

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION**

**April 16, 2003**

**TO:** Honorable Carlos Uresti, Chair, House Committee on Human Services

**FROM:** John Keel, Director, Legislative Budget Board

**IN RE: HB1665** by Thompson (Relating to payments to certain grandparents who provide care for children whose parents are deceased.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB1665, As Introduced: a negative impact of (\$189,957,971) through the biennium ending August 31, 2005.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

**General Revenue-Related Funds, Five-Year Impact:**

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2004	(\$67,111,311)
2005	(\$122,846,660)
2006	(\$124,914,035)
2007	(\$127,389,716)
2008	(\$129,958,896)

**All Funds, Five-Year Impact:**

Fiscal Year	Probable (Cost) from <i>GENERAL REVENUE FUND</i> 1	Probable (Cost) from <i>FEDERAL FUNDS</i> 555	Probable (Cost) from <i>GR MATCH FOR MEDICAID</i> 758
2004	(\$65,657,730)	(\$2,192,976)	(\$1,453,581)
2005	(\$120,369,133)	(\$3,738,270)	(\$2,477,527)
2006	(\$122,466,337)	(\$3,693,391)	(\$2,447,698)
2007	(\$124,898,584)	(\$3,758,930)	(\$2,491,132)
2008	(\$127,412,865)	(\$3,841,769)	(\$2,546,031)

Fiscal Year	Change in Number of State Employees from FY 2003
2004	143.0
2005	264.0
2006	269.0
2007	274.0
2008	280.0

## **Fiscal Analysis**

The bill would require the Department of Protective and Regulatory Service to make a payment at the foster care rate to grandparents who are caring for children whose parents are deceased and no conservator or guardian has been appointed. The bill would be effective on September 1, 2003.

Given the limited availability of TANF federal funds, for the purposes of this fiscal note, General Revenue is assumed as the Method of Financing. Should additional TANF federal funding be available, \$23,816,999 in fiscal year 2004 and \$43,547,198 in fiscal year 2005 could be financed with TANF federal funding.

## **Methodology**

The Department of Protective and Regulatory Service (PRS) assumed that this bill would impact 17,939 children living with their grandparents. 14,350 are less than 11 years of age. The daily foster care rate for children less than 11 years of age is \$17.12. The daily rate for children 11 years of age or older is \$17.50. These children are assumed to enter care over a 12-month period. A 2 percent growth rate per year is assumed.

PRS assumed 1.16 hours per case to determine eligibility. PRS indicated the increased workload would result in the need for additional FTEs, and assumed a cost of \$5,466,345 for 143 FTEs in fiscal year 2004 and \$10,094,998 for 264 FTEs in fiscal year 2005 for salary and benefits.

## **Technology**

The Department of Protective and Regulatory Service (PRS) indicated reprogramming would be required for the CAPS/IMPACT system. \$436,000 is the estimated cost in fiscal year 2004. PRS assumed additional reprogramming would be required to the TIERS system at the Department of Human Services at an estimated cost of \$1,584,960.

## **Local Government Impact**

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

**Source Agencies:** 530 Department of Protective and Regulatory Services

**LBB Staff:** JK, WP, EB, KE, AJ