LEGISLATIVE BUDGET BOARD Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION Revision 1

May 19, 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 subdivions; providing criminal penalties.), **Committee Report 1st House, Substituted**

No fiscal implication to the State is anticipated.

The bill would place requirements regarding pay and benefits for paid fire protection personnel on a special district or other local government, except a municipality or a county, and on the administrative agency or supervising local government governing a fire department established by two or more governmental entities that have entered an interlocal contract under Chapter 791, Government Code, to obtain fire protection services. The bill would take effect September 1, 2003.

Local Government Impact

According to the Texas State Association of Fire and Emergency Districts, rural fire protection districts (RFPD) and emergency services districts (ESD) are constitutionally limited to imposing a tax rate of no more than \$0.03 per \$100 valuation and no more than \$0.10 per \$100 valuation, respectively. If an RFPD converts to an ESD, the tax rate is still limited to \$0.03. All operating costs for the districts come from the taxes collected, and the districts are experiencing financial difficulties at this time. The association estimates that implementation of the bill would have a significant negative fiscal impact, including preventing districts from providing services or from being able to purchase real or personal property.

Source Agencies: LBB Staff: JK, DLBa