

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 25, 2007

TO: Honorable Tom Craddick, Speaker of the House, House of Representatives

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

IN RE: HB3618 by Raymond (Relating to certain health programs and grants and other related funds for school districts located in the border region.), **As Passed 2nd House**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3618, As Passed 2nd House: a negative impact of (\$1,432,022) 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	(\$1,360,022)
2009	(\$72,000)
2010	(\$72,000)
2011	(\$72,000)
2012	(\$72,000)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from GENERAL REVENUE FUND 1
2008	(\$1,360,022)
2009	(\$72,000)
2010	(\$72,000)
2011	(\$72,000)
2012	(\$72,000)

Fiscal Year	Change in Number of State Employees from FY 2007
2008	1.0
2009	1.0
2010	1.0
2011	1.0
2012	1.0

Fiscal Analysis

The bill would require the Department of State Health Services (DSHS), in consultation with the commissioner of education, to adopt criteria for the development of a pilot program that is designed to prevent and detect obesity and Type 2 diabetes for implementation in school districts located near the Texas-Mexico border that meet specific criteria. School districts meeting the criteria prescribed in the bill could choose to participate in the pilot program established under the bill.

The bill would require that participating school districts measure the height, weight, and blood glucose levels of each student in grades kindergarten through eight at the beginning of the school year and at another appropriate time during implementation of the program. School districts would be required to track the measurements of the student and the progress of the student under the program through a data entry system provided over the Internet. The bill would require that pilot program components consist of bilingual materials.

The bill would require participating districts to report student height, weight, blood glucose levels, and progress during the first year of program implementation to an entity that would administer the program. The administering entity would be required to evaluate and analyze the reported measurements to determine the effectiveness of the program in the first year.

The bill would direct the Department of State Health Services to distribute funds to cover the costs associated with the program to each participating school district.

The bill would require the Department of State Health Services (DSHS) to employ one grant writer to assist school districts in obtaining funding for school-based health centers.

The bill would take effect immediately upon passage by the necessary voting majorities or September 1, 2007.

Methodology

Approximately 48 school districts in thirteen counties would meet the geographic criteria contained in the bill. The bill would further narrow the group of eligible districts to those that have a student population identified by the commissioner of health as at risk for Type 2 diabetes. The total enrollment in the districts that meet the geographic criteria of the bill for the 2006-2007 school year is approximately 392,000 students, with about 266,000 enrolled in grades kindergarten through eight. The Department of State Health Services anticipates that school districts choosing to participate in the program will encompass 238 school campuses and 182,147 students. The Department estimates costs of \$84,728 in FY2008 to provide four glucose monitors per participating campus and other necessary equipment. The Department further estimates costs of \$364,294, or \$2 per student, for blood glucose testing supplies at participating campuses.

The bill references an entity administering the program and evaluating program data during the first year of implementation. For the purpose of this fiscal note it is assumed that the data collection and evaluation would be contracted to a third party vendor for an estimated state cost of \$850,000 in FY2008. It is assumed that the data collection and evaluation costs would be one-time in nature per language in the bill requiring the activities for the purpose of determining the effectiveness of the program in the first year.

With regard to the provision requiring DSHS to employ a grant-writer, costs of approximately \$55,000 are estimated in fiscal year 2008 and \$65,000 in fiscal years 2009-2012 for 1.0 Full-Time-Equivalent (FTE) position. This estimate includes costs for salaries, benefits, travel, and other administrative costs.

Technology

DSHS estimates an additional cost of approximately \$6,000 in fiscal year 2008 and \$7,000 in fiscal years 2009-2012 for computer hardware and software.

Local Government Impact

Under the bill, participating school districts would receive funding from the Department of State Health Services to cover costs associated with the pilot program.

The bill could result in additional grant funding for school districts' school-based health centers.

Source Agencies: 537 State Health Services, Department of, 701 Central Education Agency

LBB Staff: JOB, CL, UP, JSp