

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

April 8, 2015

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB1769** by Zerwas (relating to requirements for assisted living facility license applicants.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1769, Committee Report 1st House, Substituted: a negative impact of (\$329,311) 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	(\$166,626)
2017	(\$162,685)
2018	(\$137,685)
2019	(\$137,685)
2020	(\$137,685)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund
	1
2016	(\$166,626)
2017	(\$162,685)
2018	(\$137,685)
2019	(\$137,685)
2020	(\$137,685)

Fiscal Analysis

The bill would amend Chapter 247 of the Health and Safety Code to authorize the Department of Aging and Disability Services (DADS) to issue an initial assisted living facility license that would not require an on-site health inspection to an applicant considered in good standing. The bill would require that DADS conduct a survey of these facilities within a certain timeframe. The bill would prohibit DADS from requiring that these facilities admit a resident before DADS conducts an on-site health inspection.

Methodology

DADS estimates that it would be required to conduct an additional 90 initial health inspections annually. DADS indicates that it would need 1.5 full-time equivalent positions (FTEs) to conduct the inspections. Total costs would be \$166,626 in General Revenue and All Funds for fiscal year 2016, \$162,685 in General Revenue and All Funds for fiscal year 2017, and \$137,685 in General Revenue and All Funds for every year thereafter. Salary costs would be \$84,228 per fiscal year. Benefit costs would be \$27,273 per fiscal year. Other expenses would be \$55,125 for fiscal year 2016, \$51,184 for fiscal year 2017, and \$26,184 for every year thereafter.

The Health and Human Services Commission indicates any costs related to rulemaking activities that are necessary to implement the bill would be minimal and can be absorbed within available resources.

Technology

DADS indicates there would be a cost for system modifications associated with implementing the provisions of the bill.

Local Government Impact

No 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, ADe, NB, WP, VJC