

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

**FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION**

**April 18, 2011**

**TO:** Honorable Jim Jackson, Chair, House Committee on Judiciary & Civil Jurisprudence

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

**IN RE: HB120** by Castro (relating to the establishment of an employment services program to assist certain unemployed or underemployed child support obligors.), **Committee Report 1st House, Substituted**

<b>No significant fiscal implication to the State is anticipated.</b>
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The bill would amend the Labor Code relating to the establishment of an employment services program to assist certain unemployed or underemployed child support obligors.

Based on the Texas Workforce Commissions' (TWCs) capacity projections of 4,392 additional non-custodial parents served each year, the Office of the Attorney General (OAG) anticipates an increase in child support payments to custodial parents; potential savings in Medicaid and TANF benefits; and additional federal performance incentives awarded to the state.

Based on information provided by the Health and Human Services Commission (HHSC) implementation of the employment services program could potentially result in savings to the TANF and Medicaid programs, if child support obligors become employed and begin making child support payments to current TANF and Medicaid recipient households. As a result of the increased household income, these households may no longer qualify for TANF benefits. Based on OAG and HHSC estimates, there is a potential savings and positive impact to General Revenue in the range of \$500,000 to \$1,000,000 for the 2012-13 biennium.

Based on the analysis of the TWC, OAG and HHSC, it is assumed that duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

**Local Government Impact**

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

**Source Agencies:** 302 Office of the Attorney General, 320 Texas Workforce Commission, 529 Health and Human Services Commission

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