

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 22, 2017

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB3935** by Rose (Relating to licensing and reimbursing certain foster group homes that provide services to victims of sex trafficking.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3935, As Introduced: a negative impact of (\$538,208) 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	(\$266,912)
2019	(\$271,296)
2020	(\$276,166)
2021	(\$280,550)
2022	(\$284,933)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1	Probable Savings/(Cost) from <i>Federal Funds</i> 555
2018	(\$266,912)	(\$220,154)
2019	(\$271,296)	(\$215,770)
2020	(\$276,166)	(\$210,899)
2021	(\$280,550)	(\$206,516)
2022	(\$284,933)	(\$202,132)

Fiscal Analysis

The bill would amend the Human Resources Code to require the Department of Family and Protective Services (DFPS) adopt rules to license independent foster group homes that provide shelter and care for victims of sex trafficking.

The bill would require DFPS to reimburse the independent foster group home providing services at the intensive services level rate for residential child care.

The bill would take effect September 1, 2017.

Methodology

According to DFPS estimates, based on the conservatorship population in previous years, the agency assumes that 42 children would need this placement type. DFPS further assumes that, of this estimate, 25 percent are already receiving services at the intensive service rate, resulting in a total of 32 children that would require a shift from the specialized rate to intensive services rate. The difference between the current specialized rate of \$84.56 per day to the intensive services rate of \$186.42 per day results in an incremental need of \$101.86 per day per child. DFPS assumes that each child would require 180 days of care, for a total cost of \$487,066 in All Funds each fiscal year.

In addition, this analysis assumes that Title IV-E coverage equals 45.2 percent in fiscal year 2018, 44.3 percent in fiscal year 2019, 43.3 percent in fiscal year 2020, 42.4 percent in fiscal year 2021, and 41.5 percent in fiscal year 2022.

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