

BILL ANALYSIS

S.B. 2778
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Intergovernmental Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Emergency service districts (ESDs) in Texas are local government entities that provide emergency services such as fire, medical, and rescue services and operate under a governing board that typically oversees the budget, purchases, and expenditures of the ESD. The bill sponsor has informed the committee that the cap on the amount of an expenditure that an ESD employee may make without board approval is set at \$2,000, and that, with regular costs on the rise, this cap can create a burden for ESDs in using time and funds efficiently. The bill sponsor has also informed the committee that increasing this cap would allow for more streamlined operations and potentially quicker decision-making on emergency purchases, while still maintaining oversight for significant financial decisions. S.B. 2778 seeks to address this issue by raising the current cap on the amount of an expenditure that may be paid by an emergency services district employee without board approval from \$2,000 to \$50,000.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

S.B. 2778 amends the Health and Safety Code to raise from \$2,000 to \$50,000 the cap on the amount of an expenditure that an emergency services district employee may pay without approval from the district's board. The bill applies only to a purchase made on or after the bill's effective date. A purchase made before the bill's effective date is governed by the law as it existed immediately before that date, and that law is continued in effect for that purpose.

EFFECTIVE DATE

September 1, 2025.