

BILL ANALYSIS

Senate Research Center

S.B. 868
By: Sparks
Finance
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

In 2001, the Texas Legislature passed H.B. 2604, creating the Rural Volunteer Firefighter Department (VFD) Assistance Program, administered by the Texas Forest Service, to provide grants to rural volunteer fire departments for firefighting vehicles, fire and rescue equipment, protective clothing, and firefighter training. The program is funded by an annual assessment of property and casualty insurers authorized to do business in Texas. After the House Investigative Committee on the Panhandle Wildfires met in the aftermath of the fires, to investigate factors that contributed to the Panhandle wildfires, the committee recommended various reforms and funding appropriations to the legislature.

Annually, Texas VFDs have submitted more than 2,000 grant applications totaling \$43.7 million per year but only \$21.7 million in grants have been distributed, resulting in a shortfall of \$22 million. Furthermore, 1,250 VFDs currently have thousands of pending applications for unfunded grants from years past totaling \$172 million.

S.B. 868 removes the \$30 million cap for the Rural VFD Assistance Program. Additionally, this bill mandates that at least 10 percent of the appropriated funds for each fiscal year be allocated to assist VFDs in areas identified as high-risk for large wildfires. If the allocated funds for these high-risk areas are not fully used, any remaining funds can be redirected for other types of assistance for VFDs. The provisions of the bill will take effect on September 1, 2025.

As proposed, S.B. 868 amends current law relating to the Rural Volunteer Fire Department Assistance Program and authorizes an increase in the assessment on certain insurers that fund the program.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 2007.002, Insurance Code, as follows:

Sec. 2007.002. ASSESSMENT. Requires the Comptroller of Public Accounts of the State of Texas to assess against all insurers to which Chapter 2007 (Assessment for Rural Fire Protection) applies amounts for each fiscal year necessary, as determined by the commissioner of insurance, to collect the total amount that the General Appropriations Act appropriates from the volunteer fire department assistance fund account for that state fiscal year, rather than a combined total equal to the lesser of that amount or \$30 million. Makes nonsubstantive changes.

SECTION 2. Amends Section 614.102, Government Code, by adding Subsections (i) and (j), as follows:

(i) Provides that at least 10 percent of appropriations for a state fiscal year from the volunteer fire department assistance fund is allocated for the purpose of providing

assistance to volunteer fire departments in areas of the state defined by the service as high risk for large wildfires.

(j) Authorizes the remaining amount of assistance, if the amount requested in a state fiscal year by eligible departments described by Subsection (i) is less than the amount allocated under that subsection, to be used for other types of requests for assistance described by Subchapter G (Rural Volunteer Fire Department Assistance Program), Chapter 614 (Peace Officers and Fire Fighters), Government Code.

SECTION 3. Effective date: September 1, 2025.