

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

**FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION**

**April 30, 2007**

**TO:** Honorable Jane Nelson, Chair, Senate Committee on Health & Human Services

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

**IN RE: HB2685** by Chisum (Relating to certain requirements for issuance of a marriage license, including an optional premarital education course.), **As Engrossed**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB2685, As Engrossed: a positive impact of \$153,007 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	\$77,715
2009	\$75,292
2010	\$75,254
2011	\$75,218
2012	\$75,182

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

Fiscal Year	Probable (Cost) from <i>FEDERAL FUNDS</i> 555	Probable Revenue Gain from <i>New GR Account- Healthy Marriage Trust Fund</i>	Probable Revenue Gain from <i>GENERAL REVENUE FUND</i> 1	Probable (Cost) from <i>GENERAL REVENUE FUND</i> 1
2008	(\$2,106,724)	\$1,865,172	\$1,398,879	(\$3,186,336)
2009	(\$4,233,124)	\$1,807,020	\$1,355,265	(\$3,086,993)
2010	(\$4,265,956)	\$1,806,108	\$1,354,581	(\$3,085,435)
2011	(\$4,297,492)	\$1,805,232	\$1,353,924	(\$3,083,938)
2012	(\$4,328,596)	\$1,804,368	\$1,353,276	(\$3,082,462)

Fiscal Year	Probable Revenue (Loss) from <i>CHILD ABUSE/NEGLECT OPER 5084</i>	Change in Number of State Employees from FY 2007
2008	(\$77,716)	0.5
2009	(\$75,293)	1.0
2010	(\$75,255)	1.0
2011	(\$75,218)	1.0
2012	(\$75,182)	1.0

## **Fiscal Analysis**

The bill would amend Chapter 2 of the Family Code and Chapter 118 of the Local Government Code to modify the rules relating to premarital education courses.

The bill would require the Health and Human Services Commission (HHSC) to establish a scholarship program from monies available under the federal Temporary Assistance for Needy Families (TANF) block grant to aid applicants who are unable to pay the premarital education course fee.

Upon completion of premarital education course, applicants for a marriage license would be granted an exemption from the 72-hour waiting period and from the marriage license fee.

The bill would establish the Healthy Marriage Trust Fund Account in the General Revenue Fund.

The bill would amend the Local Government Code to establish distribution of collected marriage fees. It would direct a county that collects a marriage license fee (\$30) to deposit \$12 to the Child Abuse and Neglect Prevention Trust Fund, \$12 to the Healthy Marriage Trust Fund, and \$12 to the Family Trust Fund. If the marriage license fees collected by a county do not cover their costs, the state would pay the county the amount of the deficiency.

The fiscal impact to Temporary Assistance for Needy Families (TANF) Federal Funding would result from 1) the requirement to provide scholarships to those unable to pay for the premarital education course; 2) the Health and Human Services Commission (HHSC) program staff required to oversee the scholarship program; and 3) the contract for determining eligibility, tracking the scholarship payments, providing information and reporting, and verification that the courses provided meet applicable standards. The cost to implement these portions of the bill is included above as TANF. However, if insufficient TANF funding is available, funding may need to be re-directed from existing programs or the program may not be implemented.

The bill would also adjust the allocation of marriage license fee revenue, shifting all of the existing \$30 fee to the state and eliminating the current \$14.50 share for local governments. This would result in a net revenue gain to the state of approximately \$3.1 million per year. Revenue would be allocated to two GR accounts and one GR-Dedicated account (detailed above). Local governments would experience a revenue loss of \$2.2 million per year.

Additionally, the bill would appear to require local governments to remit to the state \$36 per marriage license. This would create a local deficit of \$0.9 million per year. However, Section 4 of the bill would require the state to "pay the county the amount of the deficiency" associated with the costs the county incurs issuing marriage licenses. Therefore, it is assumed that the state would pay local governments (cumulatively) \$3.1 million per year, thus covering all of their expenses.

The Comptroller of Public Accounts states that the amount of marriage license application fees collected could drop depending on the number of marriage license applicants who elect to take the eight-hour premarital education course.

The bill would take effect September 1, 2007

## **Methodology**

Scholarships: HHSC estimates the cost of the course to be approximately \$360 per person (8 hours x \$45 per hour). The number of low-income people who may be eligible for the scholarships is estimated as the number of marriages annually for people in poverty multiplied by a 25 percent participation rate, which would result in the following number of people requiring financial assistance for fiscal years 2008-2012: 4,769, 9,615, 9,691, 9,764 and 9,836. The estimate for fiscal year 2008 assumes a phase-in due to time required to draft rules and develop the program. Multiplying the number of people times the cost per person results in a cost of \$1.7 million in fiscal year 2008 and \$3.5 million in fiscal years 2009 through 2012.

HHSC estimates a need for one Program Specialist V per year. The cost of this FTE is assumed for one-half year in fiscal year 2008. All costs for this FTE are assumed to be less than \$80,000 per fiscal

year. The contracted services are estimated to cost approximately \$0.3 million in fiscal year 2008, and \$0.7 million in fiscal years 2009 through 2012.

**Local Marriage License Revenue:** It is assumed that of the 178,000 annual licenses issued per year, 155,431 licenses would be issued in FY 2008. This figure is reduced by 10 percent for people who are not in poverty and choose to take the course and is adjusted for the number of persons taking the course outlined above.

Due to the bill's requirements for county governments to deposit \$36 to the state (\$20.50 in new revenue) for each \$30 marriage license issued, there is an expected deficit at the local level of approximately \$0.9 million per year. The bill's provision (Sec. 118.018 (a-1) Local Government Code) stating that if license fees collected do not cover a county's costs to issue licenses, the state will pay the amount of the deficiency would mean a cost to the state. It is assumed that the \$14.50 per license that the local governments currently retain is the amount of the deficiency, since these funds are re-directed under the bill. This cost would be \$2.2 million per year.

### **Technology**

Seat management (included above) at a cost of \$905 per fiscal year would be required for the FTE at HHSC.

### **Local Government Impact**

It is anticipated that local governments would lose their current share (\$14.50) of the total per marriage license fee (\$30), resulting in a \$2.2 million per year revenue loss. Additionally, local governments would be required to deposit to the state an additional \$6 per marriage license, creating a deficit of \$0.9 million per year. The state would offset this negative fiscal impact by paying local governments approximately \$3.2 million per year.

**Source Agencies:** 304 Comptroller of Public Accounts, 529 Health and Human Services Commission

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