

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

February 5, 2007

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

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

IN RE: SB37 by Nelson (Relating to the duties of the office of the ombudsman within the Health and Human Services Commission.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB37, As Introduced: a negative impact of (\$1,415,000) 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.

Section 1 of the bill would amend sections 531.008(c), Government Code (c)(3) to expand the responsibility of the Health and Human Services Commission (HHSC) Office of the Ombudsman (C) to provide information to the public concerning the complaint process at each licensing agency listed in Section 101.002, Occupations Code; and (D) assist consumers in obtaining information about the status of complaints at each licensing agency listed in Section 101.002, Occupations Code.

Section 2 of the bill would transfer Section 101.307, Occupations Code, to Subchapter B, Chapter 531, Government Code and would amend it to provide a source of funding to the HHSC Office of the Ombudsman to exercise the powers and duties prescribed by Sections 531.008(c)(3)(C) and (D).

Section 2(b) would provide that certain licensing and renewal fees be deposited in a new account in the general revenue fund that may be appropriated only for the purposes prescribed by Sections 531.008(c)(3)(C) and (D).

Sections 3 and 4 of the bill would repeal provisions of the Occupation Code that relate to the Office of Patient Protection.

The change in law made by this Act would only apply to a fee collected for the issuance or renewal of a license on or after October 1, 2007. Fees collected before that date would be governed by current law in effect on the date the fee was collected, and the former law is continued in effect for that purpose.

The bill would take effect September 1, 2007.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2008	(\$677,000)
2009	(\$738,000)
2010	(\$738,000)
2011	(\$738,000)
2012	(\$738,000)

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue (Loss) from GENERAL REVENUE FUND 1	Probable Revenue Gain from New General Revenue Dedicated	Probable (Cost) from New General Revenue Dedicated	Change in Number of State Employees from FY 2007
2008	(\$677,000)	\$677,000	(\$108,406)	1.0
2009	(\$738,000)	\$738,000	(\$104,781)	1.0
2010	(\$738,000)	\$738,000	(\$104,781)	1.0
2011	(\$738,000)	\$738,000	(\$104,781)	1.0
2012	(\$738,000)	\$738,000	(\$104,781)	1.0

Fiscal Analysis

The bill would re-direct licensing , registration and renewal fee revenue generated by the twelve member agencies of the Health Professions Council from the General Revenue Fund into a new General Revenue Dedicated Account, HHSC Office of the Ombudsman. Additionally, it would require the Health and Human Services Commission (HHSC) to expand its duties related to the Office of the Ombudsman, thus requiring an additional full-time-equivalent (FTE).

Methodology

The decrease in revenue to the General Revenue Fund (and increase to General Revenue-Dedicated Funds) is estimated by the Comptroller of Public Accounts to be \$0.7 million in each year. This re-direction of General Revenue results in the biennial cost of \$1.4 million above.

This does not reflect the increased revenue the bill would provide to a newly-created General Revenue Dedicated Account, HHSC Office of the Ombudsman. It also does not reflect the cost to this new GR-D account to fund the additional FTE that HHSC would require. The increase in cost for a Manager V FTE at HHSC is estimated to be \$108,406 in FY 2008, which includes start-up costs of \$4,825. The cost for FY 2009-FY 2012 is \$104,781 each year.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 116 Sunset Advisory Commission, 304 Comptroller of Public Accounts, 364 Health Professions Council, 529 Health and Human Services Commission

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