

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

March 2, 2015

TO: Honorable Joan Huffman, Chair, Senate Committee on State Affairs

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB550 by Uresti (Relating to requiring dental support for a child subject to a child support order.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related funds for SB 550, As Introduced: a negative impact of (\$1,378,700) 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	(\$1,209,380)
2017	(\$169,320)
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	(\$1,209,380)	(\$2,347,620)
2017	(\$169,320)	(\$328,680)
2018	\$0	\$0
2019	\$0	\$0
2020	\$0	\$0

Fiscal Analysis

The bill would amend multiple chapters of the Family Code by requiring dental support for a child subject to a child support order. All child support court orders would need to address dental support and order an appropriate parent to provide dental insurance, or reimburse the other parent for the cost of providing dental insurance.

The Office of the Attorney General of the State of Texas (OAG) would need to ensure that all child court orders address dental support. OAG has reported that modifications to the Child Support Division (CSD) mainframe system TXCSES (T1) would be necessary to comply with the bill. The CSD upgraded web-based computer system TXCSES 2.0 (T2) will require additional programming as well.

Based on information provided by the Texas Department of Insurance, it is assumed that their duties and responsibilities necessary to implement the provisions of the bill could be accomplished within existing resources.

According to the Teacher Retirement System of Texas, the bill would have no fiscal impact on the agency because the health care plans administered by the agency do not include coverage for dental expenses.

The Office of Court Administration has indicated that no significant fiscal impact to the state court system is anticipated.

The bill would take effect September 1, 2015.

Methodology

OAG estimates 35,000 information technology contractor hours at a rate of \$87.40 per hour to modify T1 to comply with the bill for a total cost of \$3,059,000 in fiscal year 2016.

OAG estimates that programming to T2 to comply with the bill will require approximately 6,640 hours from the current development vendor at a cost of \$150 per hour. This would be a total cost of \$996,000 split over fiscal years 2016 and 2017.

The total cost to modify CSD systems to ensure child support orders address dental support is \$4,055,000 over a five-year period. These costs would be incurred in fiscal years 2016 and 2017. The funding would be split between Federal Funds (66% or \$2,676,300) and General Revenue (34% or \$1,378,700).

Technology

Technology costs are estimated to be \$1,378,700 in General Revenue Related funds for fiscal years 2016 and 2017 due to changes to the CSD T1 mainframe system and T2 web-based computer system.

Local Government Impact

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

Source Agencies: 212 Office of Court Administration, Texas Judicial Council, 302 Office of the Attorney General, 323 Teacher Retirement System, 454 Department of Insurance

LBB Staff: UP, AG, MH, CG, ER