

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

March 16, 2009

TO: Honorable Jane Nelson, Chair, Senate Committee on Health & Human Services

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 Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB68, As Introduced: a positive impact of \$4,378,430 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	\$2,158,203
2011	\$2,220,227
2012	\$879,784
2013	\$879,784
2014	\$879,784

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	\$2,680,885	(\$522,231)	(\$451)	(\$6,157)
2011	\$2,680,885	(\$460,462)	(\$196)	(\$2,279)
2012	\$1,340,442	(\$460,462)	(\$196)	(\$2,279)
2013	\$1,340,442	(\$460,462)	(\$196)	(\$2,279)
2014	\$1,340,442	(\$460,462)	(\$196)	(\$2,279)

Fiscal Year	Probable (Cost) from State Highway Fund 6	Change in Number of State Employees from FY 2009
2010	(\$1,399,583)	8.0
2011	(\$1,394,871)	8.0
2012	(\$719,758)	8.0
2013	(\$719,758)	8.0
2014	(\$719,758)	8.0

Fiscal Analysis

Section 8 of 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. Checks would be submitted by directors, owners, and operators of child-placing agencies (only child-care facilities and family homes are currently included in the statute). Requests for checks would be submitted for employees of the 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 those older than 14 years of age who will have unsupervised access to children in the prospective adoptive homes.

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 78,274 additional background and criminal history checks, including FBI fingerprint-based checks, be performed in fiscal years 2010 and 2011. This number would decrease to 39,137 per fiscal year for 2012-2014.

The bill would result in a total increase in revenue of \$9,383,096 for the five years covered by this cost estimate from fees collected for the checks. Costs for the Department of Public Safety (DPS), reflected as State Highway Fund 6 expenditures and listed below, are assumed to be offset by this revenue increase. However, a portion of this fee revenue (approximately \$4.7 million) is returned to the FBI for professional services as required by federal statute.

The Department of Family and Protective Services (DFPS) would need seven full-time equivalents (FTEs) to implement Section 8 of the bill, due to the increase in fingerprint matches to be processed. FTE costs are estimated to be \$334,722 per year in fiscal years 2010-2014. This includes \$74,380 per fiscal year in associated employee benefits. DFPS indicates that other related expenses (professional services, equipment, other operating expenses) are estimated to be \$194,118 in fiscal year 2010 and \$128,215 each fiscal year thereafter.

The Department of Public Safety (DPS) would need one full-time equivalent (FTE) to implement Section 8 of the bill, due to the increase in record error resolutions. FTE costs are estimated to be \$44,346 in fiscal years 2010-2014. This includes \$9,854 per fiscal year in associated employee benefits. In addition, DPS would have operating expenses related to conducting background checks, estimated to be \$1.3 million in fiscal year 2010, \$1.3 million in fiscal year 2011, and \$0.7 million in each subsequent year.

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