

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

March 2, 2015

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB418 by Wu (Relating to child victims of trafficking who are placed in the managing conservatorship of the Department of Family and Protective Services.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB418, As Introduced: a negative impact of (\$1,880,569) through the biennium ending August 31, 2017.

The Health and Human Services Commission indicates the bill could have a significant indeterminate fiscal impact depending upon the adoption of rules after the bill passage relating to the security provided in secure foster homes under the 100 percent federally funded Unaccompanied Refugee Minors Program.

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
2016	(\$1,880,569)
2017	\$0
2018	\$0
2019	\$0
2020	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from General Revenue Fund 1	Probable (Cost) from Federal Funds 555
2016	(\$1,880,569)	(\$39,401)
2017	\$0	\$0
2018	\$0	\$0
2019	\$0	\$0
2020	\$0	\$0

Fiscal Analysis

This bill would amend Chapter 262 of the Family Code and Chapter 42 of the Human Resources Code to establish a type of secure foster home for children who are found to be victims of human trafficking and allow courts to place such children in these homes.

The bill amends the Human Resources Code to allow the commissioners court of a county or governing body of a municipality to establish secure foster homes for children who are victims of trafficking. The secure foster homes may not provide secure foster services unless they are licensed by the Department of Family and Protective Services (DFPS). The Health and Human Services Commission (HHSC) must adopt rules and establish license qualifications and the DFPS must establish the application procedures necessary to implement the bill. The bill would take effect on September 1, 2015

Methodology

According to DFPS, these children may already be in custody of DFPS so it is assumed that there will not be a significant increase in the number of children in foster care or that the placement of these children in secure foster homes will come with an increased rate. DFPS has indicated that the bill would require changes to the way DFPS currently carries out Child Care Licensing (CCL) but DFPS has indicated that the costs will be absorbed within existing resources.

DFPS reported that changes to CLASS and IMPACT, which are the agency's casework systems, would be required to license secure agency foster homes. The one-time costs for the system changes is \$1,880,569 in General Revenue Funds and \$39,401 in Federal Funds for a total of \$1,919,970 in All Funds for fiscal year 2016. Implementation of the licensing provisions will require four contract staff, including a Project Manager at a rate of \$116 per hour for 3,249 hours for a total of \$376,884, a Business Analyst at a rate of \$96 per hour for 4,161 hours for a total of \$399,456, a Contracted Development staff, at a rate of \$110 per hour for 7,713 hours for a total of \$848,430, and a Functional Analyst at a rate of \$82 per hour for 3,600 hours for a total of \$295,200.

It is assumed that HHSC would absorb the cost of adopting rules and establishing license qualifications with existing resources. According to HHSC, there may be additional costs due to the Unaccompanied Refugee Minors (URM) Program, which provides services to foreign-born child victims of trafficking. DFPS licensed URM facilities do not currently meet the level of security required in the bill and do not provide services tailored specifically to the needs of victims of trafficking, as specified in the bill. While these facilities are currently licensed by DFPS, the minimum qualifications for licensure requirements, to be adopted after the passage of the bill may change. HHSC anticipates that any additional costs to the URM program would be covered by federal funds.

According to the Office of Court Administration, no significant fiscal impact to the state court system is anticipated.

Technology

Technology costs are estimated to be \$1,919,993 in fiscal year 2016 due to changes to the CLASS and IMPACT casework systems used by DFPS.

Local Government Impact

There may be costs for staffing, training, and infrastructure for a county or municipality to establish a secure foster home or a secure agency foster group home. According to the Texas Association of Counties, Travis County reported that daily costs of foster care in a home setting in 2012 ranged from \$23 to \$175 per day, depending on the needs of the child. The juvenile probation department reported that in a long-term residential facility, the average cost per day is \$231 for a child that receives services for domestic minor sex trafficking. Fiscal impact would vary depending on the number of children who are victims of trafficking and placed in a managing conservatorship.

Source Agencies: 212 Office of Court Administration, Texas Judicial Council, 529 Health and Human Services Commission, 530 Family and Protective Services, Department of

LBB Staff: UP, NB, MH, CG, KVe