



# Legislative Budget and Finance Committee

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## The Feasibility of Regionalizing Pennsylvania's Volunteer Fire Companies

June 2005

## Report Summary

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As is the case nationally, the volunteer fire service in Pennsylvania is at a critical juncture. In a March 2004 statement, Pennsylvania's State Fire Commissioner called the next 36 months perhaps the most critical in the history of Pennsylvania's fire services program. While the strong tradition and positive can-do spirit of Pennsylvania volunteers continue, many forces are creating serious and ever-increasing challenges to the volunteer service system, and some observers warn of a looming public safety crisis.

The volunteer fire service system faces significant challenges in overcoming a basic and growing lack of both human and financial resources. For many years, volunteer fire companies across the country and in Pennsylvania functioned independently and were relatively stable both operationally and financially. This has changed dramatically over the past 20 years as fire companies and other emergency service providers face mounting challenges and service demands.

The challenges and issues facing Pennsylvania's volunteer fire service have received extensive study attention. As early as 1976, a special gubernatorial commission on fire prevention and control referred to the potential benefits of "regionalization" of Commonwealth fire services. The commission cautioned, however, that such possibilities are best explored at the local level.

In subsequent years, numerous other task forces and special study commissions issued reports urging a myriad of changes in the volunteer fire services system. Most recently, both the Governor's Fire and Emergency Services Task Force and the SR 60 Commission<sup>1</sup> documented system problems and made proposals for statutory, operational, and funding changes in reports issued in 2002 and 2004. To date, however, there has not been a concerted follow-up effort at the state level to comprehensively address the issues and recommended actions identified in these and prior reports.

House Resolution 2003-148 directed the LB&FC to conduct a study on the feasibility of "regionalizing" Pennsylvania's volunteer fire departments and to present a plan for such regionalization.<sup>2</sup> This report responds to the HR 148 directive while taking into account the many closely-related fire services issues and proposals identified by the SR 60 Commission and prior task forces and special commissions.

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<sup>1</sup>Senate Resolution 60 of 2003 established a special bipartisan legislative commission (the "SR 60 Commission") to "develop legislation to provide direct and indirect assistance for the purpose of improving the delivery of emergency "services in the Commonwealth." The SR 60 Commission issued its report in November 2004. A summary of the Commission's recommendations appears in Appendix E of this report.

<sup>2</sup>As used in this report, the term "regionalization" and the phrase "regionalization of volunteer fire companies" refer to systematic efforts and actions among separate and independent fire companies to combine functions or services or to legally modify their organizations so as to operationally serve a larger geographical service area than is served by any one of the fire companies acting exclusively within its own jurisdiction. Such efforts and actions may include those defined as merger, consolidation, regionalization, and association (see Section V of the report for further discussion.)

## Findings and Conclusions<sup>3</sup>

### The Volunteer Fire Service in Pennsylvania (See report pages 4 to 11.)

Volunteer participation in the fire service is a strong tradition in Pennsylvania, and the Commonwealth's overwhelming reliance on volunteer fire services is a distinctive characteristic of the state's emergency services network. Volunteer firefighters, along with other local emergency responders, are the community's first line of response when a serious event occurs.

In addition to traditional fire protection and suppression functions, the role of Pennsylvania's volunteer fire service has expanded to include such activities as vehicle, water, and trench rescue; hazard management; emergency medical service; response to weather-related emergencies; industrial and agricultural accidents; and hazardous materials events. Pennsylvania volunteers are also being called upon to meet the new expectations and challenges of the 21st century, including homeland security preparedness and the threats posed by weapons of mass destruction and biological incidents.

Based on records maintained by the Office of the State Fire Commissioner, Pennsylvania currently has a total of 2,448 fire companies/departments. This includes 2,354 all-volunteer companies, 22 career (paid) departments, and 72 "combination" paid/volunteer companies.

Pennsylvania Fire Departments, by Type		
Type	Number	% of Total
Volunteer .....	2,354	96.1%
Paid/Volunteer .....	72	3.0
Paid .....	<u>22</u>	<u>.9</u>
Total .....	2,448	100.0%

According to the National Fire Protection Association, approximately 800,000 volunteer firefighters nationwide protect the majority of the country's geographical area. Of all the fire departments in the United States, an estimated 73 percent are all-volunteer departments. In Pennsylvania, fire companies fully staffed by volunteers make up about 96 percent of all fire companies.

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<sup>3</sup>Note: HR 148 focused exclusively on volunteer fire companies and directed the LB&FC to study the feasibility of regionalization for volunteer companies. While this report focuses on the volunteer fire service, it is important to note that many of the issues and challenges facing the volunteer service also affect the state's career and combination paid/volunteer departments. Likewise, much of the report discussion regarding regionalization and regional partnerships also applies to these departments as well as to emergency medical services organizations.

Thus, while accounting for less than 5 percent of the nation's population, Pennsylvania has 12 percent of the nation's 20,000 all-volunteer fire companies, more than any other state. As shown below, a total of 27 Pennsylvania counties have 30 or more all-volunteer fire companies, and 4 have more than 100 companies. These companies operate within multiple municipal structures and different sized communities and reflect multiple types of service delivery systems. The spatial distribution of fire stations is illustrated on the map on page S-4.

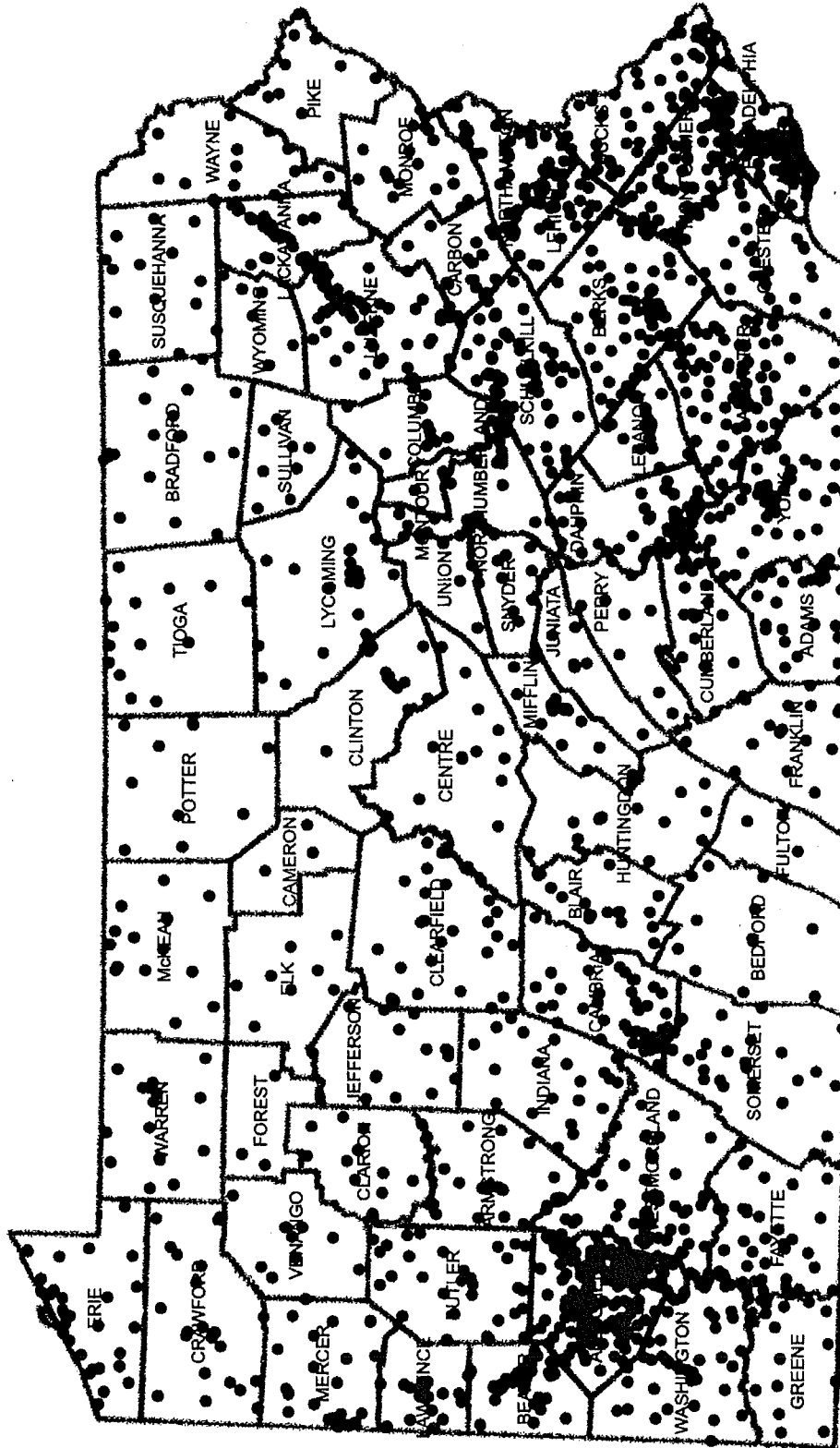
<b>PA Counties With the Greatest Number of All-Volunteer Fire Companies</b>			
<u>County</u>	<u>Fire Companies</u>	<u>County</u>	<u>Fire Companies</u>
Allegheny.....	196	Fayette .....	49
Westmoreland .....	126	Cambria.....	47
Schuylkill.....	126	Lebanon .....	45
Luzerne.....	106	Chester.....	41
Montgomery.....	94	Dauphin.....	41
Lancaster.....	82	Clearfield .....	40
Delaware .....	77	Northampton .....	38
Berks .....	65	Butler.....	36
Bucks.....	62	Cumberland.....	35
York .....	59	Lehigh .....	34
Lackawanna .....	56	Lycoming.....	32
Beaver .....	51	Erle.....	30
Northumberland.....	51	Armstrong.....	30
Washington.....	50	State Total.....	2,354

At least two factors account for the large number of volunteer fire companies operating in Pennsylvania. First, Pennsylvania has a long history of volunteer fire service, reportedly being the home of the nation's first volunteer fire company started in Philadelphia around 1736. Second, the highly decentralized nature of Pennsylvania's local governmental structure, which includes more than 2,500 governmental units, has encouraged a corresponding proliferation of volunteer fire companies.

Initially, many fire companies were developed by necessity and there was no planning for future development. Residents saw a need for protection and acted accordingly. Since fire services were not assumed or viewed as a governmental service, volunteer fire companies organized wherever there were centers of population. Many of these centers were to become cities, boroughs, or townships at a later date and municipal boundaries were drawn to reflect those governments.

Throughout the 20<sup>th</sup> century as populations increasingly migrated into suburban and rural areas, the perceived need for additional fire companies arose and many more were created and staffed by volunteers. Soon, many municipalities became home to an increasing number of volunteer fire companies. The result today is that Pennsylvania has more volunteer fire companies than any other state. Generally, these companies exhibit an independence, sense of identity, and pride of ownership that has been shaped by many years of history and tradition.

# Pennsylvania Fire/Rescue Companies



Note: This map is presented for illustration purposes only. Individual dots do not necessarily represent only one company because the geo-positioning of the state's 2,448 fire companies on a map sometimes stacks several dots on top of one another due to the close proximity of the companies. Also, blurring occurs on the map due again to the close proximity of many of the companies.

Approximately 72,000 volunteer firefighters actively staff these companies, and many other volunteer fire company members serve in other capacities (e.g., doing fund raising, station maintenance, and administrative duties). The volunteer nature of these services has been referred to as the best public service bargain for taxpayers and local governments ever devised. One recent study by the Pennsylvania Fire and Emergency Services Institute estimated that volunteer fire companies produce tax savings of about \$6.0 billion a year for Pennsylvania state and local governments. The financial impact of local governments having to fully provide these services would be devastating. Of perhaps equal importance, these services, especially in small communities, have an extremely important social and community value.

The state has done much to assist volunteer emergency service organizations, including providing grant and loan programs for the purchase of vehicles, equipment, and facilities. We identified more than \$104 million in state funding that was distributed directly or indirectly to volunteer fire companies throughout the Commonwealth during FY 2003-04 through programs such as the Volunteer Loan Assistance Program, Volunteer Fire Company and Volunteer Ambulance Service Grant Program, and the Volunteer Fire Firefighters Relief Association Program.

However, much more needs to be done at the state level to encourage planning, promote volunteer recruitment and retention, and provide incentives for individual volunteer companies to enter into regional partnerships and cooperative service arrangements. At the same time, volunteer fire companies have a responsibility to be more proactive in exploring ways to operate more efficiently.

### **Problems and Challenges Facing the Volunteer Fire Service** *(See report pages 23 to 29.)*

For many years, volunteer fire companies functioned independently and were relatively stable both operationally and financially. This has changed dramatically over the past 20 years as fire companies and other emergency service providers face mounting challenges and service demands.

Significant changes have occurred throughout the state in the past two decades that have altered the organization of volunteer fire services, including large losses of volunteers, challenges in recruiting new volunteers, and difficulties in retaining existing volunteers. Changing demographics, work habits, job locations, and personal living habits have also had a negative impact on volunteer fire services in the Commonwealth. The result, in many cases, can be delayed responses or scratched calls, insufficient manpower for emergency calls, greatly reduced ability to function as a business, loss of revenue, loss of personnel, inability to maintain equipment and physical property, and increased liabilities for volunteers and local governments.

The following briefly summarizes some of the most significant problem areas and challenges currently facing the state's volunteer fire companies.

**1. Pennsylvania is experiencing significant losses in the number of citizens who are willing to volunteer to provide fire, rescue, and emergency medical services.**

Declining volunteerism and related recruitment and retention problems plague many of the state's volunteer fire companies. The number of active firefighters in Pennsylvania declined from an estimated 300,000 in 1976 to 152,000 in 1985 and to about 72,000 today (a loss during the period of about 8,000 volunteers annually). The drop in the ranks of the state's volunteer emergency services force can be directly attributed to the fact that, in addition to fighting fires and responding to other emergencies around the clock, volunteer emergency service responders are often the same individuals who must raise the funds necessary for their own training and a significant portion of their equipment, provide emergency service organizational support and administrative services, and maintain equipment and facilities. Taken together, the many tasks performed by a decreasing number of volunteers intensifies the problem and can overwhelm those who remain active.

- According to a 2001 survey of fire chiefs, 77 percent of fire chiefs responding identified recruiting new members and retaining current members as the two most pressing issues their companies face; and, 40 percent of all chiefs reported that their companies were unable to respond to at least some calls over the past two years due to deficiencies in volunteer turnout.
- In response to an LB&FC study questionnaire, one fire chief wrote that:
  - *In many areas, the demands on a volunteer fireman or EMS person have made those positions full-time jobs. Unfortunately, all too often the economic climate does not allow that type of commitment. Many people are now working multiple jobs. The cost of living has forced people to travel more for better paying jobs and, therefore, are not in their home towns for long periods of time.*
- Another questionnaire respondent cautioned that:
  - *All service organizations are suffering recruitment problems and are competing for the same shrinking pool of people. This is not going to change in the next five to seven years. If action is not taken quickly, many volunteer fire companies (especially in suburban/urban areas) will disappear within the next ten years.*

**2. Rising operating costs and fundraising demands are placing serious strains on the state's volunteer fire companies.**

With the exception of workers' compensation coverage for firefighters, there is no requirement that local governments provide financial support to their fire

services. Accordingly, the vast majority of municipalities do not include fire companies in their budgeting process. This appears to be the result of past practices on the part of both parties at a time when fire companies were, for the most part, financially self-sufficient. This self-sufficiency has changed dramatically. While state assistance helps, it does not solve the current challenges of fire and emergency services financing. To meet these demands, most volunteer firefighters not only contribute their time for firefighting and training but are also required to spend a significant amount of time conducting fundraisers to generate revenue.

- A study conducted by the Department of Community and Economic Development's (DCED's) Governor's Center for Local Government Services found that, on average, local governmental financial support for fire companies was less than 50 percent of the amount needed to meet maintenance, training, response, and equipment needs.
- Another survey by the PA Fire and Emergency Services Institute found that, as a result of low levels of public financial support, 60 percent or more of the hours available for volunteer efforts are being spent on fundraising activities.
- In responding to an LB&FC study questionnaire, several fire service officials stated as follows:
  - *As with many departments, we are asking our active firefighters to assist with an ever-increasing number of fundraising events in order to make ends meet.*
  - *Volunteers are putting in more time in raising funds than actually going on alarms or doing training.*
  - *The stress applied by constant expense and revenue issues shortens the membership life cycle.*

**3. The history of the relationship between volunteer fire companies and local governments has been marked by independence rather than interdependence.**

There is a need for closer working relationships between many local governments and their volunteer fire companies. In many communities across Pennsylvania, local government plays little or no role in supporting its fire and EMS organizations and has done relatively little to involve them in planning, zoning, budgeting, and other policy discussions. Likewise, few volunteer fire and emergency service agencies encourage or solicit input and participation from their local governments in their financial and operational planning matters.

While some local governments have become directly involved by partnering with their local fire service organizations, many have traditionally not had a meaningful working relationship with their volunteers. In those municipalities where



there is an effective relationship and meaningful communication, adequate funding and policy support are possible. In others, local governments have consistently withheld public support on the premise that volunteer fire companies are private sector entities.

- A survey conducted by the Governor's Center for Local Government Services found that only 48 percent of municipalities responding reported that they meet regularly with their local fire company officials.
- Respondents to the LB&FC's study questionnaire commented as follows:
  - *Just throwing money at the fire service will not fix the problems. Cooperation between agencies and local government must be established.*
  - *Perhaps we should look at local governments as a starting point for regionalization. Education of local governments would be a great starting point.*
- A local government policy manager in the Governor's Center for Local Government Services has observed that:
  - *The continued success and future of the volunteer fire service is dependent upon the support and participation of Pennsylvania local governments. Without wide-ranging support, the volunteer fire service, as it is known and people are accustomed to, will cease to exist and will be replaced by a progression of combination departments and then fully paid fire protection.*

**4. Pennsylvania has more fire companies than any other state and, in some cases, multiple companies in close proximity are resulting in an unnecessary and inefficient overlap and duplication of firefighting resources.**

Volunteer fire companies in Pennsylvania have evolved over the past three centuries based on local fire protection needs and wants, often with little or no thought given to larger area protection or regionalization of effort. The result is a proliferation of volunteer fire companies created to meet the needs of many very small and specific areas. This is especially problematic at a time when many companies are struggling to maintain adequate membership and meet operating, capital, and equipment costs.

It also calls into question the wisdom of state grant and loan programs that enable individual companies to purchase vehicles and equipment in the absence of a verifiable documentation of need or assessment of whether similar vehicles and equipment are already available in neighboring jurisdictions. Presently, neither the State Fire Commissioner nor any other statewide organization has information on or the means to determine exactly what resources and equipment are in the statewide inventory and deployed among the state's volunteer fire services network of 2,354 individual companies.

- A local government policy manager in DCED observed that a key problem in the current volunteer fire service system is that funding is misdirected toward hardware and equipment and “the focus is on equipment—not people.” This individual stressed that this focus needs to change to ensure continued volunteerism. On this subject, several persons expressed the opinion that if a baseline inventory and assessment were done in Pennsylvania in accordance with national firefighting and insurance industry regulations and standards, there would be a substantial reduction in firefighting equipment needs of fire companies throughout the Commonwealth.
- Numerous persons who responded to the LB&FC study questionnaire cited this problem. Sample comments follow:
  - *In an area of approximately five square miles, there are seven fire stations with multiple units per station, including six aerial devices. This is very inefficient, even for volunteer companies.*
  - *One of the issues with funding is the tremendous amount of redundancy of equipment, especially in the southeast corner of the state. The merger or consolidation of services could reduce redundancy, thereby reducing the costs resulting therefrom.*
  - *Few, if any, counties in the Commonwealth can justify 30, 40, even 80 fire and EMS organizations. It makes no logical sense.*
  - *There are no controls on these fire departments regarding numbers and types of vehicles that are in service. Remember the saying “keeping up with the Joneses.” Many departments are deep in tradition and also deep in debt. They have always had eight pieces of apparatus and they rarely call anyone for help since they think they can do it alone.*
  - *[There are] many instances of funds being spent on equipment that is “cool” rather than “necessary.” There are no checks and balances.*
  - *We do not need a fire station at every crossroad; we do not need to duplicate fire apparatus in each community, and we can do without all the bells and whistles.*
- Some respondents also questioned the basis upon which state grants and loans for vehicles and equipment are currently awarded without required documentation of need.
  - *Rather than to continue to provide grants and loans for the duplication of equipment, work toward tailoring such programs to make it necessary for departments to work together. How many heavy rescue trucks do we really need in a ten-mile radius? Is there really a need for ten sets of hydraulic extrication devices within a certain area? If you are applying for a state loan, what is the justification for buying that 2200 GPM pumper?*

- A local government policy manager in DCED observed that volunteer fire companies need to look beyond their stations, their municipalities, and their borders to provide services more efficiently. In characterizing Pennsylvania as “one of the most fertile areas in the nation for fire equipment manufacturers,” this individual stated that:
  - *Duplication of equipment and services continues to hamper the effectiveness of fire service organizations. Very few fire companies purchase vehicles with other companies in mind or look at the overall picture of needs on a regional basis. Those who do, and change traditional practices, will reap the rewards of efficiencies. Their debt burden is greatly reduced or eliminated, and companies work together by being complementary to each other.*

**“Regionalization” as a Means of Addressing Fire Services Problems and Challenges** (See report pages 33 to 34.)

Nationally, “regionalization” (i.e., regional partnerships and other forms of cooperative service agreements among fire companies) has proven to be an effective means of dealing with increasing service demands, rising costs, and scarce resources. Fire companies in all parts of the country are increasingly turning to a variety of joint ventures to deal with funding and staffing problems and improve service and service levels in their jurisdictions.

Approaches range from the informal sharing of individual personnel or equipment to the formal consolidation of departments across jurisdictional lines. Typical forms of cooperation among fire companies include mutual and automatic aid agreements, contractual agreements, mergers, and consolidations. Such cooperation, whether through coordinating functions or formal merger of organizations, can improve service levels, sometimes with associated cost reductions.

Although undertaken to a limited extent in prior decades, regionalization efforts began to gather momentum during the 1990s. According to consultant organizations that have assisted in fire service regionalization projects, current trends indicate that local government and fire company officials will continue to pursue such cooperative initiatives at an accelerated rate.

However, it appears that, in general, volunteer fire companies in the northeast and mid-Atlantic states have been more resistant to regionalization efforts than their counterparts in other jurisdictions, particularly in the western states. This geographical difference in acceptance of regionalization may, according to some sources, be related to the fact that the volunteer fire companies in many western and mid-western states are newer and do not have the long history and strong tradition that characterizes many volunteer fire companies in the eastern and north-eastern sections of the country.

Various national reports and case studies document the advantages and benefits that fire services regionalization can provide. Mergers, consolidations, and other regional partnerships can result in more efficient use of scarce resources, reduce equipment needs and duplicative efforts, and provide for greater staff flexibility and capability. Such actions can also improve service levels, allow departments to develop specialized units, promote the development of standard operating procedures, and work to overcome political boundary issues, increasing the likelihood that the closest unit responds in an emergency, thereby creating more rational service protection areas and the opportunity for faster response times.

### **Current Regionalization Efforts in Pennsylvania** *(See report pages 41 to 75.)*

Currently, there is no concerted statewide effort to merge, consolidate, or otherwise promote regional partnerships to provide volunteer fire services in Pennsylvania. While discussed and accepted in some circles, the concepts of merger and consolidation are "hot-button issues" that can evoke serious concerns and objections from many in the fire services field. However, given the cost of emergency equipment and of maintaining and operating fire department facilities along with the dwindling number of volunteers, an increasing number of volunteer fire companies are recognizing that something needs to be done to preserve and enhance the volunteer fire service.

*The Governor's Center for Local Government Services Has Developed a Regionalization Technical Assistance Process but Lacks the Authority and Resources Needed to Implement it on a Statewide Basis.* According to staff of the Governor's Center for Local Government Services, discussion of merger and consolidation among fire companies is much more prevalent today than it was even five years ago. While the "M" and "C" words were once "taboo subjects," more and more companies are expressing interest in merger, consolidation, and other regionalization options. Also, it appears that an increasing number of both volunteer fire and local elected officials are acknowledging that volunteer fire companies and local governments must, as partners, recognize and attempt to resolve the many serious challenges currently facing the volunteer fire service.

Staff of the Governor's Center for Local Government Services engage in problem-solving by facilitating discussions between municipalities and their fire companies. The Center has developed a process to provide technical assistance to municipalities and their volunteer fire companies; administers the Shared Municipal Services Program (a portion of which can be used for volunteer fire service purposes); conducts fire service evaluation studies; and on an as requested basis, attempts to facilitate consolidation, merger, and other regional partnerships among volunteer fire companies.

The Center can provide this technical assistance only to municipalities and only on an as requested basis. As defined in the DCED program, there are four primary regionalization options that municipalities and fire companies can pursue with DCED involvement and assistance. These include merger, consolidation, association, and regionalization.

<b>Forms of Regionalization in the DCED Process</b>
<b>Consolidation:</b> The combination of two or more companies which results in the termination of all companies and the creation of a new company with a new name. All assets and liabilities of the former companies are transferred to the new company.
<b>Merger:</b> The combination of two or more companies which results in all but one relinquishing its name. All assets and liabilities of joining companies are transferred to the surviving company.
<b>Association:</b> Agreement of two or more companies to combine and administer similar activities through an umbrella organization. Does not normally involve transfers or combination of assets, as most costs of operations or programs are shared. In some instances, associations may be a prelude to a merger or consolidation.
<b>Regionalization:</b> Although the term "regionalization" can and is used to generically refer to almost any form of regional partnership or joint venture, DCED uses the term in a specific sense in its Shared Municipal Services Program. As used by DCED, regionalization is the combination of some assets of two or more companies to accomplish specific objectives and tasks. Each participating company retains its identity.

*Regionalization Actions and Requests to DCED for Regionalization Assistance Have Intensified in Recent Years.* According to DCED staff, the Center assisted a relatively small number of municipalities and volunteer fire companies through the merger and consolidation process during the early 1990s. The intensity of regionalization efforts has, however, increased since 1997, and requests for this type of assistance have reportedly intensified even more over the past three years.

We found that between January 1997 and December 2004, a total of 20 successful merger and consolidation actions occurred around the state with DCED involvement. These actions involved 49 volunteer fire companies in 28 municipalities. Additionally, there have been three successful regionalization/association actions with DCED involvement. These actions involved nine volunteer fire companies in six municipalities. While a start, these efforts have involved less than 3 percent of the total number of volunteer companies in the Commonwealth.

Additionally, as of December 31, 2004, regionalization actions involving over 188 fire companies were under consideration in 104 other municipalities. Each of these includes some form of DCED involvement and is in one of several possible

stages of completion, classified as “in discussion,” “committee formed,” “study underway,” and “study completed.” (See Appendix B for a summary of the regionalization actions.)

It is significant to point out, however, that funding and staff resources available to DCED to promote regionalization, conduct fire service evaluation studies, and provide needed technical assistance are very constrained. In a typical year, for example, the DCED’s peer review network is able to complete only about ten fire service evaluation studies. We also found that some municipalities and fire companies are considering regionalization on their own initiative and we know of at least five successful volunteer fire companies (VFCs) regionalization efforts (involving 11 VFCs) that have been completed in recent years in this way.

<b>Recent Successful Regionalization Efforts With DCED Involvement</b>	
<u>Consolidations</u>	<u>Mergers</u>
Bloomsburg (Columbia)	Halifax Borough/Township (Dauphin)
Wall Borough/East McKeesport (Allegheny)	Forest City (Susquehanna)
Mount Pleasant Township (Wayne)	Lemoyne/Wormleysburg (Cumberland)
Warrior Run (Union/Northumberland)	Overfield/Falls/Exeter Townships (Wyoming)
Elizabeth Township (Allegheny)	Logan Township (Blair)
Marcus Hook Borough (Delaware)	Columbia Borough (Lancaster)
Spring Township/West Lawn Borough (Berks)	Jersey Shore Borough (Lycoming)
Morrisville Borough (Bucks)	Young Township (Indiana)
Middletown Borough (Dauphin)	Buckhorn/Ferndale/Hemlock Townships (Columbia)
	Canton Borough (Bradford)
<u>Regionalizations</u>	<u>Associations*</u>
Elizabeth Twp/Warwick Twp/Lititz Borough (Lancaster)	Jefferson Hills Borough (Allegheny) (*A merger also occurred as part of this association action.)
Muncy and Montgomery Boroughs (Lycoming)	

*Case Studies of Successful Regionalization Efforts Can Serve as Models for the Expansion of the Process Statewide.* While not all regionalization efforts succeed, the experiences of municipal and fire company officials in the municipalities listed above provide a sound foundation for statewide consideration of the regionalization process. In considering the feasibility of regionalization options, we conducted detailed case studies of ten regionalization efforts. (These case studies are discussed in Section V.)

Through the case studies, we found, for example, that an objective look at fire service delivery in Elizabeth Township, Allegheny County, using the DCED process demonstrated the existence of extensive fire services duplication. In this case, eight volunteer fire companies, serving a total area of less than 25 square

miles, competed for financial and volunteer resources. A consolidated fire department was ultimately established which, in the opinion of local officials, has resulted in improved services and lower costs as well as increased volunteer retention, better training programs, and enhanced local government-fire company relations.

In another example, the fire service in Logan Township, Blair County, provided by seven volunteer fire companies, was studied by a citizen's committee with the goal of improving the quality and cost-effectiveness of service delivery. The efforts of the committee over several years ultimately yielded success with the merger of two companies and the consolidation of two others.

Our case study reviews of successful regionalization efforts in Pennsylvania provides evidence of a variety of benefits that can result in such areas as volunteer recruitment and retention, equipment and facilities usage, planning and budgeting, and training, as well as improved inter-company cooperation and enhanced fire company-local government relations. Further, in the process of developing these case studies, municipal and fire officials who have been involved in regionalization efforts provided valuable suggestions and advice for others who might be contemplating regionalization efforts in their areas. These suggestions included the use of study and/or regionalization committees, the need to involve municipal officials and to secure the support of citizens of the community, and to adopt measurable goals and objectives early in the process. (A complete listing of the areas of suggestions and advice is contained in Section V and is evident from a reading of the individual case studies in Appendix C.)

### **Perspectives on Regionalization From the Pennsylvania Fire Services Community** (See report pages 76 to 88.)

*The Pennsylvania State Fire Commissioner* – The Commissioner describes the volunteer fire service as an essential community service that too many people take for granted. While he supports the concept of regionalization, he believes that any effort to regionalize fire services must be preceded by a detailed statewide assessment of what resources are available and what resources are needed. He advocates a “bricks and mortar” inventory of the state’s fire and emergency services resources and a stronger role for the state government in promoting regionalization efforts.

*The SR 60 Commission* – Senate Resolution 2003-60 created a bipartisan commission to “develop legislation to provide direct and indirect assistance for the purpose of improving the delivery of emergency services in Pennsylvania.” The 25-member Commission, which included fire and emergency medical service leaders, local government representatives, key state agency staff, and members of the General Assembly, issued its report in November 2004.

While the SR 60 Commission's report did not specifically address or propose a plan for regionalizing the Commonwealth's volunteer fire services, several of the issues identified by the Commission are related to the regionalization question. These include, for example, the lack of consistent statutory provisions establishing responsibility for fire and EMS services, the absence of a common service delivery model, the need for a mutual aid agreement model, needed changes in the Volunteer Loan Assistance Program, the establishment of fire/EMS districts and authorities, and the creation of a regional emergency services consultant position. (A complete listing of the SR 60 Commission's recommendations is in Appendix E.)

*Input From the Fire Services Community* – We additionally obtained input from many persons in the emergency and fire services community who responded to an LB&FC study questionnaire. Among other questions, the survey asked respondents to comment on whether they believe mergers and consolidations represent a logical approach to addressing the problems faced by volunteer fire companies. Many responding fire service officials spoke positively on the need for and potential benefits of regionalization. For example, one respondent stated:

- *Fewer well-organized and functional organizations could replace the many small departments that are barely keeping their doors open. Funding could be concentrated and there would be less duplication of equipment. I also think a regionalized department would attract more dedicated individuals—dedicated to being firefighters not just members of a social organization. . . .*

On the other hand, some respondents reacted negatively to the idea of regionalization, as expressed below:

- *Regionalizing the fire service will do nothing but decrease the effectiveness of our fire departments and increase the response times to the areas that we protect. Will not result in an influx of new volunteers but will result in a decrease in volunteers, due to the loss of home rule and distance that must be traveled to the fire stations. Will not result in an increase in funding to fire departments by the communities served, but will result in a decrease in funding. The politician will take the posture that consolidation means a decrease in cost. They will not take into consideration the longer distances traveled to get to the scene of the emergency. They will not take into consideration how consolidation or regionalizing will affect the ISO rating of the communities served. Many communities' ratings would drop due to the increase in response time and distance to a fire station. This would result in an increase in the costs of fire insurance. In the rural environment, we have fire departments that cover anywhere from 52 to 86 square miles and provide mutual aid even further. Sometimes the next nearest mutual aid is*



*20 miles away. These are but a few of the reasons that consolidation or regionalization is a bad idea for Pennsylvania.*

While not expressing outright opposition, others urged caution, especially in terms of possible merger or consolidation mandates coming from the state level, as expressed in the following example:

- *I feel that, today, most fire companies realize that a change is necessary. Perhaps the best thing Harrisburg could do at this point is to let all the departments know that this study is being conducted, giving all of the volunteer fire departments a chance to fix themselves. In my particular instance, I feel that a hastily developed mandate dictating a particular type of change could muddy the waters and not allow us the chance to correct the issues in a manner best suited for our community.*

Another cautioned that, in many cases, regionalization will be difficult to sell but potentially worth the effort.

- *I think you need to realize that it will be an uphill battle. Departments want their individual identity. They might be down to only a few members, but they will not go without a fight. I always thought that my own department should merge with two other departments to form a larger department made up of three individual companies. Each company would have its own company-level officers and the department-level officers would be elected from throughout the entire department. It would allow certain companies to become specialized in various necessary operations. A reduction of equipment and apparatus would be realized, thus making it more cost effective and possibly better for ISO [insurance] ratings. To suggest such a thing is evil.*

## Recommendations

HR 148 (2003) directed the LB&FC to study the feasibility of “regionalization” for volunteer fire services and to make recommendations and present a plan for such regionalization. We concluded that various forms of fire services regionalization, including consolidations and mergers, are feasible and represent a logical approach to addressing many of the challenges currently facing the Commonwealth’s 2,354 volunteer fire companies.

Regionalization, however, cannot be mandated and cannot occur in isolation. Rather, the promotion of regionalization efforts is just one of several steps that need to be taken in order to preserve and enhance the volunteer fire services in Pennsylvania. While the following recommendations include a proposed regionalization plan, this plan is presented in the context of a broader “strategic blueprint for statutory and systemic changes,” which also needs to be considered. Because such a comprehensive approach to managing the state’s fire services system is needed, we recommend the following:

**Recommendation 1. The General Assembly, in conjunction with the statewide fire services community, should develop and enact a comprehensive statute to plan, guide, and coordinate the Commonwealth’s fire services system, as was done in 1985 for the state’s emergency medical services system.**

This action would be similar to the approach taken by the Legislature in 1985 when it enacted the statewide “Emergency Medical Services Act,” Act 1985-45. As stated in that act, the intent of the General Assembly was to “establish and maintain an effective and efficient emergency medical services system which is accessible on a uniform basis to all Pennsylvania residents and visitors to the Commonwealth.” Act 45 designated the Pennsylvania Department of Health as the emergency medical services lead agency for the Commonwealth and assigned it primary responsibility for implementing the act.

Pennsylvania does not have a comparable statute for the state’s fire services system. As a result, the state’s fire services lack clear and consistent statutory definition and standards and an overall direction for system planning and development. We recommend that pertinent standing committees of the General Assembly work with the State Fire Commissioner, the State Fire Safety Advisory Committee, and the organizations represented on the SR 60 Commission<sup>4</sup> to draft such legislation.

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<sup>4</sup>Although the SR 60 Commission issued its report in November 2004, it has not disbanded. According to the SR 60 Chairman, the Commission will continue to monitor actions taken in response to both the SR 60 and HR 148 reports, and stands ready to advise and assist however possible. (See also Recommendation No. 3.)

In drafting a comprehensive fire services statute, the parties to this process should take into consideration and attempt to incorporate the many system improvement recommendations recently advanced by the SR 60 Commission and by previous special study groups and task forces. Taken together, the recommendations contained in these reports provide much of the conceptual framework that needs to be considered in establishing an enhanced statewide fire services system. We also recommend that, given the large number of individual fire companies in the Commonwealth and the increasing difficulty in staffing and funding them, that the proposed comprehensive statute identify "regionalization" (i.e., regional partnerships and cooperative service arrangements) as a guiding principle for system operation and development.

The suggested provisions for a comprehensive statute are listed on the next page and are outlined below.

#### **A. Consolidate Existing Fire-Related Statutes and Provisions.**

Although overall state-level direction is provided in law for statewide emergency services and emergency medical services, similar direction is not provided for Pennsylvania's fire services. Rather, instead of an omnibus fire services statute, numerous different sections of state law currently govern fire service matters. As outlined in Section II of this report, these include the various local government codes, the State Fire Commissioner Act, the Municipalities Planning Code, the Pennsylvania Workers' Compensation Law, and various funding-related statutes. Also, as non-profit entities, volunteer fire companies are incorporated under the provisions of the Nonprofit Corporation Law. A key first step in the development of a comprehensive statute will be to survey and identify all related statutory provisions and determine how to best approach a consolidation of all those that are pertinent.

#### **B. Designate the Office of State Fire Commissioner as the "Lead Agency" for the Commonwealth's Statewide Fire Services System.**

The proposed comprehensive statute should also recognize the need to provide for a stronger state-level role in planning, implementing, coordinating, and maintaining Pennsylvania's statewide fire services system. To this end, we recommend that the comprehensive statute designate the Office of the State Fire Commissioner as the Commonwealth's "lead agency" for the state's fire services system and clearly delineate the Office's lead agency duties and responsibilities.

Given the scope, complexity, and diversity of the state's volunteer, combination paid/volunteer, and career fire departments, it is imperative that the law give the

*Suggested Provisions for a  
Comprehensive Statewide Fire Services Statute*

While not necessarily intended to be all-inclusive, we recommend that consideration be given to including components and provisions in a comprehensive fire services statute which would do the following:

- A. Consolidate existing fire-related statutes and provisions.
- B. Designate the Office of State Fire Commissioner as the lead agency for the Commonwealth's statewide fire services system.
- C. Define and clarify municipal fire protection responsibilities.
- D. Require municipalities and their local fire service providers to certify expected standards of service.
- E. Provide for a range of service delivery models, with the preferred option involving some form of regional partnership or cooperative service arrangement, whenever appropriate and feasible.
- F. Require strategic master planning for fire services at both the state and local levels.
- G. Require the development and maintenance of a statewide inventory of fire services equipment and resources.
- H. Incorporate existing state grant and loan programs and expand purposes to include defined "eligible costs" related to regionalization projects.
- I. Establish "fire services regions."
- J. Create "regional fire services coordinator" positions to assist the State Fire Commissioner in implementing the state plan and promoting regionalization.
- K. Create a "fire services consulting and technical assistance unit" in the Office of the State Fire Commissioner.
- L. Enact recruitment and retention incentives to stem the decline in fire/emergency services volunteerism.
- M. Designate a Pennsylvania Volunteer Fire Services Week.

lead agency the clear authority needed to administer the proposed statewide fire services statute and coordinate the development and implementation of a statewide strategic fire services plan, including the promotion of regionalization efforts, where determined to be necessary and appropriate.

In defining the role of the State Fire Commissioner, the current statutory language refers to the Fire Commissioner as acting as “the Commonwealth’s primary representative with the statewide fire service community.” This connotes a passive role for the State Fire Commissioner in the statewide system when what is actually needed in the current emergency services environment is a more proactive and coordinative fire services presence at the state level.

We recommend that the proposed comprehensive statute provide for the following duties and responsibilities for the State Fire Commissioner:

1. *To plan, guide, assist, and coordinate the development and maintenance of a comprehensive fire service system for the Commonwealth.*
2. *Prepare a Commonwealth “Fire Services System Plan” that includes at a minimum an inventory of fire service resources available within the Commonwealth; a statement of goals and specific measurable objectives for delivery of fire services to all persons within the Commonwealth; methods to be used in achieving the stated objectives; a schedule for achievement of the stated objectives; and a method for evaluating the stated objectives and estimated costs and resources available for achieving the stated objectives.*
3. *Require the collection and maintenance of fire incident data and analyze the data for the purpose of annually revising the Commonwealth’s Fire Services System Plan.*
4. *Define and approve training programs and accredit educational institutions for fire service training, certification, and continuing education of fire service personnel.*
5. *Provide technical assistance to local government, fire service providers, and other entities for the purpose of assuring effective planning and execution of the provisions in the act.*
6. *Establish standards and criteria governing the award and administration of grants and contracts defined in the act.*
7. *Administer contracts and grants authorized under the act.*
8. *Establish voluntary standards for fire service delivery and implement a recognition program for those fire services that meet such standards.*
9. *Maintain a quality assurance program for the purpose of monitoring the delivery of fire services within the Commonwealth.*

10. *Develop and implement a comprehensive safety and Line of Duty Death<sup>5</sup> prevention program and require reporting of certain fire service related injuries and all fire-service related deaths for the purpose of analyzing that information and revising the Commonwealth's training and continuing education programs.*
11. *Maintain a fire prevention awareness and education program for the Commonwealth.*

### **C. Define and Clarify Municipal Fire Protection Responsibilities.**

Fire protection is a recognized municipal public safety function. There is, however, no single and consistent statutory statement of local authority, responsibility, and accountability for fire services in state law. The various municipal codes assign responsibility for the protection of the "general health and welfare" to locally elected officials and provide municipalities with various levels of optional "may" authority for the delivery of fire services. They do not, however, clearly specify the responsibility local municipal governing bodies have for assuring the provision of fire and emergency medical service response within their respective jurisdictions.

The SR 60 Commission concluded that the current ambiguity regarding this responsibility often creates confusion and debate among local officials and fire and emergency responders. This ambiguity should be eliminated by clearly defining municipal fire protection responsibilities in the proposed comprehensive statute and by amending, accordingly, the city, township, borough, and town codes to reflect those responsibilities.

### **D. Require Municipalities and Their Local Fire Service Providers to Certify Expected Standards of Service.**

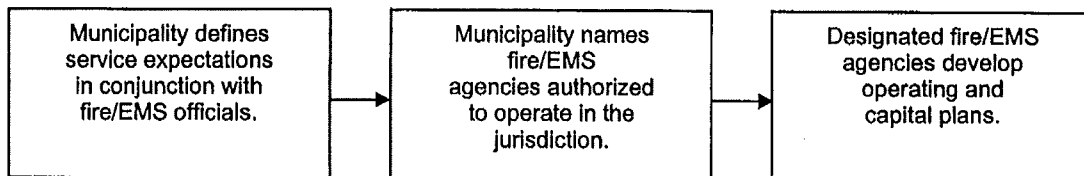
The nature and extent of dialogue and involvement between local governments and their emergency service organizations varies widely across the state, and most elected officials do not adequately understand the varying levels of capabilities their fire and emergency units have to respond to incidents. As noted by one observer, this lack of understanding can lead to "unaccountable emergency services as well as inadequate, variable or redundant service levels, which adversely affect cost effective performance and appropriate distribution of needed funding."

We endorse the SR 60 Commission's recommendation that the Legislature adopt provisions that would provide incentives for municipal governments to certify an expected level of service before state funds are received. Specifically, the Commission proposed that each municipality should be required to complete and submit a

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<sup>5</sup>In January 2005, the Federal Emergency Management Agency (FEMA) reported a total of 107 U.S. firefighter deaths in the line of duty for CY 2004. In 2004, Pennsylvania had the highest number of deaths with 17 firefighters killed.

“summary of emergency service provision,” whereby the municipal officials would be required to meet jointly with the leadership of service providers and select the providers of the various services the municipality requires (for example, basic fire suppression, hazardous materials response, rescue, mass casualty incident, and terrorism response). As proposed by the SR 60 Commission, this process would work as follows:



Compliance with the “standards of service” provision would be required, to the extent possible, before any state or federal loan or grant funds administered by the state for emergency services, fire, EMS, or homeland security would be released to the community or agency.

A community’s elected leaders, along with local fire and EMS leadership, should also jointly identify the service level they wish to provide, and if appropriate, a service level they seek to attain. This agreed level of service will define the expectations, as well as help establish goals, assist in financial planning, and most importantly open lines of communication for critical needs. Ultimately, the delivery of fire and emergency services is primarily a local responsibility, with local residents and officials making the decision on what level of service they want and are willing to finance.

The SR 60 Commission has developed a “Municipal Fire/EMS Service Delivery Chart and Matrix” to guide this process. (See Appendix G for a copy of this document.) Within this matrix, the Commission recognizes the vast differences in Pennsylvania communities by identifying six possible service levels ranging from “Offensive Service Level A” through “Defensive Service Level F.”

**E. Provide for a Range of Service Delivery Models, With the Preferred Option Involving Some Form of Regional Partnership or Cooperative Service Arrangement, Wherever Appropriate and Feasible.**

In conjunction with statutory provisions to clarify municipal responsibilities and provide the opportunity for municipalities to establish service standards, a comprehensive fire services statute should ensure that locally elected municipal officials and fire and emergency first responders be given the flexibility of a range of options to meet their responsibilities. Because of Pennsylvania’s diversity, a single approach or “one size fits all” solution will not work. Pennsylvania’s 2,448 fire companies and 1,443 EMS squads operate in a state with a diverse topography, a dichotomy of old versus new communities that are both thriving and destitute, and with

populations encompassing the largest of cities to the smallest of boroughs. For these reasons, it is not possible to develop a single system or model for fire and emergency services delivery that would apply on a statewide basis.

A comprehensive fire services statute should ensure that both communities and regions have a range of options available to them to effectively organize their delivery systems. The traditional system available to Pennsylvania communities and regions should continue and remain a local service delivery option. Presently, a municipality can have its own service system, contract from a neighboring community, or join forces with neighboring communities to develop a joint or regional system.

Given the large number of individual volunteer fire companies in Pennsylvania and the apparent overlap and duplication of services, equipment, and resources, the proposed comprehensive statewide fire services statute should also adopt and encourage the principle of "regionalization" of fire services as another, if not the preferred option, for local municipalities and their fire and emergency responders. Such action would be consistent with a recommendation made by the International Fire Chiefs Association in 2004. At that time, the Association called for state level actions to promote regional service delivery as one of a number of steps necessary to preserve and improve the future of the volunteer fire service.

#### **F. Require Strategic Master Planning for Fire Services at Both the State and Local Levels.**

A recent report issued by the International Fire Chiefs Association stressed that strategic planning must become institutionalized as an integral part of fire service operations and community resource allocation. Establishing a comprehensive fire services master plan would provide systematic and ongoing guidance for the statewide system while setting an example and standard for comparable regional and local planning efforts.

"Strategic planning" is generally defined as a continuous and systematic process whereby the guiding members of an organization or group make decisions about its future, develop the necessary procedures and operations to achieve that future, and determine how success is to be measured. In this case, the guiding members of the group should include the Office of the State Fire Commissioner, officials of the Pennsylvania Emergency Management Agency and the Department of Community and Economic Development, pertinent standing committees and members of the General Assembly, representatives of the fire and EMS communities, and local government associations and officials.

A strategic plan includes a mission statement, a description of the vision for the statewide fire services system and a listing of the core values, as well as the goals, strategic initiatives, and objectives which constitute the plan. A strategic plan



should also include identification of system strengths, weaknesses, opportunities, and threats as well as performance measurement criteria so that benchmarks are available to measure achievement. The planning process required by the comprehensive fire services statute would set the broad parameters for regionalization. The responsibility for attaining specific goals and objectives relating to regional partnerships and cooperative service arrangements would begin with the State Fire Commissioner and the proposed "Technical Assistance Teams" and extend to local fire, EMS, and municipal officials.

As lead agency for the statewide fire services system, the Office of the State Fire Commissioner should coordinate the development of a statewide strategic master plan for Pennsylvania's fire services. A strategic master plan of this type would address four basic questions: (1) What is the status of the state's fire services system now? (2) Where do "we" (i.e., the general public, local government officials, the fire and emergency responder communities, and state legislators) want the system to be? (3) How do we get the statewide system to the desired point? and (4) How do we measure progress made in attaining the desired statewide system?

In these areas, the master plan should, for example, identify key elements of the system such as the levels of service actually needed to protect public safety, the qualifications of the persons providing those services, the numbers of staff required, and the facilities and equipment needed (e.g., including a statewide equipment and resource inventory and a formal risk analysis and needs assessment process). It should also address the roles of state, county, and local government, volunteer organizations, community residents, and other stakeholders in the process, and the identification of viable funding streams. It is difficult to chart a future course for the statewide fire system without this type of planning.

The Office of the State Fire Commissioner would have overall responsibility for formulating and implementing this plan. In this process, the State Fire Commissioner should draw upon the combined expertise and advice of the Fire Safety Advisory Committee and the organizations represented on the SR 60 Commission.<sup>6</sup> The Fire Commissioner should also consider the possibility of seeking funding for consulting assistance in this process from one of several specialized national fire and emergency services consultant firms that can provide such services.

On a related matter, the General Assembly should consider amending the Municipalities Planning Code (MPC) to ensure that fire and emergency services agencies are involved in the planning process. Currently, the MPC states that the comprehensive plan may identify areas of growth so that public infrastructure needs, including fire protection, can be adequately planned and provided, but no specific involvement of the fire services community is required in this process. Every municipality should be required to produce a master fire protection plan that would

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<sup>6</sup>See Appendix E for a listing of these organizations.

provide a long-range plan for fire service delivery that takes into account the demographics of that community, a systematic risk assessment, and the resources in place to protect that community, including those of the surrounding municipalities. Possible sources of funding for such plans are addressed in Recommendation #4.

#### **G. Require the Development and Maintenance of a Statewide Inventory of Fire Services Equipment and Resources.**

In conjunction with the strategic planning process proposed above, we recommend that the Office of State Fire Commissioner develop and maintain a statewide inventory data base of Pennsylvania's fire services equipment and resources. Currently, there is no system in place to comprehensively document what equipment and apparatus is in service in the Commonwealth and where it is located. It is difficult to envision a statewide planning process or effort to promote regional partnerships and cooperative service arrangements among existing volunteer fire companies in the absence of such a comprehensive inventory and assessment of existing fire services resources.

The State Fire Commissioner's position is that a statewide "bricks and mortar" assessment of currently existing equipment and services as well as risk assessments at the regional and local levels are essential prerequisites to the planning process. This sentiment was also expressed by various members of the volunteer fire services community who responded to the study questionnaire. For example, one respondent stated that ". . . we need to begin the painful process of examining the seemingly random and very unequal distribution of firefighting resources, and the funding it takes to obtain, manage, and operate." Another commented that to begin the process of deciding how much equipment is needed and where, a list of resources and utilization rates first needs to be developed.

Also, the current state grant and loan programs are not "needs based," and requesting companies do not have to document current equipment utilization rates or their "need" for the equipment or apparatus when requesting a grant or loan. This situation contributes to and perpetuates what is generally acknowledged to be a proliferation and duplication of equipment.

We therefore recommend that this inventory data base also be used in assessing state grant and loan applications (e.g., as part of a "certificate of need" process). If a grant or loan would perpetuate duplication of services in a given community, the need for the loan or grant could be questioned. Ultimately, the local government or organization would decide if the equipment would still be purchased, however the state would not be subsidizing the duplication.

Given the size and scope of this project and current demands on OSFC staff, it will be necessary for the State Fire Commissioner to seek funding for consulting

assistance in this process from one of several specialized national fire and emergency services consultant firms that can provide such services. (Potential sources of funding that might be used to obtain such assistance are discussed in Recommendation #4.) The OSFC should also consider the possibility of obtaining baseline data needed for this project by requesting that VFCs submit basic inventory information along with their grant requests.

We also recommend that, once established, the statewide inventory be maintained and updated by requiring all fire companies to periodically report inventory and services information as specified by the State Fire Commissioner through the "Pennsylvania Fire Information Reporting System" (PENNFIRS).

#### **H. Incorporate Existing State Grant and Loan Programs and Expand Purposes to Include Defined "Eligible Costs" Related to Regionalization Projects.**

Existing state grant and loan programs, primarily the Volunteer Fire Company and Volunteer Ambulance Services Grant Act and the Volunteer Loan Assistance Program, provide funding assistance for the acquisition, rehabilitation, or improvement of apparatus, facilities, and equipment. Currently, there is no leeway in the law that would enable the Office of the State Fire Commissioner to direct any of these monies for regionalization-related projects. We recommend that the General Assembly consider incorporating such funding provisions in any comprehensive statute that may be drafted, possibly by modifying the definition of eligible costs to include specified costs associated with mergers, consolidations, and other regionalization efforts (e.g., for feasibility studies, start-up grants, and facilities consolidation).

#### **I. Establish "Fire Services Regions."**

For organizational purposes and to structure both the strategic planning process and the maintenance of a statewide fire services equipment and resources inventory, we recommend the General Assembly establish "fire services regions." To facilitate ongoing homeland security efforts, we recommend that the General Assembly consider specifying that the regional structure of the statewide fire services system be the same as the nine-region structure which was established in law in 2002 for the state's Regional Counter-Terrorism Task Forces. (See map in Appendix J.)

The proposed fire service regions would have the following duties and responsibilities:

- 1. Assist the Office of the State Fire Commissioner in achieving the goals and objectives defined in the Commonwealth's Fire Services System Plan.*
- 2. Assist the Office of the State Fire Commissioner in the collection and maintenance of fire incident reporting data.*

3. *Prepare plans for improving fire service delivery in the area.*
4. *Carry out to the extent feasible, the regional fire services system plan.*
5. *Provide necessary and reasonable staff services and appropriate and convenient office facilities that can serve as an area-wide location for the planning, developmental, maintenance, coordinative, and evaluative functions of the regional office.*

**J. Create “Regional Fire Services Coordinator” Positions to Assist the State Fire Commissioner in Implementing the State Plan and Promoting Regionalization.**

Developing and implementing a statewide fire services plan will require state-level coordination and oversight by the Office of the State Fire Commissioner. To facilitate this process, we recommend that the comprehensive statute allow for the creation of regional fire services coordinator positions. The State Fire Commissioner would determine the number of positions required in each of the nine fire services regions. Individuals in these positions would report to and assist the State Fire Commissioner, provide a liaison between the Fire Commissioner’s Office and county and local organizations and emergency responders, and work with the Commissioner’s Office to promote the regionalization of volunteer fire companies wherever necessary and feasible.

As was recommended by the SR 60 Commission, the regional fire services coordinators would also serve as a consultant to local fire commissioners, presidents, fire chiefs, EMS managers, and others for matters involving recordkeeping, fire suppression counseling, urban search and rescue, report filing, grant development, PENNFIRS reporting, training program coordination, recruitment and retention, and legislative changes. Similar positions are used in certain other states, including the New York Office of Fire Safety Services System.

**K. Create a “Fire Services Consulting and Technical Assistance Unit” in the Office of the State Fire Commissioner.**

To expand and enhance state-level technical assistance, we recommend that the statute establish a technical services and consulting function in the Office of the State Fire Commissioner. The concept would be to significantly expand the education, technical assistance, and consulting functions currently performed by the Department of Community and Economic Development’s Governor’s Center for Local Government Services. This unit (e.g., to be called the “Fire Services Consulting and Technical Assistance Unit”), and the Technical Assistance Teams that would staff it, would provide education, guidance, and technical support and oversight to VFCs and municipalities.

Among other duties and responsibilities, the "Fire Services Consulting and Technical Assistance Unit" would be responsible for educating municipal and volunteer fire company officials of the potential operational and cost-saving benefits of regional partnerships and cooperative service arrangements and for encouraging and facilitating local study and consideration of various regionalization options. As discussed in Recommendation #2, the unit would also be tasked to develop and maintain a regionalization data base, formulate regionalization guidelines and a guidebook, and establish a "Regionalization Best Practices Center."

#### **L. Enact Recruitment and Retention Incentives to Stem the Decline in Fire/Emergency Services Volunteerism.**

The state needs to play a more active role in helping companies recruit and retain volunteers. In response to a 2002 survey, more than 90 percent of the state's fire chiefs stated that they are looking to state government for help in increasing their ranks and recognizing and rewarding volunteers. The need to consider such incentives is also evident from the work of the SR 60 Commission and the responses we received during this study.

In this context, several incentives are generally suggested to encourage and support volunteerism:

- Adoption of a state-funded public awareness campaign to encourage people to volunteer for the fire service.
- Provision of a state income tax credit for volunteer firefighters and EMS personnel based on a service point system.
- Establishment of a tuition credit for volunteer firefighters and EMS personnel attending a State University System or Community College program.
- Creation of a service longevity or state-based retirement program for volunteers.
- Development of qualified "Length of Service Award Program" (LOSAP).
- Provision of a tax credit to businesses who permit volunteers they employ to respond to calls or attend training during working hours.
- Extension of health care benefit program opportunities.

Similar recognition actions should also be considered at the local government level.<sup>7</sup>

#### **M. Designate a Pennsylvania Volunteer Fire Services Week.**

Establish at the state level, a Pennsylvania Volunteer Fire Services Week (similar to Local Government Week) where companies and individuals are publicly

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<sup>7</sup>Some local governments have reportedly implemented programs to help attract and retain volunteers, including points-based monetary incentive programs and recognition and award ceremonies.

recognized for significant contributions to the volunteer fire services in their region and the state. In this effort, the Pennsylvania Newspaper Association should be asked, as a public service, to highlight individuals, companies, and local governments for their activities in the volunteer fire services.

**Recommendation 2. The Office of the State Fire Commissioner should initiate an ongoing program to streamline the state's volunteer fire company structure. This effort should focus on the systematic promotion of regional partnerships and cooperative service arrangements between and among the state's 2,354 individual volunteer fire companies.**

Mergers, consolidations, and other forms of regionalization of fire services are feasible and have significant potential to do much to enhance and perpetuate the volunteer fire system in Pennsylvania and could go a long way toward addressing many of the issues and challenges currently facing volunteer fire companies. Given the central role volunteer fire companies play in protecting Pennsylvania's citizens and the rising costs and other serious challenges they face, it would be both logical and beneficial for the state to encourage coordinated approaches to addressing local fire protection needs.

Mergers, consolidations, and other regional partnerships, however, cannot be mandated nor are they necessary and appropriate in all cases. We, therefore, recommend that as the lead agency for the statewide fire service system, the Office of the State Fire Commissioner, develop and implement "*A Plan to Systematically Promote Regional Partnerships and Cooperative Service Arrangements Among Pennsylvania's Volunteer Fire Companies.*" (Please refer to the chart on page S-31.) Ideally, such a program would be undertaken in concert with the adoption and implementation of a comprehensive statewide fire services statute and would be a subpart of the statewide comprehensive fire services strategies plan called for in Recommendation #1.

It is important, however, that this plan provide overall guidance and direction, not a mandate. A "one size fits all approach" will not work in Pennsylvania. While certainly feasible in concept, mergers and consolidations are neither necessary nor appropriate in all cases. The decision on whether to pursue regionalization in any given jurisdiction must be done on a case-by-case basis with strong local government input and citizen participation. While it is not appropriate for the state to mandate regionalization, it is appropriate for the state to establish a mechanism and process through which guidance can be provided to local communities and fire companies to assist them in planning and determining optimal approaches to regionalization.

To foster improved communications between volunteer fire companies and local governments and systematically promote regionalization efforts, it will be necessary to develop an additional staff capability within the Office of the State Fire Commissioner. We recommend that the proposed Fire Services Consulting and Technical Assistance Unit adopt as a model the approach (e.g., using "Peer Review Team" feasibility studies) currently used within the DCED's Governor's Center for Local Government Services Shared Municipal Services Program.<sup>8</sup>

While the approach used by DCED is sound and the program has resulted in a number of successful municipal regionalization actions, its staffing and budget are not sufficient to deal with the scope of the statewide fire services regionalization issue. Also, the DCED program deals with fire services issues as just one of many municipal services responsibilities and only on an as-requested basis. We recommend the fire services aspect of this program be moved to the Office of the State Fire Commissioner where it would be a core activity. This would also allow the program to be coordinated directly with administration of the proposed statewide fire services statute and comprehensive fire services plan. It is important to note, however, that under this arrangement, DCED staff in the Governor's Center for Local Government Services would continue to play a key role in the process through their work with and assistance to the proposed Office of the State Fire Commissioner "Technical Assistance Teams."

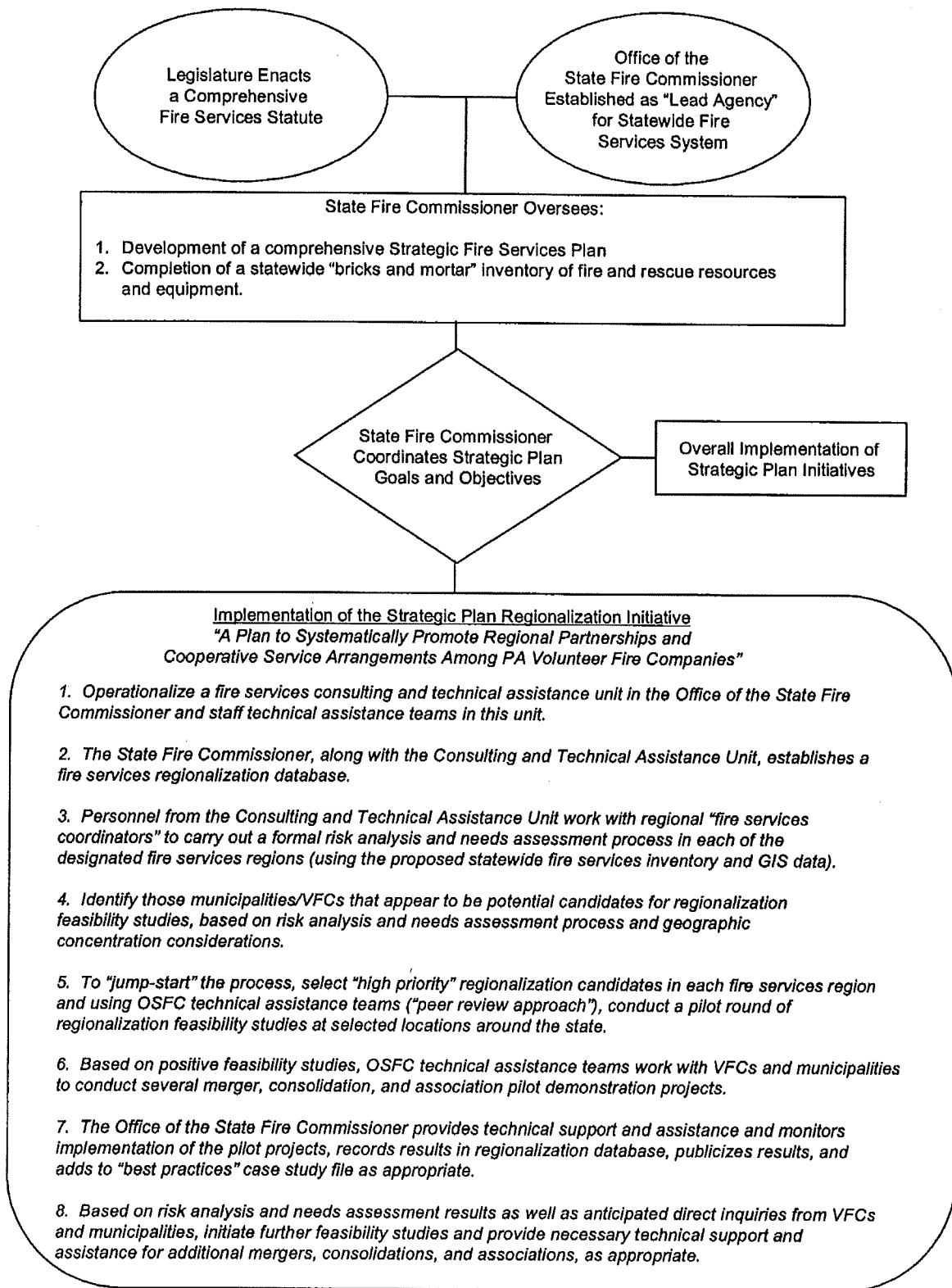
The recommended plan also calls for the State Fire Commissioner, along with the Consulting and Technical Assistance Unit, to establish a fire services regionalization database, regionalization guidelines, and a fire services regionalization best practices center. One of the primary objectives of the Fire Services Consulting and Technical Assistance Unit would be to provide case study information and provide programming to educate VFCs and municipalities as to the potential benefits of regionalization options and how to pursue them. These educational opportunities could be provided via a training program that currently exists in DCED. The Unit would also have specific responsibility for the following:

- *Regionalization Data Base.* With 2,354 volunteer fire companies, a data base is needed to record and track regionalization activities. Using existing records available from DCED, the Office of the State Fire

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<sup>8</sup>This DCED program promotes cooperation among municipalities to bring about a more efficient and effective delivery of municipal services. This program focuses on services such as combined police records administration, shared personnel activities, joint ownership of equipment, and shared data processing operations. In recent years, the program has also been extended to assist municipalities seeking to consolidate their volunteer fire departments. See Chapter V for further information.

## A Proposed Statewide Fire Services Regionalization Initiative





Commissioner should develop a data base of regionalization efforts completed, ongoing, and under-consideration.

- *Regionalization Guidelines and "How to . . ." Guidebook.* Currently, there are no state-level guidelines for VFCs and municipalities wishing to explore regionalization options. Unit staff should develop regionalization guidelines and a generic guide for regionalization that is broad enough to be applicable in most areas of the state. Such a guide should give volunteer fire companies and municipalities suggestions on short-term and mid-range initiatives and a list of actions they can take to start the process. These suggestions and activities would run the gamut from modest, short-term activities to the more difficult challenges of elimination of duplication of apparatus and vehicles and the closing of unnecessary stations and facilities.
- *Establish a Regionalization "Best Practices Center and a Compendium of Evidence-Based Best Practices."* There is no comprehensive documented record of fire services regionalization efforts in Pennsylvania, including "best practices." The Office of State Fire Commissioner should develop a method for collecting regionalization best practices from across the state and disseminate the details of these practices to other volunteer organizations. Consideration should be given to providing incentives (e.g., a cash award and statewide recognition) for organizations submitting one or more of the five best practices each year.

In pursuing the development of these system components, the Office of the State Fire Commissioner should seek input and assistance from local government policy specialists in the DCED's Governor's Center for Local Government Services. The individuals assigned to develop a Pennsylvania-specific manual of this type should also consider existing approaches and guidelines as described in various national industry publications.<sup>9</sup>

Once the Fire Services Consulting and Technical Assistance Unit is established and the regionalization database, guidelines, and best-practices center are established, we recommend the following additional steps be taken:

- Personnel from the Consulting and Technical Assistance Unit work with regional fire services coordinators to carry out a formal risk analysis and needs assessment process in each of the designated fire services regions (using the proposed statewide fire services inventory and GIS data maintained by the Pennsylvania Emergency Management Agency.)

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<sup>9</sup>For example, *Fire Department Consolidation—Why and How to Do It . . . Right*, by the Volunteer Firemen's Insurance Services and *Cooperative Service Through Consolidations, Mergers and Contracts, Making the Pieces Fit* published by the Emergency Services Consulting Group.

- Identify those municipalities/VFCs that appear to be potential candidates for regionalization feasibility studies, based on a risk analysis and needs assessment process and geographic concentration considerations.
- To "jump-start" the process, select "high priority" regionalization candidates in each fire services region and using OSFC technical assistance teams ("peer review approach"), conduct a pilot round of regionalization feasibility studies at selected locations around the state.
- Based on positive feasibility studies, OSFC technical assistance teams work with VFCs and municipalities to conduct several merger, consolidation, and association pilot demonstration projects.
- The Office of the State Fire Commissioner provides technical support and assistance and monitors implementation of the pilot projects, records results in regionalization database, publicizes results, and adds to "best practices" case study file as appropriate.
- Based on risk analysis and needs assessment results as well as anticipated direct inquiries from VFCs and municipalities, initiate further feasibility studies and provide necessary technical support and assistance for additional mergers, consolidations, and associations, as appropriate.

It will also be necessary to establish certain assurances and incentives so that VFCs are not discouraged from pursuing regionalization feasibility studies. Consideration should be given to eliminating potential penalties and disincentives to forming regional partnerships that may result from the application of existing regulations. For example, rules and regulations under the Volunteer Fire Company, Ambulance Services, and Rescue Squad Assistance Program currently preclude a volunteer company from having more than three outstanding loans at any given time.

Therefore, several companies considering merger or consolidation may, under these rules, be prohibited from forming a regional partnership due to the holding of multiple outstanding loans or may otherwise be penalized through ineligibility for future loans if a proposed regionalization effort were successful. Initiative must be taken to identify provisions in statute and regulations that present problems of this nature so that appropriate exemptions or rule exceptions can be adopted to further promote regionalization efforts.

The State Fire Commissioner may also consider working with the General Assembly to incorporate certain incentive provisions in the law that would encourage volunteer fire companies to seriously consider regionalization options. Such actions might include assigning a "regionalized" fire company "priority status" in the existing state grant program or offering a special financial program to help with the costs of combining individual VFCs.

**Recommendation 3.** The General Assembly should adopt a resolution to provide for the continued existence of the SR 60 Commission to assist in the development of the comprehensive fire services statute, statewide strategic plan, and regionalization initiative proposed in these recommendations. The reconstituted SR 60 Commission should include a new member position representing the Governor's Center for Local Government Services in the Department of Community and Economic Development.

The General Assembly should provide for the ongoing input and participation of the SR 60 Commission in the implementation of recommendations to constructively change and enhance the state's fire and emergency response systems. The Commission members welcome such continuation and stated as such in the November 2004 SR 60 report:

We would respectfully suggest that the Commission itself be continued in existence for the purposes of helping to foster action on and implementation of these and possible future recommendations and to provide continual oversight and advice to the General Assembly on the improvement of the delivery of emergency services in Pennsylvania.

Commission members include the State Fire Commissioner, legislators, local fire chiefs, and representatives of the PA Fire and Emergency Services Institute, PA Professional Firefighters Association, the Ambulance Association, the PA Emergency Health Services Council, PA Fireman's Association, the Firemen's Legislative Federation, the Western PA Firemen's Association, and county and local government associations. We also recommend that the resolution providing for the continued operation of the SR 60 Commission provide for representation from the Governor's Center for Local Government Services.

**Recommendation 4.** The Office of the State Fire Commissioner should take the lead in formulating: (a) a cost estimate for implementing the proposed comprehensive statute, strategic planning process, and statewide regionalization initiative; and (b) a funding proposal identifying potential funding sources that could be utilized.

Implementation of the preceding recommendations would require substantial organizational and funding changes in the Commonwealth's volunteer fire services system. These changes, however, appear necessary to preserve and enhance the volunteer fire service. In this context, one particular comment made to LB&FC staff during the course of this study merits consideration:

- *With history, tradition, and pride being the hallmarks of many volunteer fire companies, change is not easy to accomplish. But, in the case of perhaps the majority of Pennsylvania volunteer fire companies, their very survival is dependent upon change . . . . Respect tradition but don't be bound by it.*

We recommend that the State Fire Commissioner, along with the members of the SR 60 Commission, take the lead in estimating implementation costs and developing proposed funding solutions. This group should develop a phased implementation schedule and estimate of associated costs along with potential funding sources. We recommend that in identifying possible funding sources, the State Fire Commissioner and SR 60 Commission consider proposing the following, many of which would require legislative authorization:

- obtaining a legal opinion on whether any portion of the 2002 \$100 million bond authorization "to enhance and improve the delivery of volunteer fire and volunteer emergency services" could be used for purposes of implementing any or all of the recommendations cited in this report;<sup>10</sup>
- designating a portion of the current state funding for the existing Volunteer Fire Company and Volunteer Ambulance Service Grant Program (which totaled \$25 million in FY 2003-04) for purposes of developing the proposed statewide strategic fire services plan, performing the proposed statewide inventory, and conducting regionalization pilot projects;<sup>11</sup>
- seeking Administration support for Legislative authorization of a separate "Regionalization of Fire Services" General Fund line-item appropriation to the Office of the State Fire Commissioner;
- determining the possible availability of a portion of federal funding currently being directed to Pennsylvania for homeland security purposes;
- exploring the availability of other federal grants including the possibility of working with the U.S. Fire Administration in order to obtain pilot project funding;
- maximizing the use of other pertinent state grants (e.g., Shared Municipal Services Grants and Community Revitalization Grants);
- considering up to a 1 percent increase in the Foreign Fire Insurance Premiums Tax to be directed to this effort;<sup>12</sup>
- considering the adoption of a policy surcharge on homeowners insurance policies; and

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<sup>10</sup>The bonds authorized by this referendum had not been issued as of May 2005.

<sup>11</sup>It is possible that the portion of current state funding redirected from the grant program could be offset by the transfer of a comparable amount from the 2002 bond authorization.

<sup>12</sup>A 1 percent increase would yield approximately \$37 million in additional annual revenues.

- considering earmarking a portion of the approximately \$23 million in annual revenues deposited into the General Fund from the domestic portion of the Fire Insurance Premiums Tax.

The State Fire Commissioner and members of the SR 60 Commission should consult and work closely with the members and staffs of the House and Senate Veterans Affairs and Emergency Preparedness Committees throughout this process.