

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 21, 2009

TO: Honorable David Dewhurst, Lieutenant Governor, Senate

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

IN RE: SB68 by Nelson (Relating to licensing and inspection requirements of the Department of Family and Protective Services for certain facilities and homes providing child care; providing penalties.), **As Passed 2nd House**

Estimated Two-year Net Impact to General Revenue Related Funds for SB68, As Passed 2nd House: a positive impact of \$1,149,471 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 | \$553,337 |
| 2011 | \$596,134 |
| 2012 | \$139,141 |
| 2013 | \$139,141 |
| 2014 | \$139,141 |

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 |
|-------------|--|---|---|--|
| 2010 | \$1,841,417 | (\$1,287,769) | (\$311) | (\$4,248) |
| 2011 | \$1,841,417 | (\$1,245,148) | (\$135) | (\$1,573) |
| 2012 | \$920,709 | (\$781,433) | (\$135) | (\$1,573) |
| 2013 | \$920,709 | (\$781,433) | (\$135) | (\$1,573) |
| 2014 | \$920,709 | (\$781,433) | (\$135) | (\$1,573) |

| Fiscal Year | Probable (Cost) from State Highway Fund 6 | Change in Number of State Employees from FY 2009 |
|-------------|---|--|
| 2010 | (\$49,356) | 6.0 |
| 2011 | (\$44,644) | 6.0 |
| 2012 | (\$44,644) | 6.0 |
| 2013 | (\$48,310) | 6.0 |
| 2014 | (\$44,644) | 6.0 |

Fiscal Analysis

The bill would amend Section 42.041(b), Human Resources Code, related to child-care facilities that would be exempt from licensing requirements, and Section 42.042, Human Resources Code, related to determining and enforcing minimum standards for the provision of child care by licensed facilities.

The bill would amend Section 42.056 of the Human Resources Code by expanding the population for which background and criminal history checks and fingerprint checks must be performed. Requests for checks would be submitted for employees of child-placing agencies, prospective employees of those agencies, current or prospective foster parents providing care through those agencies, prospective adoptive parents seeking to adopt through those agencies, and certain individuals older than 14 years of age with access to children in care.

Although the estimate is a positive impact to General Revenue, additional funding and FTEs would need to be appropriated to both the Department of Family and Protective Services and the Department of Public Safety to implement the provisions of the bill.

The bill would take effect September 1, 2009.

Methodology

Calculations assume that implementation of the bill would require that 53,764 additional background and criminal history checks, including FBI fingerprint-based checks, be performed in fiscal years 2010 and 2011. This number would decrease to 26,882 per fiscal year for 2012-2014.

The bill would result in a total increase in revenue of \$1,841,417 in each fiscal year of the biennium from fees collected for the checks. Costs for the Department of Public Safety (DPS), reflected as General Revenue Fund expenditures and listed below, are assumed to be offset by this revenue increase. However, a portion of this fee revenue (approximately \$1.9 million for the biennium) is returned to the FBI for professional services as required by federal statute.

Costs for the Department of Family and Protective Services (DFPS) are estimated to be \$364,899 in All Funds for fiscal year 2010 and \$319,426 in All Funds for each fiscal year thereafter. FTE needs are estimated at 5.0 per fiscal year, due to the increase in fingerprint matches to be processed.

Costs in All Funds for DPS are estimated to be \$976,785 in fiscal year 2010, \$972,073 in fiscal year 2011, \$508,359 in fiscal year 2012, \$512,025 in fiscal year 2013, and \$508,359 in fiscal year 2014. These totals include amounts returned to the FBI (\$927,429 per fiscal year for the biennium, \$463,715 per fiscal year thereafter). DPS would need one full-time equivalent (FTE) to implement the bill, due to the increase in record error resolutions.

Local Government Impact

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

Source Agencies: 304 Comptroller of Public Accounts, 405 Department of Public Safety, 530 Family and Protective Services, Department of

LBB Staff: JOB, CL, VJC, MB