

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

**FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION**

**April 22, 2013**

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

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB2437** by Farias (Relating to community homes for persons with disabilities.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB2437, As Introduced: a negative impact of (\$416,856) through the biennium ending August 31, 2015.

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
2014	(\$325,190)
2015	(\$91,666)
2016	(\$91,666)
2017	(\$91,666)
2018	(\$91,666)

**All Funds, Five-Year Impact:**

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund 1	Probable Savings/(Cost) from GR Match For Medicaid 758	Probable Savings/(Cost) from Federal Funds 555	Change in Number of State Employees from FY 2013
2014	(\$253,307)	(\$71,883)	(\$162,016)	2.0
2015	(\$71,403)	(\$20,263)	(\$45,669)	2.0
2016	(\$71,403)	(\$20,263)	(\$45,669)	2.0
2017	(\$71,403)	(\$20,263)	(\$45,669)	2.0
2018	(\$71,403)	(\$20,263)	(\$45,669)	2.0

**Fiscal Analysis**

The bill would require a community home that is not registered, licensed, operated, certified, or

otherwise regulated by a state agency to register with the Department of Aging and Disability Services (DADS) in accordance with rules adopted by the Health and Human Services Commission (HHSC).

The bill would prohibit DADS or another regulatory agency from operating a community home located within one half-mile of an existing community home and may not issue or renew a registration, license, or certificate to such a home. For a community home regulated by DADS or another agency under another law, the bill would require DADS or another agency to enforce a violation of this section in the same manner as is used to enforce a violation of that other law. HHSC would have rulemaking authority.

### **Methodology**

DADS anticipates that creation of a new registration process for previously unregistered or unlicensed community homes would result in a need for two additional full-time equivalents (FTEs) including a Licensing and Permit Specialist to receive and review registration requests, ensure compliance, and develop policies and procedures, and an Administrative Assistant to process records requests, digitize records, and respond to program inquiries. DADS estimates the salary and benefit costs for these positions to be \$120,373 All Funds (\$80,344 General Revenue Funds) in fiscal year 2014 and subsequent years. DADS assumes additional cost pool expenses of \$18,521 All Funds (\$12,362 General Revenue Funds) in fiscal year 2014 and \$16,962 All Funds (\$11,322 General Revenue Funds) in each subsequent year.

HHSC assumes any cost to implement provisions of the bill would be minimal and can be accomplished within existing resources.

### **Technology**

DADS indicates it will incur a one-time All Funds cost of \$348,312 (\$232,484 General Revenue Funds) in fiscal year 2014 for modification to the CARES system to identify previously unregistered or unlicensed group homes and to update requirements for the new Online Provider Application system to add functionality to support the community group homes.

### **Local Government Impact**

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

**Source Agencies:** 529 Health and Human Services Commission, 539 Aging and Disability Services, Department of

**LBB Staff:** UP, CL, MB, LL, VJC