

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 11, 2009

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

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

IN RE: HB4389 by Farias (Relating to procedures and forms for combining health and human services benefits applications with voter registration applications.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB4389, Committee Report 1st House, Substituted: a negative impact of (\$2,305,473) 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	(\$1,877,476)
2011	(\$427,997)
2012	(\$364,829)
2013	(\$364,829)
2014	(\$364,829)

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from <i>General Revenue Fund</i> 1	Probable (Cost) from <i>Federal Funds</i> 555
2010	(\$1,877,476)	(\$1,667)
2011	(\$427,997)	(\$514,643)
2012	(\$364,829)	(\$491,451)
2013	(\$364,829)	(\$491,451)
2014	(\$364,829)	(\$491,451)

Fiscal Analysis

The bill would amend Chapter 20 of the Election Code to add Subchapter F which would direct the executive commissioner of the Health and Human Services Commission (HHSC) to prescribe and require use by all HHS agencies forms and procedures that combine each application for health and human services (HHS) benefits with an official voter registration application form.

The bill would require the use of a form and procedure that combines HHS and voter registration functions for reported changes of address by HHS recipients. The form must allow the recipient to indicate if the change of address is to be used for voter registration purposes. The bill would require the Secretary of State to approve the design, content and physical characteristics of these forms. The forms must include a statement in a prominent place that it is illegal for individuals who are not

United States citizens to register to vote.

The bill would require the HHS agency to electronically transfer the applicant's voter registration data and electronic signature to the Secretary of State within five days of completion.

The bill would take effect on September 1, 2009.

Methodology

HHSC has fifteen different forms that would need to be updated with the voter registration form. The agency would develop the materials during fiscal year 2010, with implementation by January 1, 2011 (fiscal year 2011). The agency currently does not capture an electronic signature in the application process. In order to develop the interface to transmit the required information electronically to the Secretary of State, the agency indicates it would require significant automation changes. The cost to modify both SAVERR and TIERS is assumed to be \$1.9 million occurring in fiscal year 2010 in advance of implementation. No federal matching funds are assumed because these are not activities related to eligibility determination.

In addition, the agency estimates an increase in printing costs for the various eligibility forms of \$0.2 million in fiscal year 2011 and \$0.4 million in each subsequent fiscal year. Electronic signature pads for eligibility offices are assumed to cost \$120 each for a cost of \$0.5 million in fiscal year 2011 and \$0.2 million in each subsequent year for replacement and warranty costs. These costs are assumed to be matched at a 50.3% federal funds rate, to conform with HHSC's current public assistance cost allocation plan for fiscal year 2009. Costs for the CHIP eligibility determination contractor are estimated to be \$24,000 per month starting in January 2011 (\$0.2 million in fiscal year 2011 and \$0.3 million in each subsequent fiscal year). These costs are assumed to be matched at approximately a 71% federal funds rate (CHIP federal funds matching rate).

It is assumed that the agency can absorb the cost (estimated to be \$33,000) of automation changes to the TIERS self-service portal to add the voter registration page to the online application form.

There would be additional costs related to forms at other health and human services agencies, which are not reflected in this cost estimate. The Secretary of State indicates that review and approval of the forms can be absorbed within existing resources.

Technology

The bill would have a technology impact for one time automation changes of \$1,876,800.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Local voter registrars may be affected by provisions of the bill which seek to increase voter registration.

Source Agencies: 307 Secretary of State, 529 Health and Human Services Commission

LBB Staff: JOB, CL, PP, MB, BTA