

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 19, 2017

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB1542** by Price (Relating to the definition of the least restrictive environment for the placement of children in foster care.), **Committee Report 1st House, Substituted**

<p>No significant fiscal implication to the State is anticipated.</p>
--

The bill would amend the Family Code relating to the definition of the least restrictive environment for the placement of children in foster care.

According to the Department of Family and Protective Services (DFPS), while the duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources, implementation of these provisions could result in the loss of existing federal funds.

Current federal law under the Social Security Act, Title IV-E, Sec 675(5)(A), established a specific definition for "least restrictive environment" for the placement of children in foster care. If the federal government considers DFPS to be out of compliance with this federal regulation, DFPS could potentially put at risk up to \$1.3 billion in existing Title IV-E and TANF federal funding. To the extent the state chose to replace any lost funds with General Revenue, there would be a cost to the state.

The bill would take effect September 1, 2017.

Local Government Impact

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

Source Agencies: 530 Family and Protective Services, Department of

LBB Staff: UP, KCA, EP, JLi