

1.1 **Senator Marty from the Committee on Finance, to which was re-referred**

1.2 **S.F. No. 3886:** A bill for an act relating to taxation; aid to local governments and private
1.3 ambulance services; establishing a onetime aid program for certain licensed ambulance
1.4 services; requiring reports; appropriating money.

1.5 Reports the same back with the recommendation that the bill be amended as follows:

1.6 Delete everything after the enacting clause and insert:

1.7 "Section 1. **EMERGENCY AMBULANCE SERVICE AID.**

1.8 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
1.9 the meanings given.

1.10 (b) "Ambulance service" has the meaning given in Minnesota Statutes, section 144E.001,
1.11 subdivision 3.

1.12 (c) "Board" means the Emergency Medical Services Regulatory Board.

1.13 (d) "Capital expenses" means expenses that are incurred by a licensed ambulance service
1.14 provider for the purchase, improvement, or maintenance of long-term assets to improve the
1.15 efficiency or capability of the ambulance services, with an expected useful life of greater
1.16 than five years.

1.17 (e) "Commissioner" means the commissioner of revenue.

1.18 (f) "EMS responses" means the number of responses provided within a primary service
1.19 area during calendar year 2023 by the licensed ambulance service provider designated to
1.20 serve the primary service area as reported by the provider to the board via the Minnesota
1.21 state ambulance reporting system.

1.22 (g) "Licensed ambulance service provider" or "provider" means a natural person,
1.23 partnership, association, corporation, Tribal government, or unit of government which
1.24 possesses an ambulance service license under Minnesota Statutes, chapter 144E.

1.25 (h) "Metropolitan county" means a metropolitan county listed in Minnesota Statutes,
1.26 section 473.121, subdivision 4.

1.27 (i) "Multiple license holder" means a licensed ambulance service provider, a licensed
1.28 ambulance service provider's parent company, a subsidiary of the licensed ambulance service
1.29 provider, or a subsidiary of the licensed ambulance service provider's parent company that
1.30 collectively holds more than one license.

1.31 (j) "Nonexcluded license" means a license that is not excluded under subdivision 3 from
1.32 receiving aid under this section.

(k) "Operational expenses" means costs related to personnel expenses, supplies and equipment, fuel, vehicle maintenance, travel, education, fundraising, and expenses associated with obtaining advanced life support intercepts.

(l) "Primary service area" has the meaning given in Minnesota Statutes, section 144E.001, subdivision 10.

(m) "Response density" means the quotient of EMS responses divided by the square mileage of the primary service area.

(n) "Unit of government" means a county, a statutory or home rule charter city, or a township.

Subd. 2. Excluded services. The commissioner, in coordination with the executive director of the board, must exclude EMS responses by a specialized life support service as described in Minnesota Statutes, section 144E.101, subdivision 9, when calculating EMS responses, response density, and aid payments under this section.

Subd. 3. Certain multiple license holders excluded. (a) Except as provided under paragraph (b), all licenses held by a multiple license holder are ineligible for aid payments under this section if any license held by a multiple license holder is designated to serve a primary service area, any portion of which is located within the cities of Duluth, Mankato, Moorhead, Rochester, or St. Cloud, or a metropolitan county.

(b) For a multiple license holder affiliated with a private, nonprofit adult hospital that is located in Hennepin County and designated by the commissioner of health as a level I trauma hospital, only the licenses held by the multiple license holder and located entirely within one or more metropolitan counties are ineligible for aid payments under this section.

Subd. 4. Eligibility. A licensed ambulance service provider is eligible for aid under this section if the licensed ambulance service provider:

(1) possessed a nonexcluded license in calendar year 2022;

(2) continues to operate under the nonexcluded license during calendar year 2024; and

(3) completes the requirements under subdivision 5.

Subd. 5. Application process. (a) An eligible licensed ambulance service provider may apply to the commissioner, in the form and manner determined by the commissioner, for aid under this section. Applications must be submitted by September 16, 2024. The commissioner may require an eligible licensed ambulance service provider to submit any information necessary, including financial statements, to make the calculations under

subdivision 6. An eligible licensed ambulance service provider who applies for aid under this section must provide a copy of the application to the executive director of the board by September 16, 2024.

(b) The commissioner and the executive director of the board must establish a process for verifying the data submitted with applications under this section. By September 20, 2024, for each eligible licensed ambulance service provider that applies for aid under paragraph (a), the executive director of the board must certify the following information to the commissioner:

(1) EMS responses by primary service area reported for calendar year 2023;

(2) EMS responses by primary service area reported for calendar year 2023 that were provided by a specialized life support service;

(3) information necessary to determine the location of each primary service area, including municipalities served; and

(4) the square mileage of each primary service area as of January 1, 2024.

Subd. 6. **Commissioner calculations.** (a) Prior to determining an aid payment amount for eligible licensed ambulance service providers, the commissioner, in coordination with the executive director of the board, must make the calculations in paragraphs (b) to (d).

(b) The commissioner must determine the amount equal to dividing 20 percent of the amount appropriated for aid payments under this section equally among all eligible licensed ambulance service providers who possess at least one nonexcluded license. Eligible license ambulance service providers who possess only one nonexcluded license do not qualify for a payment under this paragraph if the nonexcluded license has a response density greater than 30.

(c) For each nonexcluded license with a response density less than or equal to 30 held by an eligible licensed ambulance service provider, the commissioner must determine the amount equal to the product of 40 percent of the amount appropriated for aid payments under this section multiplied by the quotient of the square mileage of the primary service area served under the nonexcluded license divided by the total square mileage of all primary service areas served under nonexcluded licenses.

(d) For each nonexcluded license with a response density less than or equal to 30 held by an eligible licensed ambulance service provider, the commissioner must determine the amount equal to the product of 40 percent of the amount appropriated for aid payments under this section multiplied by the quotient of the number of points determined under

clauses (1) to (4) for each nonexcluded license with a response density less than or equal to 30 divided by the total points determined under clauses (1) to (4) for all nonexcluded licenses with a response density less than or equal to 30 held by eligible licensed ambulance service providers. For calculations under this paragraph, the commissioner must determine points as follows:

(1) for EMS response one to EMS response 500, a nonexcluded license is awarded ten points for each EMS response;

(2) for EMS response 501 to EMS response 1,500, a nonexcluded license is awarded five points for each EMS response;

(3) for EMS response 1,501 to EMS response 2,500, a nonexcluded license is awarded zero points for each EMS response; and

(4) for EMS response 2,501 and each subsequent EMS response, a nonexcluded license's points are reduced by two points for each EMS response, except a nonexcluded license's total awarded points must not be reduced below zero.

Subd. 7. **Aid amount.** The commissioner must make an aid payment to each eligible licensed ambulance service provider in the amount equal to the sum of the amounts calculated in subdivision 6, paragraphs (b) to (d), for each nonexcluded license held by the eligible licensed ambulance service.

Subd. 8. **Eligible uses.** A licensed ambulance service provider must spend aid received under this section on operational expenses and capital expenses incurred to provide ambulance services within the licensed ambulance service provider's primary service area that is located in Minnesota.

Subd. 9. **Administration.** (a) The commissioner, in coordination with the executive director of the board, must certify the aid amount to each licensed ambulance service provider by December 1, 2024.

(b) The commissioner must make the full aid payment to each eligible licensed ambulance service provider by December 26, 2024.

(c) Any funds not spent on or encumbered for eligible uses by December 31, 2025, must be returned to the commissioner and cancel to the general fund.

Subd. 10. **Report.** By February 15, 2026, each licensed ambulance service provider that receives aid under this section must submit a report to the commissioner, the executive director of the board, and the chairs and ranking minority members of the legislative committees with jurisdiction over taxes and property taxes. The report must include the

amount of aid that each licensed ambulance service provider received, the amount of aid that was spent on or encumbered for operational expenses, the amount of aid that was spent on or encumbered for capital expenses, and documentation sufficient to establish that awarded aid was spent on or encumbered for eligible uses as defined in subdivision 8. The executive director of the board may request financial statements or other information necessary to verify that aid was spent on eligible uses.

Subd. 11. **Appropriation.** (a) \$24,000,000 in fiscal year 2025 is appropriated from the general fund to the commissioner of revenue for aid payments under this section.

(b) Of the amount in paragraph (a), the commissioner may retain up to \$60,000 for administrative costs related to aid under this section.

(c) This is a onetime appropriation.

EFFECTIVE DATE. This section is effective for aids payable in 2024."

And when so amended the bill do pass. Amendments adopted. Report adopted.


(Committee Chair)

May 16, 2024.....
(Date of Committee recommendation)