

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

March 25, 2003

TO: Honorable Bill Ratliff, Chair, Senate Committee on State Affairs

FROM: John Keel, Director, Legislative Budget Board

IN RE: SB407 by Deuell (Relating to the liability of a governmental unit in the absence of a contract for fire or emergency services.), **Committee Report 1st House, Substituted**

No fiscal implication to the State is anticipated.

The bill would add emergency services to those services for which local governments may provide one another services with or without a contract. The bill would also assign liability, if any, to the governmental entity that requests the service, in the absence of a contract.

Under current law, when law enforcement or fire services are provided by one government entity at the request of another entity, any liability automatically defaults to the requesting entity in the absence of a contract that states otherwise. The proposed statute would apply to emergency services as well. Costs would be for insurance by the entity determined to be civilly liable, whether by means of default or through agreement in a contract. It is assumed that a government entity would normally carry appropriate insurance coverage and that the premiums would be less expensive than incurring actual costs for potential damages.

The bill would take effect immediately if it receives a vote of two-thirds in each house; otherwise it would take effect September 1, 2003 and would not change any interlocal cooperation contracts for civil liability entered into before that date.

Local Government Impact

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

Source Agencies:

LBB Staff: JK, RR, DLBa