

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

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

**March 30, 2003**

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

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

**IN RE: HB2451** by Dukes (Relating to establishment of a fee schedule for services provided through the Interagency Council on Early Childhood Intervention.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB2451, As Introduced: a positive impact of \$3,694,320 through the biennium ending August 31, 2005.

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

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2004	\$1,775,520
2005	\$1,918,800
2006	\$2,078,060
2007	\$2,250,539
2008	\$2,437,334

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

Fiscal Year	Probable Savings from <i>GENERAL REVENUE FUND</i> 1
2004	\$1,775,520
2005	\$1,918,800
2006	\$2,078,060
2007	\$2,250,539
2008	\$2,437,334

**Fiscal Analysis**

The bill would require the Interagency Council on Early Childhood Intervention (ECI), by rulemaking, to establish a system of payments by families of children receiving ECI services, including a schedule of sliding fees, in a manner consistent with federal requirements. The bill would take effect September 1, 2003.

ECI indicates that the bill would decrease ECI program costs. Under the provisions of the bill, local providers that contract with ECI would collect and keep the fees generated from implementing a schedule of sliding fees for ECI services. The annual contracts between ECI and the local providers would then be reduced by the amount of fees collected.

## **Methodology**

The Interagency Council on Early Childhood Intervention (ECI) assumes that families, above 200% of the Federal Poverty Level (FPL), with children enrolled in the ECI program would pay a fee for ECI services. The agency assumes that each child enrolled in the ECI program would receive 3 hours per month of billable services. The agency also assumes that the average fee collected would be \$10 per hour.

ECI estimates that the average number of children enrolled in the ECI program whose families are above 200% FPL would be 4,932 in fiscal year 2004 and 5,330 in fiscal year 2005. Based on an 8.3% growth rate, the agency projects that the average number of children enrolled in the ECI program whose families are above 200% FPL would be 5,772 in fiscal year 2006; 6,251 in fiscal year 2007; and 6,770 in fiscal year 2008. The agency estimates that local providers would collect \$1,775,520 in fees in fiscal year 2004 and \$1,918,800 in fees in fiscal year 2005.

## **Local Government Impact**

According to the agency, there would be an increase in administrative cost for local ECI providers associated with collecting the new fees.

**Source Agencies:** 532 Interagency Council on Early Childhood Intervention

**LBB Staff:** JK, JO, EB, KF, RM