

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

April 13, 2025

TO: Honorable Greg Bonnen, Chair, House Committee on Appropriations

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB2054 by King (Relating to the Rural Volunteer Fire Department Assistance Program and authorizing an increase in the assessment on certain insurers that fund the program.), **As Introduced**

There could be a revenue gain to GR-Dedicated Account 5064, equal to the amount of future legislative appropriations out of the account that exceed \$30 million in a fiscal year.
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The bill would amend the Insurance Code, Chapter 2007 requiring the Comptroller to assess against certain insurers, the total amount appropriated in the General Appropriations Act from GR-Dedicated Account 5064, Volunteer Fire Department Assistance Fund, excluding specific appropriations to the Texas Emergency Services Retirement System. Current law requires the same assessments, equal to the lesser of the amount above, or \$30 million.

The bill would amend Government Code, Chapter 614, requiring that at least 10 percent of appropriations from GR-Dedicated Account 5064 be allocated to providing assistance to volunteer fire departments in high risk wildfire areas of the state. If requested amounts are less than this allocation, the remainder could be used for certain other types of assistance.

According to the Comptroller, assessments from fiscal years 2015 to 2024 averaged \$21.7 million. To the extent that relevant future GAA appropriations exceed \$30 million in a fiscal year, there would be a corresponding increase in account revenue. However, the amounts and timing of any appropriations in excess of \$30 million are unknown.

Local Government Impact

The fiscal implications of the bill cannot be determined at this time.

Source Agencies: 304 Comptroller of Public Accounts, 454 Department of Insurance

LBB Staff: JMc, KK, LCO, CSmi