

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATURE 2nd CALLED SESSION 2025

August 26, 2025

TO: Honorable Charles Perry, Chair, Senate Committee on Disaster Preparedness & Flooding, Select

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB3 by King (Relating to the interoperability of emergency communication equipment and infrastructure in this state, including the creation and operation of the Texas Interoperability Council, a grant program administered by the council, and the purchase of certain public safety radio communication systems.), **As Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3, As Engrossed: a negative impact of (\$5,750,781) through the biennium ending August 31, 2027.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five- Year Impact:

<i>Fiscal Year</i>	<i>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</i>
2026	(\$3,492,695)
2027	(\$2,258,086)
2028	(\$2,258,086)
2029	(\$2,290,586)
2030	(\$3,477,007)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	<i>Probable Savings/(Cost) from General Revenue Fund 1</i>	<i>Change in Number of State Employees from FY 2025</i>
2026	(\$3,492,695)	11.3
2027	(\$2,258,086)	11.3
2028	(\$2,258,086)	11.3
2029	(\$2,290,586)	11.3
2030	(\$3,477,007)	11.3

Fiscal Analysis

The bill would create the Texas Interoperability Council to develop and coordinate the implementation of a statewide strategic plan for governing the interoperability of emergency communication equipment and infrastructure in Texas and to administer a grant program to assist local governments with acquiring certain interoperable emergency communication equipment and constructing additional emergency communication infrastructure.

The council would be comprised of the chief of the Texas Division of Emergency Management (TDEM) and six appointed members. While the source and amount of funds for the grant program is unknown, the bill would allow the council to use any available funds to implement the grant program.

The bill would require the Governor to review and approve purchases of public safety radio communication systems by political subdivisions through the end of calendar year 2026, after which that responsibility would be transferred to the council.

Methodology

Based on information provided by TDEM, it is assumed that in order to implement the provisions of the bill, the agency would need a leadership position in Austin to manage the council, implement the strategic plan, and execute development and delivery. This would be supplemented by field staff in each TDEM region who would engage stakeholders and educate and implement a cohesive statewide approach as outlined by the council.

It is estimated that the agency would need to hire 1.0 Division Chief, 1.3 Program Specialists V, 1.0 Section Chief, and 8.0 Systems Support Specialists II to implement the bill's provisions for a total of approximately \$1.5 million per fiscal year for salaries and benefits as well as approximately \$0.8 million per fiscal year for necessary operating expenses. Additionally, it is estimated that approximately \$1.1 million for capital expenditures will be necessary in fiscal year 2026 for development and implementation. These costs are estimated without regard to the number of grants that may be provided through the grant program.

This analysis assumes that costs to the Governor's office relating to reviewing purchases of public safety radio communication system could be absorbed using existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 300 Trusted Programs Within the Office of the Governor, 304 Comptroller of Public Accounts, 313 Department of Information Resources, 405 Department of Public Safety, 475 Office of Public Utility Counsel, 477 Commission on State Emergency Communications, 575 Texas Division of Emergency Management, 710 Texas A&M University System Administrative and General Offices

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