

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

May 8, 2003

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

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB15 by Corte (Relating to regulation of abortion; creating an offense.), **As Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for HB15, As Engrossed: a positive impact of \$54,139 through the biennium ending August 31, 2005.

The bill includes language that requires the Board of Health to set fees necessary to defray the cost of administering the bill's provisions. The bill requires the agency to prepare and make available informational materials on public and private agencies and services, and on the characteristics of the unborn child. The bill would require that the informational materials include information regarding the statistical likelihood of collecting child support. The bill would not require the agency to republish the informational materials unless the statistical information in the materials changes by five percent or more.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2004	(\$29,860)
2005	\$83,999
2006	\$83,999
2007	\$83,999
2008	\$83,999

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>GENERAL REVENUE FUND</i> 1	Probable Revenue Gain/(Loss) from <i>GENERAL REVENUE FUND</i> 1
2004	(\$222,068)	\$192,208
2005	(\$204,709)	\$288,708
2006	(\$204,709)	\$288,708
2007	(\$204,709)	\$288,708
2008	(\$204,709)	\$288,708

Fiscal Analysis

The bill would require physician offices substantially used for the purpose of performing abortions to be licensed as abortion facilities. The bill contains language authorizing the department to collect fees to cover the cost of regulation of abortion facilities as well as to cover the costs of the informational materials required in the bill. The agency estimates total costs to implement the bill's provisions are \$222,068 FY 2004 and \$204,709 in each year of FY 2005-08. TDH estimates that \$192,208 would be collected in licensing fees in FY 2004 and \$288,708 in licensing fees in FY 2005-08.

Methodology

TDH estimates that in FY 2004, the agency will conduct 4 initial surveys and 42 complaint investigations. (There would also be 38 currently licensed abortion facilities that the agency would continue to regulate.) Beginning in FY 2005-08, 4 additional license surveys and 42 additional complaints would be conducted. The agency estimates that an additional .5 FTE would be needed to handle the additional workload. Cost associated with the additional staff include \$17,686 for salary and benefits in FY 2004 and \$26,530 in FY 2005-08; \$1,359 for rent in FY 2004 and \$2,039 in FY 2005-08 and \$12,740 in each year of FY 2004-08 for travel expenses. The agency estimates a one-time cost of \$2,000 for a laptop computer. TDH estimates that costs associated with providing the informational materials would include \$137,000 in FY 2004 and \$112,000 in each year of FY 2005-08 for 200,000 copies annually. Other costs are similar to the costs the agency identified to implement the provisions of the introduced bill. (The agency also assumes indirect costs of \$37,968 in FY 2004 and \$35,889 each year in FY 2005-08 that are not included above.)

In FY 2004, TDH estimates that \$11,000 in initial licenses fees would be collected, \$16,496 in first annual fees and \$261,212 in annual renewal fees. The agency indicates that \$96,500 in estimate revenue in FY 2003 would result in a total net increase in FY 2004 of \$192,208. In FY 2005-08, annual renewal fees would total \$288,708. Technology cost includes one laptop computer estimated at \$2,000.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 501 Department of Health

LBB Staff: JK, RR, KF, RM