

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

March 7, 2011

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

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

IN RE: SB76 by Nelson (Relating to certain providers of subsidized child care.) **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for SB76, Committee Report 1st House, Substituted: a negative impact of (\$67,792) 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	(\$33,896)
2013	(\$33,896)
2014	(\$33,896)
2015	(\$33,896)
2016	(\$33,896)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>Federal Funds</i> 555	Probable Revenue (Loss) from <i>General Revenue Fund</i> 1	Change in Number of State Employees from FY 2011
2012	(\$73,242)	(\$33,896)	2.0
2013	(\$82,401)	(\$33,896)	2.0
2014	(\$82,637)	(\$33,896)	2.0
2015	(\$82,877)	(\$33,896)	2.0
2016	(\$83,125)	(\$33,896)	2.0

The bill would require all providers of relative child care funded by the Child Care and Development Block Grant to have and clear a criminal history and background check as well as become a listed family home through the Department of Family and Protective Services (DFPS). The listed family homes would be exempted from the listing fee assessed by DFPS. The Texas Workforce Commission (TWC) must develop risk assessment protocols to identify, assess and correct fraud, waste and abuse in the child care program. TWC indicates the cost of implementing this task can be absorbed within existing resources. The Department of Public Safety indicates no fiscal impact associated with implementation of the bill.

The bill would take effect September 1, 2011.

Fiscal Analysis

The fiscal impact of the bill is due to a need for two additional full-time equivalents at DFPS for child care licensing and the criminal background check unit. In addition, the bill would remove the requirement for an annual application/renewal fee of \$20 for listed family homes.

Methodology

DFPS has indicated it will renew a Memorandum of Understanding with the Texas Workforce Commission (TWC) that funds 6 FTEs and will require two additional FTEs. It is assumed that all FTEs will be paid for by TWC through federal funds and will have no significant impact to general revenue. The exemption provided by the bill for listed family homes would result in a decrease to General Revenue of \$33,896 per year.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 320 Texas Workforce Commission, 405 Department of Public Safety, 530 Family and Protective Services, Department of

LBB Staff: JOB, CL, MB, NB, VJC, ESi, NV, RC