

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION**

**May 6, 2003**

**TO:** Honorable Frank Madla, Chair, Senate Committee on Intergovernmental Relations

**FROM:** John Keel, Director, Legislative Budget Board

**IN RE: SB911** by Barrientos (Relating to firefighter employment in certain political subdivisions; providing criminal penalties.), **As Introduced**

**No fiscal implication to the State is anticipated.**

The bill would place requirements on a municipality with a population of less than 10,000 regarding pay and benefits for paid fire protection personnel. The bill would take effect September 1, 2003.

Municipalities with a population of less than 10,000 were contacted regarding the fiscal impact of the bill.

The Town of Van Horn (population 2,435) has a volunteer fire department and indicated that the provisions of the bill would prevent the town from creating paid fire fighter positions, as the town would be unable to afford the benefits package set forth by the bill.

The City of Crockett (population 7,141), which also currently has a volunteer fire department, said that the city would not be able to afford to implement the provisions of the bill if the city were to establish a paid fire department. Approximately half of the city's population is over the age of 65 and on a fixed income and 35 percent of the entire city population is below the poverty level; therefore, the city states that it would be unable to raise its tax rate to cover the costs that would result from the provisions of the bill if the city were to establish paid fire fighter positions.

The City of Hillsboro (population 8,232), which has a fire department with paid personnel, estimates that the provisions of the bill would have a significant negative fiscal impact. The proposed requirements related to the number of vacation days per year for a fire fighter would cost the city an additional \$129,582 per year. The city manager estimates that the requirements related to the number of hours of sick leave earned per year, not including any overtime to cover the absent fire fighter's shift, would cost the city an additional \$125,649 annually. Further, the city manager estimates that allowing an unlimited number of sick leave hours to be accumulated would cost the city "in the six-figure range." Lump sum payments for sick leave for a fire fighter that leaves the classified service would cost the city an estimated \$777,366 per fire fighter. Leave of absence benefits required by the bill would result in an additional cost of \$14,176 per fire fighter in Hillsboro.

The City of Castle Hills (population 4,202) estimates that implementing the bill would cost the city at least \$800 per year per fire fighter for sick leave benefits and over \$2,000 per fire fighter annually for the other benefits. The city indicates that these amounts would have a significant negative impact on the department's budget.

The City of Perryton (population 7,774), with a paid fire fighter staff of 10, estimates the direct fiscal impact of the provisions of the bill would be an additional cost of \$24,280 annually.

## **Local Government Impact**

The fiscal impact would vary by municipality, but it is estimated that the negative impact would be significant.

### **Source Agencies:**

**LBB Staff:** JK, JB, DLBa