



[SF 2283](#) – Emergency Medical Services, Training Centers (LSB6044SVV.1)
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Fiscal Note Version – As amended by [S-5105](#)

Description and Background

[Senate File 2283](#), as amended by the House, relates to emergency medical services (EMS) training and service award programs and authorizes the governing body of a municipality to implement an optional tax to fund these programs.

The Bill as amended establishes the following:

Length of Service Award

The Bill allows the governing body of a municipality as defined in Iowa Code section [100B.21](#) to establish a “length of service” award program for volunteer fire fighters (defined in Iowa Code section [85.61](#)), volunteer emergency medical care providers (defined in Iowa Code section [147A.1](#)), and reserve peace officers (defined in Iowa Code section [80D.1A](#)) as described in section [457\(e\)\(11\)](#) of the federal Internal Revenue Code (IRC). Program awards must be designed to be treated as tax-deferred benefits per the federal IRC.

A Length of Service Award Program Grant Fund is created under the control of the State Fire Service and Emergency Response Council (IFSERC) for the purpose of providing grants to a municipality that establishes a length of service award program. The Bill requires the IFSERC to establish administrative rules that develop a grant application process and submit these for promulgation to the State Fire Marshal (SFM). The grant process is required to provide for a maximum of a dollar-for-dollar funding match for a municipality that has established a grant award program.

EMS Training Program

Under current law, an Iowa college approved by the Higher Learning Commission or an Iowa hospital that desires to provide EMS training in order to be certified as an EMS provider may apply to the Department of Public Health (DPH) to establish a program. The Bill authorizes a medical care ambulance service or nontransport service to also apply with the DPH to establish an EMS training program.

EMS as an Essential Service and Establishment of the County EMS System Advisory Council

The Bill allows a county to draft and adopt a resolution declaring EMS to be considered an essential county service. The Bill states that each county for which a resolution to deem EMS an essential service has been adopted is required to coordinate efforts between the county’s emergency management coordinator and local EMS agencies to establish a County EMS System Advisory Council (Council). The Council is tasked with assisting in researching and assessing the service needs of the county, and guiding implementation of services within the county within a council structure and as prescribed by the most recent updated Iowa EMS standards. The Council is required to file an annual report with the BOS of the county whose EMS needs the Council has assessed and recorded.

Optional Taxes for EMS

The Bill allows a county BOS, upon adoption of a resolution declaring EMS to be an essential service, to impose an ordinance establishing a local option income surtax, an ad valorem property tax, or a combination of both. Revenues from one or a combination of these optional taxes are to be deposited in the EMS Trust Fund established in Iowa Code section [422D.6](#). Moneys in the Fund are to be used for EMS and for the purpose of matching federal or State funds designated for education and training related to such services. The Bill also amends Iowa Code section [422D.6](#) to explicitly remove the current list of costs which may be reimbursed by moneys in the EMS Trust Fund, including defibrillators, nondisposable ambulance equipment, certain communications equipment, training on EMS equipment, certain first response and rescue vehicles including ambulances and associated automotive parts, buildings, and land.

1) Local Option Income Surtax

The Bill states that a local option income surtax may be imposed for tax years beginning on or after January 1 of the fiscal year in which the ordinance imposing the surtax is filed with the Director of the Department of Revenue (DOR). Before such a surtax is imposed, a benefited EMS district within the county planning to impose the surtax must be dissolved. The county is held liable for the outstanding obligations of the benefited district.

2) Ad Valorem Property Tax

The Bill provides that an ad valorem property tax may be levied at a rate set by the BOS on all taxable property in a county for the fiscal year in which a county adopts a resolution that designates EMS as an essential service. The Bill requires the BOS to set the property tax rate so as to raise only the amount necessary to support EMS.

At the next regular or city election following adoption of the resolution designating EMS as an essential service, the BOS is required to direct the county commissioner of elections to include on the ballot a question of whether or not the tax or combination of taxes should be discontinued. Should the majority vote to discontinue the tax, the BOS will be required to discontinue the tax(es). Following the discontinuance, the BOS is prohibited from adoption of a new resolution declaring EMS as an essential service for a period of two years.

Assumptions

- The SFM assumes that requiring the IFSERC to take control over the Length of Service Award Program Grant Fund will create additional costs resulting from paying per diem and operational expenses. Current annual board expenses total approximately \$1,000 per quarterly meeting, or approximately \$5,000 annually.
- The SFM estimates that overseeing the new award program will result in additional administrative expenses and an increase in the number of IFSERC meetings to one meeting monthly.
- There are 19 EMS training centers in the State of Iowa. These training centers are primarily located at and staffed by either community colleges or hospitals. Currently, 0.10 full-time equivalent (FTE) position from the DPH assists in coordinating training with these centers.
- The DPH assumes that it will need to hire 1.0 additional Executive Officer 2 position in order to meet the training coordination demand resulting from the requirements of [SF 2283](#).
- The DPH assumes that two new entities will apply to become EMS training centers on an annual basis as a result of [SF 2283](#). Currently, the DPH approves an estimated four applications annually.

Fiscal Impact

Length of Service Award

The SFM estimates that the new requirements for the IFSERC will result in a cost increase of approximately \$9,000 annually. **Table 1** provides a breakdown of the total net cost increase.

Table 1—Cost Increase, IFSERC

Per Diem	
<i>11 Council members at \$50/day</i>	\$ 550
Mileage	
<i>1,528 miles at \$0.39/mile</i>	596
Total Cost/Meeting	\$ 1,146
Current Annual Cost	
<i>4 meetings at \$1,146/meeting</i>	\$ 4,584
Proposed Annual Cost	
<i>12 meetings at \$1,146/meeting</i>	\$ 13,752
Net Cost Increase	
<i>(Current Annual Cost - Proposed Annual Cost)</i>	
Total	\$ 9,168

It cannot be determined how many eligible volunteer fire fighters, emergency medical care providers, and reserve peace officers will take advantage of the Length of Service Award Program. [Senate File 2283](#), as amended, does not identify a funding source for the Program. Additional fiscal impact cannot be determined at this time.

EMS as an Essential Service

The section of [SF 2283](#) establishing EMS as an essential service is not expected to have a fiscal impact.

EMS Training Programs

Table 2 below provides a breakdown of the salary, benefits, and related costs for the 1.0 additional Executive Officer 2 position that the DPH has stated it will need to hire in order to meet the training coordination requirements of [SF 2283](#).

Table 2—Estimated Costs, DPH

Year One		Year Two	
Description of Cost	Base Amount	Description of Cost	Base Amount
Executive Officer 2 FTE Salary	\$ 80,400	Executive Officer 2 FTE Salary	\$ 80,400
DAS Human Resources Costs*	700	DAS Human Resources Costs*	700
Computer/Software	2,500	Computer/Software	300
Office Supplies, Telephone and Travel	5,200	Office Supplies, Telephone and Travel	5,200
Set-Up Costs (One-Time)	2,200	Set-Up Costs (One-Time)	N/A
Vehicle Lease	6,000	Vehicle Lease	6,000
Total	\$ 97,000	Total	\$ 92,600

DAS = Department of Administrative Services

The DPH also estimates that it will collect minimal fee revenue as a result of increased EMS training center application fees. **Table 3** shows an estimated amount of fee revenue collected by the DPH as a result of the establishment of new EMS training centers across the State.

Table 3—Fee Revenue Collection, DPH

Collected Fees	Year One	Year Two
Current Training Programs (Four Programs at \$2,500/Application)	\$ 10,000	\$ 10,000
New Training Programs (Two Programs at \$2,500/Application)	–	5,000
Total	\$ 10,000	\$ 15,000

Revenue collected by the DPH from application fees will be deposited in the EMS Fund established in Iowa Code section [135.25](#).

Establishment of the County EMS System Advisory Council

The section of [SF 2283](#) requiring counties that deem EMS an essential service to establish a County EMS System Advisory Council is not expected to have a fiscal impact.

Optional Taxes for EMS

According to the Department of Management (DOM), the section of [SF 2283](#) that allows a municipality to impose a local option income surtax or ad valorem property tax, or combination thereof, is not expected to have a significant fiscal impact for the DOM. The DOM will use existing software to track changes in county property tax collections.

However, as both the income surtax and ad valorem property tax are optional, it is unknown how many counties will impose one or a combination of these taxes.

Fiscal Impact Summary

Table 4 provides a total net cost estimate for [SF 2283](#), as amended, for both the first and second year of implementation.

Table 4—Net Cost Estimate, [SF 2283](#)

Cost	Year One	Year Two
DPH	\$ 97,000	\$ 92,600
IFSERC	9,168	9,168
Total	\$ 106,168	\$ 101,768

Sources

Legislative Services Agency
Department of Revenue
Department of Management
Department of Public Safety
Department of Public Health

/s/ Holly M. Lyons

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The fiscal note for this Bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

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