

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 29, 2017

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB7** by Wu (Relating to child protective services suits, motions, and services by the Department of Family and Protective Services.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB7, Committee Report 1st House, Substituted: a negative impact of (\$10,486,171) through the biennium ending August 31, 2019.

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
2018	(\$5,336,246)
2019	(\$5,149,925)
2020	(\$5,149,925)
2021	(\$5,149,925)
2022	(\$5,149,925)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund 1	Probable Savings/(Cost) from GR Match For Medicaid 758	Probable Revenue (Loss) from Chld Support Retained Col 787	Probable Savings/(Cost) from Federal Funds 555
2018	(\$4,465,656)	(\$70,590)	(\$800,000)	(\$136,339)
2019	(\$4,318,038)	(\$31,887)	(\$800,000)	(\$122,878)
2020	(\$4,318,038)	(\$31,887)	(\$800,000)	(\$122,878)
2021	(\$4,318,038)	(\$31,887)	(\$800,000)	(\$122,878)
2022	(\$4,318,038)	(\$31,887)	(\$800,000)	(\$122,878)

Fiscal Year	Change in Number of State Employees from FY 2017
2018	14.1
2019	14.1
2020	14.1
2021	14.1
2022	14.1

Fiscal Analysis

The bill would amend the Family Code, Government Code, Human Resources Code, and Penal Code relating to child protective services suits, motions, and services by the Department of Family and Protective Services (DFPS).

The bill would amend the Family Code to require DFPS and the Texas Juvenile Justice Department (TJJD) to coordinate for the provision of services to multi-system youth.

The bill would direct DFPS, with the Permanent Judicial Commission for Children, Youth and Families and other interested parties, to review and make recommendations to the legislature related to jury selection methods in suits affecting the parent-child relationship filed by DFPS.

The bill would prohibit a court from ordering a parent to make child support payments in a pending DFPS case.

The bill would require DFPS, upon request, to provide certain information to a parent's attorney or child's attorney ad litem before the full adversary hearing.

The bill would require DFPS to conduct an annual independent living skill assessment for children in the conservatorship of the state, beginning at 14 years of age. The bill would require DFPS to create a plan to standardize the Preparation for Adult Living Program curriculum and report the plan to the legislature no later than December 1, 2018.

The bill would amend a provision in the Penal Code to apply violations of certain court orders (created elsewhere in the bill) to child abuse or neglect cases, creating an offense.

This bill would take effect on September 1, 2017. The bill stipulates how and when the provisions of the bill are to be applied and lists under which circumstances former law is continued in effect.

Methodology

The bill is estimated to result in a cost of \$5,472,585, in All Funds, in fiscal year 2018, and a cost of \$5,272,803, in All Funds, in fiscal year 2019.

According to DFPS and HHSC, all of the duties and responsibilities associated with implementing the provisions of the bill related to coordinating with TJJD for services to multi-system youth, developing recommendations related to jury selection methods, filing protective orders jointly with a parent, relative or caregiver of the child, postponing the adversary hearing to allow a parent to work with an attorney, requiring all necessary referrals to service providers for parents are done within five days of the adversary hearing, and requiring MCOs in STAR Health ensure continuity of care for a child whose substitute care placement has changed could be accomplished by utilizing existing agency resources.

Depending on the type of substitute care provided to the child, child support payments made on behalf of children in substitute care are either distributed to relative caregivers or split amongst DFPS, the Office of the Attorney General (OAG), and the federal government. According to DFPS, in fiscal year 2016, \$1.8 million of child support collections were passed on to relatives for kinship placements and \$0.8 million was used to offset foster care costs. It is estimated the changes to section 154.001, Family Code, would result in \$1.6 million in lost child support collections revenue in the 2018-19 biennium, a savings of a like amount in DFPS Appropriated Receipts - Child Support Collections, and a cost of a like amount to the General Revenue Fund to replace funding for foster care payments. This analysis assumes the OAG would see an equal loss of \$1.6 million in lost child support collections revenue to the Child Support Retained Collections Account in the 2018-19 biennium because the agency receives an equal share of collections as DFPS.

According to DFPS, the requirement to provide certain information that will be introduced as evidence to the attorney or attorneys representing a parent or a child prior to a full adversary hearing, three additional investigative caseworkers would be necessary to attach evidence to petitions. That would result in a cost of \$336,673, in All Funds, in fiscal year 2018 for salary and benefits and \$314,769, in All Funds, in each fiscal year thereafter. DFPS estimates each removal has an average of 10 photos at \$0.39 cents per photo, resulting in a cost of \$74,408 in All Funds per fiscal year. DFPS estimates each removal has one audio recording at a cost of \$.20 per recording, resulting in a cost of \$3,816 in All Funds per fiscal year.

According to the agency, to provide annually a life skills assessment for children in conservatorship of the state beginning at age 14 would approximately double the amount of assessments currently provided, and would cost approximately \$2.3 million each fiscal year. In addition, the analysis assumes that in order to coordinate services and track compliance, DFPS would require an additional 11.1 full-time equivalent (FTE) positions and \$111,406 for IMPACT database modifications. The analysis assumes that each additional FTE would cost approximately \$88,700 per fiscal year for related benefits and expenses, and approximately \$6,000 in fiscal year 2018 for one-time set up costs.

The Office of Court Administration (OCA) does not anticipate a significant fiscal impact to the state court system related to the creation of a new criminal offense. OCA also does not anticipate a significant increase in the caseload or duties of the courts.

Technology

The total technology cost is estimated to be \$111,406 in fiscal year 2018 for system changes, computer equipment, software licenses, and basic data storage under the contract for data center services.

Local Government Impact

No 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, 529 Health and Human Services Commission, 530 Family and Protective Services, Department of, 696 Department of Criminal Justice

LBB Staff: UP, KCA, JJ, DFR, JGA

