

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

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

**May 2, 2011**

**TO:** Honorable Bill Callegari, Chair, House Committee on Government Efficiency & Reform

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

**IN RE: HB2448** by Harper-Brown (Relating to the creation of offices of inspectors general at the Health and Human Services Commission, Texas Youth Commission, Texas Department of Criminal Justice, Texas Department of Transportation, and Texas Education Agency; providing penalties. ), **Committee Report 1st House, Substituted**

**No significant fiscal implication to the State is anticipated.**

The bill would amend the Government Code to create an Office of Inspector General (OIG) at each of 5 state agencies: the Health and Human Services Commission (HHSC), the Texas Youth Commission (TYC), the Texas Department of Criminal Justice (TDCJ), the Texas Education Agency (TEA), and the Texas Department of Transportation (TXDOT). The OIGs would be responsible for the investigation of fraud, waste, and abuse in the provision or funding of services by or for an agency to which the chapter applies or under a program implemented, administered, or overseen by or for the agency. The office and the inspector would operate independently of the agency, and the office would be administratively attached to the agency. The OIGs would be granted rulemaking and subpoena authority and would be authorized to employ and commissioned peace officers.

The bill would allow the Office of Attorney General (OAG) to prosecute and litigate OIG referrals and determinations of evidence of fraud, waste, or abuse. The OAG anticipates any legal work resulting from the passage of this bill could be reasonably performed with existing resources.

The bill would require the transfer of all personnel, vacant full-time equivalent (FTE) positions, and assets engaged in the performance, or support, of agency functions relating to the detection, investigation, and prevention of fraud, waste, and abuse from applicable agencies to the OIGs created under the provisions of this bill.

Due to the extent to which these functions are currently performed within the affected agencies, this analysis assumes that any costs associated with implementing the bill's provisions could be met with existing resources. Any potential revenue impact from expanded enforcement and investigation has not been estimated by the affected agencies and is not assumed in this analysis.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 302 Office of the Attorney General, 304 Comptroller of Public Accounts, 308 State Auditor's Office, 529 Health and Human Services Commission, 601 Department of Transportation, 694 Youth Commission, 696 Department of Criminal Justice, 701 Central Education Agency

**LBB Staff:** JOB, KY, KM, JI, JJ