

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

March 7, 2017

TO: Honorable Byron Cook, Chair, House Committee on State Affairs

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB35 by Cook (Relating to the disposition of embryonic and fetal tissue remains; imposing a civil penalty.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would require health care facilities to dispose of fetal remains following certain criteria. The Department of State Health Services (DSHS) would be required to create and maintain a registry of certain entities that can assist with costs associated with burial or cremation of fetal remains. Additionally, DSHS would be required to make the registry information available to certain parties on request. DSHS would be permitted to suspend or revoke the licenses of health care facilities that do not comply with fetal remains disposition criteria. The non-complying facility would be liable for a civil penalty for each violation and the Attorney General would be allowed to file a suit to collect the penalty. The executive commissioner of the Health and Human Services Commission (HHSC) would be required to adopt any rules necessary to implement the bill by January 1, 2018.

Based on the analysis provided by HHSC, DSHS, The University of Texas System, and the Office of Attorney General, the provisions of the bill can be implemented within existing resources.

Local Government Impact

Certain hospitals that are units of local government reported via survey by the Texas Hospital Association (THA) estimates of costs associated with implementing the provisions of the bill:

In the survey, Texas hospital number 1 indicated 1680 fetal remains specimens per year. For each burial, costs range between \$130-\$390 depending on which funeral home is used. Thus, THA reported the burial costs per year per hospital range between \$218,400-\$655,200.

In the same survey, THA indicated that Texas hospital number 2 reported that their existing funeral home contract specifies a cost of \$1,060 for cremation and \$1,400 for burial. In the last 12 months, hospital number 2 handled 100 fetuses of less than 350 grams not including specimens of fetal tissue which are not currently tracked.

According to the Funeral Consumers Alliance of Central Texas, the lowest cost for direct cremations in Central Texas is \$575, while the lowest cost for immediate burial is \$1,200.

Source Agencies: 302 Office of the Attorney General, 529 Health and Human Services Commission, 537 State Health Services, Department of, 720 The University of Texas System Administration

LBB Staff: UP, AG, LR, RGU, JGA