

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

April 25, 2011

TO: Honorable Steve Ogden, Chair, Senate Committee on Finance

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

IN RE: **SB1580** by Ogden (relating to state fiscal matters related to health and human services and state agencies administering health and human services programs.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for SB1580, Committee Report 1st House, Substituted: a positive impact of \$9,721,000 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	\$4,840,000
2013	\$4,881,000
2014	\$4,914,000
2015	\$4,946,000
2016	\$4,973,000

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain from <i>General Revenue Fund</i> 1	Probable Revenue Gain from <i>Hospital Licensing Acct</i> 129	Probable Revenue Gain from <i>Food & Drug Fee Acct</i> 341	Probable Revenue Gain from <i>Emergency Mgmt Acct</i> 512
2012	\$4,840,000	\$135,000	\$130,000	\$130,000
2013	\$4,881,000	\$135,000	\$130,000	\$130,000
2014	\$4,914,000	\$135,000	\$130,000	\$130,000
2015	\$4,946,000	\$135,000	\$130,000	\$130,000
2016	\$4,973,000	\$135,000	\$130,000	\$130,000

Fiscal Year	Probable Revenue Gain from <i>Pub Health Svc Fee</i> <i>Acct</i> 524	Probable Revenue Gain from <i>Asbestos Removal Acct</i> 5017	Probable Revenue Gain from <i>Workplace Chemicals</i> <i>List</i> 5020	Probable Revenue Gain from <i>Mammography Systems</i> <i>Acct</i> 5021
2012	\$2,000,000	\$228,000	\$50,000	\$57,000
2013	\$2,000,000	\$228,000	\$50,000	\$57,000
2014	\$2,000,000	\$228,000	\$50,000	\$57,000
2015	\$2,000,000	\$228,000	\$50,000	\$57,000
2016	\$2,000,000	\$228,000	\$50,000	\$57,000

Fiscal Year	Probable Revenue Gain from <i>Oyster Sales Acct</i> 5022	Probable Revenue Gain from <i>Food & Drug Registration</i> 5024
2012	\$12,000	\$394,000
2013	\$12,000	\$394,000
2014	\$12,000	\$394,000
2015	\$12,000	\$394,000
2016	\$12,000	\$394,000

Fiscal Analysis

The bill would authorize all agencies receiving an appropriation under Article II of the General Appropriations Act to reduce or recover expenditures through a variety of measures, including distributing required reports electronically, extending effective period of licenses, permits and registrations, entering into contracts with private vendors, and adopting additional eligibility requirements consistent with federal law for programs these agencies administer, communicating electronically, adopting and collecting fees, and modifying processes in certain programs.

The bill would authorize the executive commissioner of the Health and Human Services Commission (HHSC) to increase fees collected by the Department of State Health Services (DSHS) by up to 5 percent for issuing or renewing a license and by up to 12 percent for public health services.

The bill would direct the executive commissioner of HHSC to triple the license fees currently ranging from \$20 to \$100 levied by the Department of Family and Protective Services (DFPS) for child care facilities and child-placing agencies.

The bill would take effect September 1, 2011.

Methodology

Based on agency analysis, there could be savings or costs associated with implementing the provisions to reduce and recover expenditures in Article II agency programs, but the fiscal impact cannot be determined at this point.

Based on the analysis of DSHS and HHSC, fee collections for renewing licenses and for public health services would increase by 5 percent and 12 percent, respectively. This increase in fees would increase revenues to the General Revenue Fund, the Hospital Licensing Account 129, the Food and Drug Fee Account 341, the Emergency Management Account 512, the Public Health Service Fee Account 524, the Asebestos Removal Account 5017, the Workplace Chemicals List Account 5020, the Mammography Systems Account 5021, the Oyster Sales Account 5022, and the Food and Drug Registration Account 5024, for a total increase in revenues of \$4,500,000 each fiscal year.

Based on the analysis of the Comptroller of Public Accounts, the increase in fees for licensing and registration at DFPS would result in an increase in revenues to the General Revenue Fund of \$3,476,000 in fiscal year 2012, \$3,517,000 in fiscal year 2013, \$3,550,000 in fiscal year 2014, \$3,582,000 in fiscal year 2015, and \$3,609,000 in fiscal year 2016.

Technology

No technology impact is assumed at this time.

Local Government Impact

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

Source Agencies: 304 Comptroller of Public Accounts, 529 Health and Human Services Commission, 537 State Health Services, Department of

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