



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2027 Biennium

Bill#/Title: HB0511.02 (001): Provide grant funding for firefighting training facilities

Primary Sponsor: Scott DeMarois Status: As Amended in House Committee

☐ Included in the Executive Budget ☒ Needs to be included in HB 2 ☐ Significant Local Gov Impact

☐ Significant Long-Term Impacts ☐ Technical Concerns ☐ Dedicated Revenue Form Attached

### FISCAL SUMMARY

	<u>FY 2025</u> <u>Difference</u>	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>	<u>FY 2028</u> <u>Difference</u>	<u>FY 2029</u> <u>Difference</u>
<b>Expenditures</b>					
General Fund (01)	\$0	\$0	\$0	\$14,628	\$55,714
State Special Revenue (02)	\$0	\$556,283	\$1,553,483	\$1,540,234	\$1,350,000
Other	\$0	\$0	\$0	\$0	\$0
Capital Development (05)	\$5,000,000	\$0	\$0	\$0	\$0
<b>Revenues</b>					
General Fund (01)	\$0	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$5,000,000	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0	\$0
<b>Net Impact</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>(\$14,628)</u>	<u>(\$55,714)</u>
<b>General Fund Balance</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>(\$14,628)</u>	<u>(\$55,714)</u>

### Description of fiscal impact

HB 511 as amended, provides a \$5 million appropriation to the Department of Military Affairs (DMA) to create a firefighting training facility grant program. The bill states that funds would be used to fund up to \$4,850,000 million in grants to local government firefighting authorities for capital construction, maintenance and repair projects, and equipment purchases; and 3% or \$150,000 in administrative costs.

### FISCAL ANALYSIS

#### Assumptions

#### Department of Military Affairs (DMA)

1. HB 511 requires DMA to create and administer a firefighting training facility infrastructure grant program. The Disaster and Emergency Services (DES) division would administer this grant program. The department estimates approximately 30 grants would be awarded.
2. A 0.50 FTE grant manager is required to manage the program. DES estimates personal services costs for 0.50 modified FTE are \$51,864 in FY 2026 and FY 2027, and with an inflationary rate of 1.5% in FY 2028 and FY 2029.
3. One-time-only operating costs of \$2,800 for the position for equipment and a computer in FY 2026.
4. Travel costs for four quarterly monitoring visits per year at local government firefighting authorities include lodging, mileage, and per diem of \$1,619 in FY 2026 and FY 2027, with an inflationary rate of 1.5% in FY 2028 and FY 2029.

5. To maximize the efficient use of the administrative costs, DES will work to spend all grant funds by the end of FY 2029.
6. The 3% allocation is not sufficient to cover the costs to administer the program, DES is unable to absorb the additional workload within the existing grant programs.
7. The 3% for administrative costs covers \$56,283 in FY 2026, \$53,483 in FY 2027, and \$40,234 in FY 2028 for a total of \$150,000. Additional general fund would be needed of \$14,628 in FY 2028, and \$55,714 in FY 2029; for a total of \$70,342.
8. If the grant funding is not fully utilized by the end of FY 2029, additional costs will be \$56,932 in FY 2030 and \$58,164 in FY 2031.
9. DES would need time to establish the program, provide guidance and outreach, and conduct application review. As a result, DES estimates awarding grants of \$500,000 in FY 2026, \$1.5 million in FY 2027, \$1.5 million in FY 2028, \$1.35 million in FY 2029.

## Fiscal Analysis Table

	<u>FY 2025</u> <u>Difference</u>	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>	<u>FY 2028</u> <u>Difference</u>	<u>FY 2029</u> <u>Difference</u>
<b><u>Fiscal Impact</u></b>					
FTE	0.00	0.50	0.50	0.50	0.50
<b>TOTAL Fiscal Impact</b>	<b>0.00</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>
<b><u>Expenditures</u></b>					
Personal Services	\$0	\$51,864	\$51,864	\$53,219	\$54,046
Operating Expenses	\$0	\$4,419	\$1,619	\$1,643	\$1,668
Transfers	\$5,000,000	\$0	\$0	\$0	\$0
Grants	\$0	\$500,000	\$1,500,000	\$1,500,000	\$1,350,000
<b>TOTAL Expenditures</b>	<b>\$5,000,000</b>	<b>\$556,283</b>	<b>\$1,553,483</b>	<b>\$1,554,862</b>	<b>\$1,405,714</b>
<b><u>Funding of Expenditures</u></b>					
General Fund (01)	\$0	\$0	\$0	\$14,628	\$55,714
State Special Revenue (02)	\$0	\$556,283	\$1,553,483	\$1,540,234	\$1,350,000
Other	\$0	\$0	\$0	\$0	\$0
Capital Development (05)	\$5,000,000	\$0	\$0	\$0	\$0
<b>TOTAL Funding of Expenditures</b>	<b>\$5,000,000</b>	<b>\$556,283</b>	<b>\$1,553,483</b>	<b>\$1,554,862</b>	<b>\$1,405,714</b>
<b><u>Revenues</u></b>					
State Special Revenue (02)	\$5,000,000	\$0	\$0	\$0	\$0
<b>TOTAL Revenues</b>	<b>\$5,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures)</u></b>					
General Fund (01)	\$0	\$0	\$0	(\$14,628)	(\$55,714)
State Special Revenue (02)	\$5,000,000	(\$556,283)	(\$1,553,483)	(\$1,540,234)	(\$1,350,000)
Other	\$0	\$0	\$0	\$0	\$0
Capital Development (05)	(\$5,000,000)	\$0	\$0	\$0	\$0

Technical Concerns

Long Range Building

1. Should the amendment be or has been adopted, the amount of funds from the capital development long-range account will cause it to go negative by approximately \$2.3 million based upon the Legislative Fiscal Division's report of January 2025, absent any transfers into the fund.



Sponsor's Initials

4/10/25

Date



Budget Director's Initials

4/9/2025

Date