

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

March 22, 2007

TO: Honorable Patrick M. Rose, Chair, House Committee on Human Services

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

IN RE: HB1359 by Naishtat (Relating to the maximum amount of a monthly subsidy that may be paid under adoption assistance agreements for certain children with special needs.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1359, As Introduced: a negative impact of (\$5,621,351) through the biennium ending August 31, 2009.

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
2008	(\$2,760,969)
2009	(\$2,860,382)
2010	(\$2,972,432)
2011	(\$3,090,087)
2012	(\$3,090,087)

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from <i>GENERAL REVENUE FUND 1</i>	Probable (Cost) from <i>GR MATCH FOR TITLE IV- E 8008</i>	Probable (Cost) from <i>FEDERAL FUNDS 555</i>
2008	(\$1,249,457)	(\$1,511,512)	(\$2,332,619)
2009	(\$1,297,879)	(\$1,562,503)	(\$2,430,604)
2010	(\$1,348,721)	(\$1,623,711)	(\$2,525,820)
2011	(\$1,402,106)	(\$1,687,981)	(\$2,625,796)
2012	(\$1,402,106)	(\$1,687,981)	(\$2,625,796)

Fiscal Analysis

The bill would require that the Health and Human Services Commission adopt rules providing that the maximum monthly subsidy paid to an adoptive parent under an adoption assistance agreement be equal to the amount of the foster care payment that would be provided if the child remained in foster care on the date that the Department of Family and Protective Services (DFPS) and the adoptive parent enter into the adoption assistance agreement. This maximum amount would only apply to a child whose adoptive parent under the assistance agreement had been the child's foster parent, and for whom the DFPS had made a diligent effort for at least 18 months to locate an appropriate adoptive placement other than with the foster parent.

Methodology

Calculations assume that implementation of the bill would result in a 10 percent increase in adoptions, with associated foster care savings. It is also assumed that the ceiling amount for the adoption assistance subsidy will change and be based on foster care rates. Calculations include increased costs based on an assumption that 50 percent of the children in current service levels would have been adopted regardless of the increased subsidy resulting from implementation of the bill.

DFPS estimates that the total cost of implementing the bill would be \$5,621,351 in General Revenue Funds and \$10,384,573 in All Funds for the 2008-09 biennium.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 529 Health and Human Services Commission, 530 Family and Protective Services, Department of

LBB Staff: JOB, CL, PP, VJC