

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

May 3, 2011

TO: Honorable Richard Pena Raymond, Chair, House Committee on Human Services

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

IN RE: HB3629 by Shelton (Relating to abolishing the Department of Assistive and Rehabilitative Services and transferring its powers and duties to the Department of Aging and Disability Services and the Department of State Health Services.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3629, As Introduced: a positive impact of \$523,750 through the biennium ending August 31, 2013.

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
2012	\$0
2013	\$523,750
2014	\$524,498
2015	\$525,260
2016	\$526,046

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund 1	Probable Savings/(Cost) from Federal Funds 555	Change in Number of State Employees from FY 2011
2012	\$0	\$0	(38.0)
2013	\$523,750	\$2,613,310	(38.0)
2014	\$524,498	\$2,617,045	(38.0)
2015	\$525,260	\$2,620,844	(38.0)
2016	\$526,046	\$2,624,769	(38.0)

Fiscal Analysis

The bill would amend the Government Code, Health and Safety Code, and Human Resources Code as it relates to abolishing the Department of Assistive and Rehabilitative Services (DARS) and transferring its powers and duties to the Department of Aging and Disability Services (DADS) and the Department of State Health Services (DSHS).

The bill would abolish DARS September 1, 2012 and transfer the power and duties related to the following programs to DADS and DSHS: early childhood intervention services (ECI); 2) rehabilitation; 3) services for persons who are blind, deaf, or hard of hearing; and 4) coordination of programs for the rehabilitation of persons with disabilities. Under the provisions of the bill, a reference

in law to DARS as it relates to the power and duties associated with the programs listed above would mean DADS and DSHS.

The bill would take effect September 1, 2012.

Methodology

Under current law, DARS is responsible for administering human services programs to provide ECI services and rehabilitation and related services for persons who are blind, deaf, or hard of hearing. The agency is also currently responsible for providing and coordinating programs for the rehabilitation of persons with disabilities and is authorized to operate the disability determination services (DDS) function.

Under the provisions of the bill, DARS would be abolished September 1, 2012 and the powers and duties related to ECI would be transferred to DSHS. The powers and duties related to rehabilitation; services for persons who are blind, deaf, or hard of hearing; and the coordination of programs for the rehabilitation of persons with disabilities would be transferred to DADS. The bill does not address the functions of the DDS function.

According to the Health and Human Services Commission (HHSC), 38 indirect administration FTEs could be eliminated. The All Funds estimated savings from elimination of these FTEs is \$3,103,878 in fiscal year 2013, \$3,108,362 in fiscal year 2014, \$3,112,922 in fiscal year 2015, and \$3,117,634 in fiscal year 2016. These amounts include salaries, benefits, and other operating costs. HHSC also assumed that \$33,182 per fiscal year could be saved associated with the travel expenses of the members of the DARS council. The total savings estimate would be \$3,137,060 in fiscal year 2013, \$3,141,544 in fiscal year 2014, \$3,146,104 in fiscal year 2015, and \$3,105,816 in fiscal year 2016.

In addition to the savings estimated above, the agency indicated that there is a possibility of costs associated with the changing of the names of the agencies administering the programs, sending out notifications to clients, and implementing any needed IT system changes. However, these costs are not estimated at this time and are assumed to not be significant.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 529 Health and Human Services Commission

LBB Staff: JOB, CL, MB, SJ, VJC