

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 23, 2007

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

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

IN RE: SB1703 by Harris (Relating to the inspection of registered or listed family homes.), As Introduced

Estimated Two-year Net Impact to General Revenue Related Funds for SB1703, As Introduced: a negative impact of (\$1,499,738) 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	(\$1,176,834)
2009	(\$322,904)
2010	(\$322,904)
2011	(\$322,904)
2012	(\$322,904)

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain from GENERAL REVENUE FUND 1	Probable (Cost) from GENERAL REVENUE FUND 1	Probable (Cost) from GR MATCH FOR MEDICAID 758	Probable (Cost) from FEDERAL FUNDS 555
2008	\$58,425	(\$1,230,578)	(\$4,681)	(\$19,164)
2009	\$58,425	(\$380,490)	(\$839)	(\$3,025)
2010	\$58,425	(\$380,490)	(\$839)	(\$3,025)
2011	\$58,425	(\$380,490)	(\$839)	(\$3,025)
2012	\$58,425	(\$380,490)	(\$839)	(\$3,025)

Fiscal Year	Change in Number of State Employees from FY 2007
2008	20.0
2009	7.0
2010	7.0
2011	7.0
2012	7.0

Fiscal Analysis

The bill would require that listed family homes be inspected by the Department of Family and

Protective Services (DFPS) upon initial registration. The bill would also amend the language on a listing permit to specify that the listed home is not regularly inspected. The bill would increase the annual fee paid by a listed family home from \$20 to \$35. The bill would also require an inspection of a home that was registered or listed before the effective date of the bill, if no inspection had been previously conducted. The bill would take effect September 1, 2007.

Methodology

Calculations by DFPS assume 1,307 listing certificates will be issued each year, based on the average number issued for fiscal years 2002 through 2006. DFPS estimates an additional 7.0 FTEs per year would be needed for the required inspections and investigations of new listings. There were 3,895 homes listed as of September 1, 2007. To inspect these existing homes, DFPS estimates that a total of 13.0 FTEs would be required in fiscal year 2008 only. These workers would be considered temporary; calculations do not apply staffing ratios. FTE costs are estimated to be \$798,138 in fiscal year 2008, including \$176,002 in associated employee benefits. For fiscal year 2009 and each year thereafter, FTE costs are estimated to be \$284,482, including \$62,733 per year for employee benefits. Other related expenses (professional services, travel, equipment, and other operating expenses) are estimated to be \$456,284 in fiscal year 2008. This includes \$32,770 for contracted staffing to amend and mail listing permits issued prior to September 1, 2007 within 90 days. Other related expenses decrease to \$99,873 in fiscal year 2009 and each year thereafter.

If available, Temporary Assistance for Needy Families (TANF) Federal Funds could be used in lieu of some General Revenue Funds estimated to be \$56,907 in fiscal year 2008 and \$10,086 in fiscal year 2009 and each year thereafter.

Implementation of this bill would result in a total increase in revenue of \$58,425 in fiscal year 2008 and each year thereafter from the increase to the annual fee for a listed home.

Technology

Implementation of the bill would have a Technology Impact of \$18,232 in fiscal year 2008 and \$5,908 in fiscal year 2009 and each year thereafter, primarily for equipment. These amounts are included in the total for other expenses in the Methodology section above.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 530 Family and Protective Services, Department of

LBB Staff: JOB, CL, VJC