

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

March 26, 2009

TO: Honorable Lois W. Kolkhorst, Chair, House Committee on Public Health

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

IN RE: HB1169 by Martinez, "Mando" (Relating to grants for federally qualified health centers.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1169, As Introduced: a negative impact of (\$10,000,000) through the biennium ending August 31, 2011.

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
2010	(\$5,000,000)
2011	(\$5,000,000)
2012	(\$5,000,000)
2013	(\$5,000,000)
2014	(\$5,000,000)

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from General Revenue Fund 1
2010	(\$5,000,000)
2011	(\$5,000,000)
2012	(\$5,000,000)
2013	(\$5,000,000)
2014	(\$5,000,000)

Fiscal Analysis

Section 1 of the bill would amend Section 31.017 of the Health and Safety Code by making permanent the current authority of the Department of State Health Services (DSHS) to make grants to establish federally qualified health centers (FQHCs) or to expand existing FQHCs. This authority would otherwise expire on September 1, 2009.

The bill would take effect August 31, 2009.

Methodology

This analysis assumes yearly grant amounts currently included in Senate Bill 1, Eighty-first Legislature, Regular Session (\$5.0 million per fiscal year). These funds are included in the Department

of State Health Services (DSHS) bill pattern, strategy B.3.2, Federally Qualified Health Center (FQHC) Infrastructure Grants.

According to DSHS, the administrative costs for the FQHC grant program was \$148,895 in fiscal year 2008. The budgeted fiscal year 2009 amount is approximately \$169,000. It is assumed that these administrative costs would continue in fiscal years 2010 through 2014 but are not included in the table above.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 537 State Health Services, Department of

LBB Staff: JOB, CL, VJC, MB