

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 3, 2007

TO: Honorable Bill Callegari, Chair, House Committee on Government Reform

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

IN RE: HB2452 by Burnam (Relating to testing for illegal use of controlled substances by employees of state schools.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2452, Committee Report 1st House, Substituted: a negative impact of (\$455,138) through the biennium ending August 31, 2009.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2008	(\$227,569)
2009	(\$227,569)
2010	(\$227,569)
2011	(\$227,569)
2012	(\$227,569)

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from <i>GENERAL REVENUE FUND 1</i>	Probable (Cost) from <i>GR CERTIFIED AS MATCH FOR MEDICAID 8032</i>	Probable (Cost) from <i>FEDERAL FUNDS 555</i>
2008	(\$38,431)	(\$189,138)	(\$283,479)
2009	(\$38,431)	(\$189,138)	(\$283,479)
2010	(\$38,431)	(\$189,138)	(\$283,479)
2011	(\$38,431)	(\$189,138)	(\$283,479)
2012	(\$38,431)	(\$189,138)	(\$283,479)

Fiscal Analysis

The bill would amend Chapter 553 of the Health and Safety Code to require the Executive Commissioner to adopt a policy to prohibit the illegal use of drugs by state school employees who have direct contact with residents. The superintendent of each state school would enforce the policy for direct contact employees. The bill also requires mandatory random testing of the employees at least once per year and provides for a probationary status for employees testing positive for the first time, during which the employee would be subject to additional testing.

Methodology

DADS indicated that currently, State Schools are required to have applicants who are selected for employment tested for illegal drugs (approximately 3,093 individuals per year at a cost of approximately \$35 per test). In addition, the bill requires additional testing be conducted for employees suspected of drug use or those involved in an appeal. DADS indicated the cost of more

extensive hair or blood testing to be \$75-85 per test. While an appeal is pending the employee would be on paid leave.

DADS stated that the amount expended on State School drug testing in FY 2006 was \$108,272 in All Funds or approximately 3,093 tests at \$35/test. The DADS estimate stated that of the 11,065 State School employees, 9,959 (90 percent) would be required to be tested each year (\$35/test) and additional testing for up to 500 who are suspected of drug use or those involved in an appeal (\$80/test) for a cost of \$388,549 in All Funds. DADS indicated that based on current testing results approximately 3 percent test positive. Those employees would be on paid leave during the appeal estimated by DADS at 5 business days and an average of \$18/hour for a cost of \$230,771 in All Funds for paid leave. Total estimate annual cost would be \$619,319, an increase of \$511,048 in All Funds.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 529 Health and Human Services Commission, 539 Aging and Disability Services,
Department of

LBB Staff: JOB, MN, PP, ML