

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

May 28, 2015

TO: Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB1446 by Dale (Relating to reimbursement of certain medical costs for victims of certain sex offenses.), **As Passed 2nd House**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1446, As Passed 2nd House: a negative impact of (\$4,000,000) 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:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2016	(\$2,000,000)
2017	(\$2,000,000)
2018	(\$2,000,000)
2019	(\$2,000,000)
2020	(\$2,000,000)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1	Probable Savings/(Cost) from <i>Crime Victims Comp Acct</i> 469	Change in Number of State Employees from FY 2015
2016	(\$2,000,000)	(\$2,853,955)	3.0
2017	(\$2,000,000)	(\$2,893,069)	3.0
2018	(\$2,000,000)	(\$3,045,933)	3.0
2019	(\$2,000,000)	(\$3,351,661)	3.0
2020	(\$2,000,000)	(\$3,351,661)	3.0

Fiscal Analysis

The bill would amend the Code of Criminal Procedure to provide reimbursement of certain medical care costs for victims of sexual assault and compensation to victims of stalking for housing relocation from the General Revenue-Dedicated Crime Victims' Compensation Account

No. 469 by the Office of the Attorney General (OAG). The bill would also amend the Government Code to create the Governor's Program for Victims of Child Sex Trafficking to facilitate certain services to victims.

Under the bill provisions, the Office of the Governor indicates the fiscal impact would be \$2,000,000 in General Revenue each fiscal year from 2016-2020 for the Governor's Program for Victims of Child Sex Trafficking. Costs include the salary for 1.0 FTE in the Office of the Governor and grants to certain state and local entities to support victim services.

Under the bill provisions, the OAG indicates the fiscal impact to the Crime Victims' Compensation Account No. 469 would be \$2,853,955 in fiscal year 2016, \$2,893,069 in fiscal year 2017, \$3,045,933 in fiscal year 2018, and \$3,351,661 in fiscal years 2019 and 2020. Costs include salaries for 2.0 FTEs, additional reimbursement and compensation, general operating, capital equipment, and benefits.

The bill would take effect September 1, 2015

Methodology

Currently, the Crime Victims Services Division (CVSD) within the OAG approves an average of 1,693 reimbursement applications for medical care to sexual assault victims each fiscal year with an average reimbursement is \$1,488. Additionally, the CVSD receives an average of 407 applications for compensation from victims of stalking each fiscal year and the average compensation for rent and relocation expenses is \$2,162.

The CVSD assumes the following related to the bill provisions:

- 1) Reimbursable medical care costs are those described in the Health and Safety Code, Sec. 323.004;
- 2) Reimbursable medical care costs would include only initial examinations;
- 3) The average medical care reimbursement would remain constant at \$1,488;
- 4) The number of additional applications that would receive reimbursement would increase by 20 percent (2,040);
- 5) The reimbursement would be phased in at 80 percent in fiscal year 2016, 85 percent in fiscal year 2017, 90 percent in fiscal year 2018, 100 percent in subsequent fiscal years;
- 6) The average rent and relocation compensation would remain constant at \$2,162;
- 7) The number of applications for compensation would increase to 508 each fiscal year; and
- 8) Approximately 16 percent of applications for rent and relocation compensation would be approved each fiscal year.

Based on the above assumptions related to medical care reimbursement, the CVSD estimates 2,040 additional reimbursements of \$1,488 for medical care to sexual assault victims at 80 percent in fiscal year 2016, 85 percent in fiscal year 2017, 90 percent in fiscal year 2018, 100 percent in subsequent fiscal years.

Based on the above assumptions related to rent and relocation compensation for victims of stalking, the CVSD estimates 81 applications of rent and relocation compensation would be approved each fiscal year with an average payment of \$2,162.

Additionally, the OAG estimates the bill provisions would require two Accountant I (2.0 FTEs) with a fiscal year costs of \$105,872 for salaries (\$79,080) and related benefits (\$26,792). The additional FTEs would support the CVSD related to additional reimbursement claims.

The Office of the Governor indicates required activities of the Governor's Program for Victims of Child Sex Trafficking would be facilitated through grants to another agency. The grants would require the recipient to employ four referral specialists and six case managers, at an estimated annual cost of \$585,000. The grants would cover operational costs for a toll-free number, case management system, equipment, supplies, and staff travel, estimated to be \$43,396 in fiscal year 2016 and \$44,896 in fiscal year 2017.

The Office of the Governor estimates additional grants of \$70,000 would be provided to 18 local service providers across Texas (18 x \$70,000 = \$1,260,000) each fiscal year.

According to the Office of the Governor, establishing the Governor's Program for Victims of Child Sex Trafficking would require a Director II (1.0 FTE) at an annual cost of \$105,904 for salary (\$80,000) and related benefits (\$25,904), and operating expenses estimated to be \$5,700 in fiscal 2016 and \$4,200 in fiscal year 2017.

Technology

There would be a technology impact related to the computer hardware, software, telecommunications equipment, network storage, and updates to workflow systems estimated to be \$119,930 in fiscal year 2016 and \$6,180 in subsequent years.

Local Government Impact

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

Source Agencies: 301 Office of the Governor

LBB Staff: UP, KJo, EP, TBo