

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

April 26, 2005

TO: Honorable Todd Staples, Chair, Senate Committee on Transportation & Homeland Security

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: SB24 by Zaffirini (Relating to the creation of a donor education, awareness, and registry program, the establishment of an organ donor and tissue council, and anatomical gift donation.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for SB24, Committee Report 1st House, Substituted: a negative impact of (\$457,940) through the biennium ending August 31, 2007.

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
2006	(\$390,970)
2007	(\$66,970)
2008	\$161,280
2009	\$161,280
2010	\$17,280

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from <i>GENERAL REVENUE</i> <i>FUND</i> 1	Probable (Cost) from <i>STATE HIGHWAY</i> <i>FUND</i> 6	Probable Revenue Gain from <i>GENERAL REVENUE</i> <i>FUND</i> 1	Change in Number of State Employees from FY 2005
2006	(\$534,970)	(\$330,950)	\$144,000	1.3
2007	(\$642,970)	\$0	\$576,000	1.3
2008	(\$414,720)	\$0	\$576,000	1.3
2009	(\$414,720)	\$0	\$576,000	1.3
2010	(\$558,720)	\$0	\$576,000	1.3

Fiscal Analysis

The bill would amend the Transportation Code and Health and Safety Code as it relates to the creation of a donor education, awareness, and registry program, the establishment of an organ donor and tissue council, and anatomical gift donation.

Section 1 of the bill would amend the Transportation Code to allow the statement of an organ gift to be shown on a donor's driver's license or personal identification certificate. Under current statute, the statement of a gift is only shown on a donor card signed by the donor.

Section 2 of the bill amends the Transportation Code to require donors to provide written notice to the organization selected by the commissioner of state health services in order for the donors name and other information to be deleted from the statewide internet-based registry of organ, tissue, and eye donors.

Section 3 of the bill removes current language that was enacted on September 1, 1997, in order to include all donors. Under current law, only driver's licenses or personal identification certificates issued prior to September 1, 1997, may accompany a donor to the hospital or health care facility if the donor does not have a donor card.

Section 4 of the bill would amend Chapter 49 of the Health and Safety Code to require the Department of State Health Services (DSHS), in consultation with the Department of Public Safety (DPS) and organ procurement organizations, to establish a Donor Education, Awareness, and Registry Program of Texas and enter into an agreement with an organization selected by the commissioner of state health services for the establishment and maintenance of a statewide Internet-based registry of donors. This section would require the DPS to, at least monthly, electronically transfer to the organization selected by the commissioner relevant information, as prescribed in the bill, that DPS possessed on any person who indicates on a driver's license application that the person would like to make an anatomical gift and provides written consent to release the information for inclusion in the registry. This section would also require DPS to make available educational materials developed by the Texas Organ, Tissue, and Eye Donor Council to each office authorized to issue driver's licenses or personal identification certificates. Certain funds remitted by DPS to the comptroller would be appropriated to DSHS for costs associated with the registry and the educational materials for prospective donors. Any additional funds not used for these propose may be used by DSHS for to provide education or to contract with organizations to conduct donation education activities.

Additionally, Section 4 would require that DSHS would educate residents about anatomical gifts, to the extent that funds are available. DSHS would be required to implement a training program for new employees of DPS and the Department of Transportation on the benefits of organ, tissue and eye donation and registry procedures. DSHS may also provide the training to current employees.

Section 5 of the bill would amend the Health and Safety Code by adding a new chapter regarding the Texas Organ, Tissue, and Eye Donor Council. The council would be attached to DSHS. The bill would allow members of the council to be reimbursed for travel expenses, subject to the limitations prescribed in the General Appropriations Act. Under the bill's provisions, DSHS may be appropriated ten percent of all money collected, as prescribed in the bill.

Section 6 of the bill amends the Transportation Code to require DPS to collect \$1 for the issuance or renewal of a license to pay the costs of the Donor Education, Awareness, and Registry Program of Texas and the Texas Organ, Tissue, and Eye Donor Council from any person who opts to pay the fee. The bill would allow DPS to retain 3 percent of the money collected to cover administrative costs.

Section 7 of the bill amends the Transportation Code to require DPS to collect a \$1 fee for the issuance or renewal of a personal identification card to pay the costs of the Donor Education, Awareness, and Registry Program of Texas and the Texas Organ, Tissue, and Eye Donor Council from any person who opts to pay the fee. The bill would allow DPS to retain 3 percent of the money collected to cover administrative costs.

Section 8 of the bill requires DPS to provide each county assessor-collector educational materials for prospective donors. This section of the bill would also allow the county assessor-collector to collect an additional \$1 fee for the registration or renewal of a motor vehicle to pay for the costs of the Donor Education, Awareness, and Registry Program of Texas and the Texas Organ, Tissue, and Eye Donor Council from any person who opts to pay the additional fee. Any fees collected by the county assessor-collector for the Donor Education, Awareness, and Registry Program of Texas and the Texas Organ, Tissue, and Eye Donor Council would be remitted to the Comptroller who will maintain the identity of the source of the fees. The bill would allow 3 percent of the money collected to be appropriated to DPS to cover administrative costs.

Section 9 of the bill would allow that not more than 25 percent of the collected under certain sections

specified in the bill be appropriated to the Department of Transportation (TxDOT) for the initial costs estimated to be incurred by the agency in the 2006-07 biennium to implement the bill's provisions.

Section 10 of the bill would require that all appointments be made to the Texas Organ, Tissue, and Eye Donor Council by the public safety director of DPS, the Commissioner of DSHS, the director of the Texas Department of Transportation, and the Governor, promptly after the Act takes effect.

Section 11 of the bill would require DSHS to contract with an organization for establishment and maintenance of a registry for organ, tissue, and eye donors not later than September 1, 2006. DPS would be required to be in compliance with the changes related to transactions conducted over the Internet and other electronic means by June 1, 2006.

The bill would take effect immediately if it receives a two-thirds majority vote in both houses of the Legislature. Otherwise, the bill, with the exception of Section 8, would take effect on September 1, 2005. Section 8 of the bill would take effect June 1, 2006.

The provisions of the bill would do one or more of the following: create or recreate a dedicated account in the General Revenue Fund, create or recreate a special or trust fund either within or outside of the Treasury, or create a dedicated revenue source. Thus the fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

Methodology

DSHS assumes that an additional 1.25 FTE would be needed to support the activities of the Texas, Organ, Tissue, and Eye Donor Council. In fiscal years 2006-2010, the estimated costs each year would include \$55,460 for salaries and benefits, \$769 for in-state travel, and \$1,371 for telephone services, office supplies and postage.

The estimated costs for other operating costs would include \$20,320 each year for printing the donor cards, and \$60,000 in FY 2006 and \$19,000 in subsequent years (FY 2007-2010) for the development or revision of educational materials for prospective donors. DSHS assumes that grants would be awarded for professional and donor education at an estimated cost of \$116,804 in FY 2008, \$73,000 in FY 2009, and \$177,402 in FY 2010.

DSHS assumes that the travel reimbursements to council members would be absorbed by the state agencies with representatives on the council. The estimated travel reimbursement costs for the 7 non-agency council members would total \$4,200 each year (FY 2006-2010). Other costs associated with the council, such as preparation of the required report, would total \$1,344 in FY 2006 and \$1,200 in subsequent years.

DSHS indicates that the bill would require that the registry be outsourced. Assuming that a new registry is developed, the estimated costs would total \$271,256 in FY 2006, \$312,400 in FY 2007, \$195,596 in FY 2008, \$239,400 in FY 2009, and \$278,998 in FY 2010 for software development, voice response system implementation, hardware (servers) purchases, registry system development and maintenance, and staff support.

DPS indicates that the bill would have a minor fiscal impact on the agency. The agency would incur costs associated with changes to the driver's license or personal identification certificate, and with program changes made to Texas Online (Internet). It is assumed that any costs DPS would incur to comply with the requirements of the bill would be absorbed within the agency's existing resources.

It is assumed that \$144,000 in FY 2006 (due to 3 months of potential revenue gain) and \$576,000 in FY 2007 and subsequent years would be collected by DPS and the county tax assessor-collectors in voluntary organ donor fees and deposited in the General Revenue Fund. The estimated costs to TxDOT would total \$451,200, including \$439,600 for modifications to the Registration and Title System, \$2,000 for development of notifications, manuals and administrative rule revisions, and \$9,600 in notification costs including materials and distribution. It is assumed that if fee revenue does not cover the agency's costs for the 2006-07 biennium the remainder of the costs to TxDOT would be covered by funds from the State Highway Fund (Fund 006).

Technology

Estimated costs to outsource new registry: \$271,256 in FY 2006, \$312,400 in FY 2007, \$195,596 in FY 2008, \$239,400 in FY 2009, and \$278,998 in FY 2010. DSHS indicates that cost may be less if vendors for existing registries submit bids based on modifying existing registries rather than developing a new registry.

Local Government Impact

No significant fiscal implication to units of local government is anticipated. There would be some personnel costs to counties to distribute educational materials and collect the fee, but these costs are not expected to be significant.

Source Agencies: 405 Department of Public Safety, 537 Department of State Health Services, 601 Department of Transportation

LBB Staff: JOB, SR, KF, RM