

LEGISLATIVE BUDGET BOARD  
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

March 19, 2017

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

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB39** by Wu (Relating to the child protective service functions of the Department of family and Protective Services.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB39, As Introduced: a negative impact of (\$22,306,453) 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	(\$12,258,808)
2019	(\$10,047,645)
2020	(\$9,947,645)
2021	(\$9,947,645)
2022	(\$9,947,645)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund 1	Probable Savings/(Cost) from Federal Funds 555	Probable Savings/(Cost) from GR Match For Medicaid 758	Change in Number of State Employees from FY 2017
2018	(\$12,254,041)	(\$2,237,937)	(\$4,767)	4.3
2019	(\$10,043,110)	(\$45,349)	(\$4,535)	4.3
2020	(\$9,943,110)	(\$45,349)	(\$4,535)	4.3
2021	(\$9,943,110)	(\$45,349)	(\$4,535)	4.3
2022	(\$9,943,110)	(\$45,349)	(\$4,535)	4.3

Fiscal Analysis

The bill would authorize the Department of Family and Protective Services (DFPS) to collaborate with certain entities to create a career development and education program for foster youth and

former foster youth.

The bill would require DFPS to conduct an initial medical and psychological assessment of a child within 14 days of removal from the child's home, or within five days of removal following abuse or neglect that could have resulted in the death of, or serious harm to, the child.

The bill would add certain current or former child protective services employees to exemptions from certain public disclosures.

The bill would require DFPS to designate an office to serve as a liaison between the department and nonprofit agencies

The bill would require DFPS to utilize a caseload management system with certain criteria.

The bill would require DFPS to ensure that each child protective services caseworker who interacts with children on a daily basis receives training in trauma-based care.

The bill would require DFPS to develop and make available a program to provide ongoing support to caseworkers who experience secondary trauma in the course of employment.

The bill would require DFPS to collaborate with the University of Houston, the University of Texas at Austin, and Texas A&M University to create a best practices guide for child protective services cases.

The bill would require new standards for measuring the caseloads of DFPS caseworkers.

The bill would require DFPS to establish an evidence-based system for assessing the risk of harm to a child from abuse or neglect.

The bill would require DFPS to identify all foster homes able to accept emergency placements, develop procedures for the emergency placement of children, and increase the number of foster homes able to accept emergency placements.

## **Methodology**

The bill is estimated to result in a cost of \$14.5 million in All Funds, including \$12.3 million in General Revenue, in fiscal year 2018; a cost of \$10.1 million in All Funds, including \$10.0 million in General Revenue, in fiscal year 2019; and a cost of \$10.0 million in All Funds, including \$9.9 million in General Revenue, in each fiscal year thereafter.

DFPS assumes any costs associated with the expedited provision of medical evaluations could be absorbed within existing resources. DFPS assumes a cost of \$9.5 million in General Revenue per fiscal year to conduct initial psychological assessments. However, it may be difficult to obtain a psychological assessment for each child within the timeframe required in the bill due to limited access to providers who could perform such an assessment; if some of the evaluations are not performed, the cost would be reduced. Some of the costs associated with psychological assessments may be covered by Medicaid, which would reduce the cost to General Revenue due to the availability of federal matching funds; however, the proportion cannot be determined at this time.

This analysis assumes that collaboration with universities to create a best practices guide would result in a cost of \$100,000 in General Revenue in each of fiscal years 2018 and 2019 and that

costs to update the guide in future years could be absorbed within existing agency resources.

DFPS assumes that 1.3 full-time equivalents (FTEs) would be required to perform information technology work related to caseload measures, resulting in a cost of \$144,123 in All Funds in fiscal year 2018 for salary and benefits and \$137,103 in All Funds in each fiscal year thereafter.

DFPS identified the need for one-time costs totaling \$4.1 million in All Funds in fiscal year 2018, including \$1.6 million for contracted technical assistance and \$2.5 million for updates to the IMPACT system related to the establishment of an evidence-based system for assessing the risk of harm to a child from abuse or neglect; these costs are assumed to be funded at a 50/50 state-federal match. According to DFPS, 3.0 FTEs would also be needed, resulting in a cost of \$332,591 in All Funds in fiscal year 2018 for salary and benefits and \$316,391 in All Funds in each fiscal year thereafter.

Based on the analysis of DFPS, one-time costs of \$280,531 in all Funds in fiscal year 2018 would be required to redesign a database to identify all foster homes able to accept emergency placements.

This analysis assumes the University of Houston, University of Texas at Austin, and Texas A&M University could implement the provisions of the bill within existing resources.

**Technology**

Technology costs are estimated to be \$2,787,411 in the 2018-19 biennium for one-time implementation costs. This includes \$2,500,000 for upgrades to IMPACT, \$280,531 for updates to the Automated Placement Portal, and \$1,600 per additional FTE for computer and laptop accessories.

**Local Government Impact**

According to the Texas Association of Counties, Denton County reported the fiscal impact is not anticipated to be significant.

**Source Agencies:** 530 Family and Protective Services, Department of, 710 Texas A&M University System Administrative and General Offices, 720 The University of Texas System Administration, 783 University of Houston System Administration

**LBB Staff:** UP, KCA, LR, DM, JBi, JGA