

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

April 7, 2003

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

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB3124 by Truitt (Relating to the powers and duties of the Texas Rehabilitation Commission.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3124, As Introduced: a positive impact of \$8,686,610 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	\$4,343,305
2005	\$4,343,305
2006	\$4,343,305
2007	\$4,343,305
2008	\$4,343,305

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings from <i>GENERAL REVENUE FUND</i> 1	Probable (Cost) from <i>FEDERAL FUNDS</i> 555
2004	\$4,343,305	(\$329,561)
2005	\$4,343,305	(\$329,561)
2006	\$4,343,305	(\$329,561)
2007	\$4,343,305	(\$329,561)
2008	\$4,343,305	(\$329,561)

Fiscal Analysis

The bill would amend Section 111.052, Human Resources Code, to remove references to the Extended Rehabilitation Services program (ERS). In addition, Sections 111.002(7) and 111.0525(a) are repealed as they relate to the ERS program. Section 111.073, relating to the Transition Planning program is moved into Section 111.052(b)(7).

The bill effectively eliminates the ERS program and moves the Transition Planning program into Vocational Rehabilitation program.

Methodology

The Extended Rehabilitation Services (ERS) program is funded solely through General Revenue. Savings calculated here assume that the level of funding for the ERS program in fiscal year 2003 (\$4,013,744 in General Revenue) could be counted as savings in each coming year.

The Transition Planning program is also solely funding through General Revenue in fiscal year 2003 (\$418,756). Once the program is moved into the Vocational Rehabilitation (VR) program, it is eligible for federal matching funds through the Vocational Rehabilitation grant. 78.7% of the Transition Planning General Revenue (\$329,561) would now be federal funds. The \$329,561 would be a savings in General Revenue and a cost in federal funds.

Note, however, that these savings are based on a comparison to fiscal year 2003 appropriations and current law. These amounts should not be assumed as savings compared to the Initial General Revenue budgets proposed for 2004-05 biennium.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 330 Rehabilitation Commission

LBB Staff: JK, JO, KF, EB, LW