the Fund from UNC receipts would equal \$2,500,000 multiplied by a fraction, the numerator of which is the appropriation to the Fund from the General Fund for that fiscal year and the denominator of which is \$15,000,000.

Section 1 would authorize the Department to:

- Reserve up to 10% of the funds received by the Fund from the General Fund to compensate local fire districts and political subdivisions of the State for providing local fire protection to State-owned property that is under construction or first occupied during the fiscal year of the General Fund appropriation.
- Allocate up to up to \$1,115,000 of appropriated UNC receipts to reimburse local fire districts and political subdivisions of the State for providing local fire protection to buildings owned by nonprofit corporations or foundations sited on State property through a ground lease with a UNC constituent institution.

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Director



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- Allocate up to \$250,000 of funds appropriated to the Fund from the General Fund to provide reimbursement to local fire districts and political subdivisions of the State for State lands emergency response, defined as services search and rescue, wildfire suppression or management, and other natural disaster response activities on State-owned property other than providing fire protection to State-owned buildings and their contents.
- Reserve up to 10% of funds appropriated from the General Fund in each fiscal year to compensate local fire districts and political subdivisions for providing local fire protection to State-owned buildings and their contents.

**Section 2** of the bill would appropriate \$11,222,487 for the Fund in recurring funds from the General Fund for the 2023-2024 fiscal year, and would increase the UNC receipts appropriated and allocated to the Fund by \$1,155,000 in recurring funds.

**EFFECTIVE DATE:** This act would become effective July 1, 2023.