

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

March 31, 2009

TO: Honorable Patrick M. Rose, Chair, House Committee on Human Services

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

IN RE: HB3232 by Davis, John (Relating to the establishment of a service conversion opportunity grant program.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3232, As Introduced: a negative impact of (\$1,726,264) 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	(\$873,932)
2011	(\$852,332)
2012	(\$852,332)
2013	(\$852,332)
2014	(\$852,332)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund 1
2010	(\$873,932)
2011	(\$852,332)
2012	(\$852,332)
2013	(\$852,332)
2014	(\$852,332)

Fiscal Analysis

The bill would amend Subchapter D, Chapter 161, Human Resources Code by adding Section 161.086. Subsection (b) would require the Department of Aging and Disability Services (DADS), to the extent funds are available, in cooperation with the Health and Human Services Commission, to establish a grant program to assist sheltered employment services providers (SESP) in restructuring the manner in which SESP use financial and staff resources to provide employment services to persons with disabilities in a more integrated, community-based setting and to maximize funding sources for that purpose.

Methodology

DADS assumed up to 3 grants would be issued with the grants supporting up to two employees at each

site (total 6 employees). Responsibilities of employees would include, but would not be limited to: developing person-directed plans for each individual transitioning, working with potential employers to establish work sites and environments, developing jobs and coordinating the placement of individuals, training individuals for positions, and ongoing monitoring and support. Total estimated cost is \$373,932 in fiscal year 2010 and \$352,332 in fiscal year 2011 and subsequent years.

DADS indicated the grants would include funds to support employer incentive and wage support. DADS included as an example, an employer may receive partial or full wage reimbursement during the initial placement while training is completed. Total estimated employer incentive funds are \$225,000 per fiscal year (\$75,000 per site).

DADS included funding to assist providers as they restructure their current sheltered employment services: Total estimated funds are \$225,000 per fiscal year (\$75,000 per site).

DADS also included additional funding for technical support and training at a cost of \$50,000 per fiscal year.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 539 Aging and Disability Services, Department of

LBB Staff: JOB, CL, ML, LR