

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

**FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION**

**April 27, 2015**

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

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

**IN RE: HB1268** by Frank (Relating to monetary assistance by the Department of Family and Protective Services provided to foster parents and relative or designated caregivers for day-care services.), **Committee Report 1st House, Substituted**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB1268, Committee Report 1st House, Substituted: a negative impact of (\$16,373,484) through the biennium ending August 31, 2017.

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:**

<b>Fiscal Year</b>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2016	(\$8,069,667)
2017	(\$8,303,817)
2018	(\$8,303,817)
2019	(\$8,303,817)
2020	(\$8,303,817)

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

<b>Fiscal Year</b>	<b>Probable Savings/(Cost) from General Revenue Fund</b>	<b>Probable Savings/(Cost) from Federal Funds</b>
	<b>1</b>	<b>555</b>
2016	(\$8,069,667)	(\$2,484,244)
2017	(\$8,303,817)	(\$2,563,961)
2018	(\$8,303,817)	(\$2,563,961)
2019	(\$8,303,817)	(\$2,563,961)
2020	(\$8,303,817)	(\$2,563,961)

**Fiscal Analysis**

The bill would amend Chapter 264 of the Family Code relating to daycare for a foster child or a child in a relative or other designated caregiver placement. The bill would require the Department

of Family and Protective Services (DFPS) to pay for daycare for qualifying children in those placements regardless of the number of hours the foster parent or relative caregiver works each week.

### **Methodology**

Based on analysis provided by the DFPS, it is assumed there would be an increase need of \$10.1 million in fiscal year 2016 and \$10.4 million in fiscal year 2017 and each year thereafter to pay for increased in client services. On top of that amount, DFPS would pay a 5% administrative fee totaling \$0.5 million in each fiscal year to the Texas Workforce Commission (TWC) to administer the program.

Estimates for the cost of the increase in client services assume 13% of foster and relative and other designated caregiver parents are currently ineligible for daycare services based on their part-time work status. The calculations also assume that of those families that would become eligible for daycare, 61.3% are caring for children that are already in a regular child care arrangement that DFPS would then be obligated to pay for. There could potentially be cost savings from some families utilizing part time daycare, however that is not accounted for in these calculations.

### **Local Government Impact**

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

**Source Agencies:** 530 Family and Protective Services, Department of

**LBB Staff:** UP, NB, WP, SJ