

Legislative and Research Committee Minutes

November 12, 2008 – 3:00 p.m.

Present: Chairman Sausville; Supervisors Grattidge, M. Johnson, Rowland, Wormuth, Yepsen, Wood and Southworth; Spencer Hellwig, Mgmt. Analyst; Ed Tremblay, Emergency Services; Mark Rider, County Attorney; League of Women Voters; Jan VanDecarr, FASNY; Press.

Chairman Sausville called the meeting to order and welcomed all in attendance.

On a motion made by Mrs. Johnson, seconded by Mr. Grattidge the minutes of the October 15, 2008 meeting were approved unanimously.

Mr. Sausville said for those communities that rely on volunteers for their fire and emergencies, everyone knows all too well that if we lose those volunteers and are faced to provide those services with paid experts it would cost millions of dollars. There is a huge incentive for our towns to encourage volunteers to volunteer for the fire department and ambulance corp. and to try to retain those people after they have been trained and committed themselves to that type of service.

Mr. Sausville said he has been following the various incentives that are available, i.e. service award programs.

Mr. Sausville introduced Mr. VanDecarr who is the legal council that represents the Fire Association of New York (FASNY).

Mr. VanDecarr said throughout the year volunteer fire companies and fire departments discuss among themselves various issues that they confront on a day to day basis and come up with ideas that might assist them, not only with recruitment and retention, but all areas of the volunteer fire service. There are a series of meetings throughout the year where ideas are discussed and debated. During the month of October, there is a meeting of the membership, particularly those who are interested in legislation and the various ideas that have been developed throughout the year, where they are presented for consideration on the formal legislation agenda. At that point a formal agenda is adopted and the NYS Fire Association office puts together a package of information, including a copy of a bill if it is already introduced in the legislature and an analysis. This will be used throughout the year in various meetings with legislators and others throughout the state to not only educate on the agenda, but advocate as well.

Mr. VanDecarr said there are usually at least 15 items on the FASNY legislative agenda, where some items relate to recruitment and retention. FASNY just had their legislative conference in October, which resulted in a 19 item agenda, with approximately 6 items relating to recruitment and retention, and many budget related.

The following is a list of the six items relating to recruitment and retention:

1. Health Insurance Program for volunteer firefighters.
2. Volunteer recruitment scholarship program
3. Length of service award program
4. Tax credits
5. Tax exemptions
6. Job protection

Ms. Yepsen asked which items were currently a law and which ones are currently being considered?

The following are bulleted items are currently under law:

- Mr. VanDecarr said there is a law that takes effect January 17, 2009 that will allow for a health insurance program for volunteers. The program is structured such that the municipality, village/town and county have the ability to authorize participation in their own health insurance plan to those volunteers in the community, at the volunteer's expense.
- The Volunteer Emergency Services Recruitment Scholarship, is a program that is designed toward people who are thinking about volunteer service, to encourage them into the volunteer fire service by giving them a scholarship in the amount of tuition at a local state college/university up to approximately \$4,300/yr. This is a state program with approximately \$4 million available each year for this specific purpose. Currently the legislation provides for each volunteer fire company to submit one name for consideration.

Mr. Grattidge asked if anyone in the county was in the program. He suggested that this should be promoted, and asked Mr. Tremblay to report back to the next committee meeting his findings. Mr. VanDecarr said usually what happens is the information is disseminated from the Higher Education Services Corporation and sent out to all Fire Chiefs, at which time they communicate in whatever manner they choose to their members.

The Length of Service Award program was established in 1989 with many refinements made to the program since that time. The program can be either a defined benefit program or a defined contribution program. Depending on which option is chosen the volunteer will receive a certain amount each month or a certain amount contributed to their account for the length of service. An issue that is being pursued currently is

whether the proceeds of the program should be taxed at the State level. The Department of Tax and Finance has already issued a tax service bulletin where the proceeds for the program will not be taxed provided they meet certain criteria, i.e. age 59 ½, and the payment cannot be made in a lump sum. As this can change at any time, FASNY would like to take the existing opinion and put it in to law, making it more difficult to change the interpretation. With regard to the lump sum, some private service award programs are structured such that payment is made in the form of a lump sum, when this has been offered it has resulted raising individuals into the next tax bracket and having half of it going to payment of taxes.

- There is a Personal Income Tax Credit for active volunteers in the amount of \$200, which was enacted into law in 2006. It was structured so that an individual had to make a choice between the \$200 Personal Income tax credit and the real property tax exemption that some municipalities offer their active volunteers. This sounded good because the concept was that those who don't have a real property tax exemption would now be able to take advantage of a personal income tax credit. Only half of the municipalities in the state offer a real property tax exemption and most of the time it doesn't amount to more than \$30 or \$40. In 2007 a special legislation was passed that would allow volunteers to collect both the tax credit and exemption with no penalty for the 2007 tax year only.

Mr. Sausville said in the fire prevention districts where volunteer firefighters provide service for no fee and then are taxed for a service that they have provided for free. This is not a property tax exemption; this is a special user tax that is imposed on the volunteer. Mr. Sausville asked if there was any consideration to provide legislative authority to allow a town to provide an exemption for this particular service tax?

Mr. VanDeCarr said he was not aware of any legislation that would address this particular issue. He said that each municipality could function as their own legislator to obtain authorization for their own municipality.

Mr. VanDeCarr said there is a new bill that would create a volunteer and recruitment retention fund on the NYS Income tax form. A grant process would be created whereby a volunteer fire company could make application for a grant where the funds would have to be used for recruitment and retention purposes.

Mr. Sausville requested that the detailed packet explaining the above legislative items be distributed to all committee members for their review when available.

On a motion made by Ms. Yepsen, seconded by Mr. Rowland the meeting was adjourned.

Respectfully submitted,
Chris Sansom