

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

**FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION**

**May 30, 2009**

**TO:** Honorable David Dewhurst , Lieutenant Governor, Senate  
Honorable Joe Straus, Speaker of the House, House of Representatives

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

**IN RE: HB2888** by Martinez, "Mando" (Relating to financial assistance administered by the Texas Department of Housing and Community Affairs.), **Conference Committee Report**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB2888, Conference Committee Report: an impact of \$0 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:**

<b>Fiscal Year</b>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2010	\$0
2011	\$0
2012	\$0
2013	\$0
2014	\$0

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

<b>Fiscal Year</b>	<b>Probable Savings/(Cost) from <i>Federal Funds</i> 555</b>	<b>Change in Number of State Employees from FY 2009</b>
2010	(\$1,347,411)	1.0
2011	(\$1,215,642)	1.0
2012	(\$1,215,642)	1.0
2013	(\$1,215,642)	1.0
2014	(\$1,215,642)	1.0

**Fiscal Analysis**

The bill would amend the Government Code relating to financial assistance administered by the Texas Department of Housing and Community Affairs (TDHCA).

The bill would establish the Volunteer Income Tax Assistance (VITA) Grant Program, to be administered by the TDHCA. TDHCA would be allowed to award grants to eligible organizations implementing VITA programs under the guidelines of the bill. Subject to the availability of money, legislative appropriation and to the extent authorized by federal law, TDHCA would distribute for VITA program grants no more than 0.25 percent of the funds received by the state during each biennium under the federal Temporary Assistance for Needy Families (TANF) block grant. The Comptroller of Public Accounts would be authorized to transfer funds received under the TANF block

grant from the Health and Human Services Commission (HHSC) and the Texas Workforce Commission (TWC) to TDHCA to implement this program. In addition, the bill would authorize the department to distribute as grants for the same purpose funds received under the Community Services Block Grant (CSBG) program and other money either appropriated for the purposes of the VITA program or designated by TDHCA and otherwise available for that purpose.

The bill would require TDHCA to seek a waiver from the appropriate federal agency if that would be necessary to implement the provisions of the bill with either TANF or CSBG funds. The bill would also allow TDHCA to delay implementing the provisions of the bill until such a waiver is authorized or granted.

This bill would take effect September 1, 2009.

### **Methodology**

According to the analysis provided by TDHCA and information received from HHSC, currently the federal TANF block grant to the state is \$486,256,752. TDHCA estimates the total TANF funds available in fiscal year 2010 will be \$1,347,411, and in fiscal year 2011 through fiscal year 2014 a total of \$1,215,642 per year would be available for the program.

Based on information provided by TDHCA, it is assumed that implementation of the program would require the addition of one planner/contract specialist (1 FTE) who would be responsible for the preparation and release of the Notice of Funding Availability related to the VITA Program and with processing contracts, reviewing reports, and processing reimbursements related to the program. This analysis also assumes travel costs related to training and monitoring program subrecipients. Total staff related costs = Personnel \$47,267 + Travel \$4,250 + a Computer \$1,500 + Other Costs \$1000 = \$54,017 in Federal Funds.

To the extent that HHSC program caseloads that utilize TANF funding end up being less than current estimates, the agency may have TANF funding available. If a transfer occurs, and HHSC encounters a shortfall, it is assumed that HHSC may request use of unappropriated available balances of TANF through Article IX of the General Appropriations Act. If no TANF reserves are available, then the agency may seek to transfer General Revenue Funds to cover its needs.

For the purpose of this analysis, it is assumed that TDHCA would identify and utilize any CSBG funds appropriated to TDHCA that are determined by the agency to be eligible under federal law and available for the purpose of implementing the provisions of the bill.

### **Technology**

The agency estimates an additional computer at a cost of \$1,500 would be needed for the new planner/contract specialist.

### **Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts, 332 Department of Housing and Community Affairs, 529 Health and Human Services Commission

**LBB Staff:** JOB, SZ, DB, MW, NV, ER, LI