

Department of Planning and Budget
2026 General Assembly Session
State Fiscal Impact Statement

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ORIGINAL

Bill Number: SB233 **Patron:** Head
Bill Title: Fire Programs Fund; distribution.

Bill Summary: Removes the requirement that the local distributions for improvements to fire services from the Fire Programs Fund be made on the basis of population.

Budget Amendment Necessary: Yes **Items Impacted:** 405
Explanation: See fiscal analysis

Fiscal Summary: According to the Department of Fire Programs (DFP), four additional full-time personnel at an annual cost of \$449,676 (first year estimate is prorated for 10 months to allow for recruitment and onboarding) are likely necessary to address the anticipated workload increase as a result of the bill. In addition, DFP anticipates the need to procure and implement an online grant portal due to the expansion of the existing Fire Programs Fund Grant program at an estimated annual cost of \$150,000, which the agency expects to absorb with existing nongeneral fund resources.

General Fund Expenditure Impact:

<u>Agency</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>	<u>FY2031</u>
DFP		\$357,510	\$449,676	\$449,676	\$449,676	\$449,676
TOTAL		\$357,510	\$449,676	\$449,676	\$449,676	\$449,676

Nongeneral Fund Expenditure Impact:

<u>Agency</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>	<u>FY2031</u>
DFP		\$150,000	\$150,000	\$150,000	\$150,000	\$150,000
TOTAL		\$150,000	\$150,000	\$150,000	\$150,000	\$150,000

Position Impact:

<u>Agency</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>	<u>FY2031</u>
DFP		4.00	4.00	4.00	4.00	4.00
TOTAL		4.00	4.00	4.00	4.00	4.00

Fiscal Analysis: According to DFP, the provisions of the bill removing the requirement to distribute aid to locality distributions from the Fire Programs Fund Grant Program based on population is expected to significantly increase the workload of the agency's grants administration team and the Virginia Fire Services Board. The increase in workload is primarily a result of the anticipated need to establish new grant distribution

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guidelines and to more thoroughly review grant applications. Currently, DFP is only required to consider each locality's population levels in their determination for aid to locality distributions. The provisions of the bill remove this requirement, broadly expanding what factors may be considered. The agency currently has two full-time positions to oversee six annual grant programs, of which only one position is currently filled. The agency anticipates the need for three additional full-time grants administrator positions to address the anticipated workload increase as a result of the bill. These three positions would have a base salary of \$65,000, with a total annual cost of \$347,166 including fringe benefits (first year estimate is prorated for 10 months to allow for recruitment and onboarding). These positions would be stationed in three separate DFP regional offices across the Commonwealth to provide support to localities in applying for, receiving, and reporting on grant funds. DFP also anticipates the need to upgrade its grants processing system to meet the expected workload increases as a result of the bill. Currently, the agency receives grant applications and annual reports via mail and only recently via email. The agency is currently assessing software options that provide grants management services and preliminarily estimates the cost to be \$150,000 annually that is expected to be absorbable with existing nongeneral fund resources (the Fire Programs Fund).

In addition to the three grants administrator positions, DFP anticipates the need for one full-time policy analyst is likely necessary to meet the provisions of the bill. According to DFP, under the current § 38.2-401, Code of Virginia, the aid to localities grant distribution policy based on population size is fairly simple to review and administer. With the removal of the population-based requirement, it is expected that the grant policy will be expanded with additional factors to consider such as fiscal stress reviews, needs-based assessments, requests for specific equipment, among other unanticipated factors that are expected to increase the workload of the Virginia Fire Services Board. The additional full-time policy analyst is expected to assist the board with developing new policies for the expanded grant program by collaborating with localities and other stakeholders, as well as annually review localities for adherence to established policies. The position is also intended to be a liaison between the board and localities to ensure all new policies are effectively communicated. This position would have a base salary of \$60,000, with a total annual cost of \$102,510 including fringe benefits (first year estimate is prorated for 10 months to allow for recruitment and onboarding).

Other: None.