

# SENATE AMENDMENTS

2<sup>nd</sup> Printing

By: Price, Turner, White, Clardy, Moody,  
et al.

H.B. No. 13

A BILL TO BE ENTITLED

1 AN ACT  
2 relating to the creation of a matching grant program to support  
3 community mental health programs for individuals experiencing  
4 mental illness.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Subchapter B, Chapter 531, Government Code, is  
7 amended by adding Section 531.0999 to read as follows:

8 Sec. 531.0999. GRANT PROGRAM FOR MENTAL HEALTH SERVICES.

9 (a) To the extent money is appropriated to the commission for that  
10 purpose, the commission shall establish a matching grant program  
11 for the purpose of supporting community mental health programs  
12 providing services and treatment to individuals experiencing  
13 mental illness.

14 (b) The commission shall enter into an agreement with a  
15 qualified nonprofit or other private entity to serve as the  
16 administrator of the matching grant program. The duties of the  
17 administrator must include assisting, supporting, and advising the  
18 commission in fulfilling the commission's responsibilities with  
19 respect to the program. The administrator may advise the  
20 commission on:

21 (1) designing, developing, implementing, and managing  
22 the program;

23 (2) determining criteria for local community  
24 collaboration and the types of services and deliveries eligible for

1 grants;

2 (3) eligibility requirements for grant recipients;

3 (4) designing and managing the competitive bidding  
4 processes for applications or proposals and the evaluation and  
5 selection of grant recipients;

6 (5) contractual requirements for grant recipients;

7 (6) grant requisites and mechanisms;

8 (7) roles and responsibilities of grant recipients;

9 (8) reporting requirements for grant recipients;

10 (9) support and technical capabilities;

11 (10) timelines and deadlines for the program;

12 (11) evaluation of the program and grant recipients;

13 and

14 (12) requirements for reporting on the program to  
15 policy makers.

16 (c) The administrator of the matching grant program shall  
17 ensure that each grant recipient obtains or secures contributions  
18 to match awarded grants in amounts of money or other consideration  
19 as required by Subsection (j). The money or other consideration  
20 obtained or secured by the recipient, as determined by the  
21 executive commissioner, may include cash or in-kind contributions  
22 from any person but may not include money from state or federal  
23 funds.

24 (d) Money appropriated to or obtained by the commission for  
25 the matching grant program must be disbursed directly to grant  
26 recipients by the commission, as authorized by the executive  
27 commissioner. Money or other consideration obtained or secured by

1 the administrator must be disbursed or provided directly to grant  
2 recipients by the administrator, private contributors, or local  
3 governments, as authorized by the executive commissioner.

4 (e) A grant awarded under the matching grant program and  
5 matching amounts must be used for the sole purpose of supporting  
6 community programs that provide mental health care services and  
7 treatment to individuals with a mental illness and that coordinate  
8 mental health care services for individuals with a mental illness  
9 with other transition support services.

10 (f) The administrator must obtain the commission's approval  
11 of the eligibility requirements for grant recipients, the types of  
12 services and deliveries eligible for grants, and the requirements  
13 for reporting as developed by the administrator before the  
14 commission awards a grant under the matching grant program.

15 (g) The commission shall select grant recipients based on  
16 the submission of applications or proposals by nonprofit and  
17 governmental entities. The executive commissioner shall develop  
18 criteria for the evaluation of those applications or proposals and  
19 the selection of grant recipients. The selection criteria must:

- 20 (1) evaluate and score:  
21 (A) fiscal controls for the project;  
22 (B) project effectiveness;  
23 (C) project cost; and  
24 (D) an applicant's previous experience with  
25 grants and contracts;

26 (2) address the possibility of and method for making  
27 multiple awards; and

1           (3) include other factors that the executive  
2 commissioner considers relevant.

3           (h) A nonprofit or governmental entity that applies for a  
4 grant under this section must notify each local mental health  
5 authority with a local service area that is covered wholly or partly  
6 by the entity's proposed community mental health program and must  
7 provide in the entity's application a letter of support from each  
8 local mental health authority with a local service area that is  
9 covered wholly or partly by the entity's proposed community mental  
10 health program. The commission and the administrator shall  
11 consider a local mental health authority's written input before  
12 awarding a grant under this section and may take any  
13 recommendations made by the authority.

14           (i) The commission shall condition each grant awarded to a  
15 recipient under the program on the administrator ensuring that the  
16 recipient has obtained or secured matching funds from non-state  
17 sources in amounts of money or other consideration as required by  
18 Subsection (j).

19           (j) A community that receives a grant under this section is  
20 required to leverage funds in an amount:

21           (1) equal to 100 percent of the grant amount if the  
22 community mental health program is located in a county with a  
23 population of less than 125,000;

24           (2) equal to 115 percent of the grant amount if the  
25 community mental health program is located in a county with a  
26 population of at least 125,000 and not greater than 250,000;

27           (3) equal to 125 percent of the grant amount if the

1 community mental health program is located in a county with a  
2 population of at least 250,000 and not greater than 500,000;

3 (4) equal to 150 percent of the grant amount if the  
4 community mental health program is located in a county with a  
5 population of at least 500,000 and not greater than one million;

6 (5) equal to 167 percent of the grant amount if the  
7 community mental health program is located in a county with a  
8 population greater than one million; and

9 (6) equal to the percentage of the grant amount  
10 otherwise required by this subsection for the largest county in  
11 which a community mental health program is located if the community  
12 mental health program is located in more than one county.

13 (k) Except as provided by Subsection (l), from money  
14 appropriated to the commission for each fiscal year to implement  
15 this section, the commission shall reserve:

16 (1) 25 percent of that total to be awarded only as  
17 grants to a community mental health program located in a county with  
18 a population not greater than 250,000; and

19 (2) five percent of that total to be awarded only as  
20 grants to a community mental health program located in a county with  
21 a population not greater than 125,000.

22 (l) To the extent money appropriated to the commission to  
23 implement this section for a fiscal year remains available to the  
24 commission after the commission selects grant recipients for the  
25 fiscal year, the commission shall make grants available using the  
26 money remaining for the fiscal year through a competitive request  
27 for proposal process, without regard to the limitation provided by

1 Subsection (k).

2 (m) Not later than December 1 of each calendar year, the  
3 executive commissioner shall submit to the governor, the lieutenant  
4 governor, and each member of the legislature a report evaluating  
5 the success of the matching grant program created by this section.

6 (n) The executive commissioner shall adopt any rules  
7 necessary to implement the matching grant program under this  
8 section.

9 SECTION 2. This Act takes effect immediately if it receives  
10 a vote of two-thirds of all the members elected to each house, as  
11 provided by Section 39, Article III, Texas Constitution. If this  
12 Act does not receive the vote necessary for immediate effect, this  
13 Act takes effect September 1, 2017.

ADOPTED

MAY 23 2017

*Leta Stovall*  
Secretary of the Senate

By: Price

H.B. No. 13

Substitute the following for      H.B. No.     :

By: *E. Adams*

C.S. H.B. No. 13

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to the creation of a matching grant program to support  
3 community mental health programs for individuals experiencing  
4 mental illness.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Subchapter B, Chapter 531, Government Code, is  
7 amended by adding Section 531.0999 to read as follows:

8 Sec. 531.0999. GRANT PROGRAM FOR MENTAL HEALTH SERVICES.

9 (a) To the extent money is appropriated to the commission for that  
10 purpose, the commission shall establish a matching grant program  
11 for the purpose of supporting community mental health programs  
12 providing services and treatment to individuals experiencing  
13 mental illness.

14 (b) The commission shall ensure that each grant recipient  
15 obtains or secures contributions to match awarded grants in amounts  
16 of money or other consideration as required by Subsection (h). The  
17 money or other consideration obtained or secured by the recipient,  
18 as determined by the executive commissioner, may include cash or  
19 in-kind contributions from any person but may not include money  
20 from state or federal funds.

21 (c) Money appropriated to or obtained by the commission for  
22 the matching grant program must be disbursed directly to grant  
23 recipients by the commission, as authorized by the executive  
24 commissioner.

1           (d) A grant awarded under the matching grant program and  
2 matching amounts must be used for the sole purpose of supporting  
3 community programs that provide mental health care services and  
4 treatment to individuals with a mental illness and that coordinate  
5 mental health care services for individuals with a mental illness  
6 with other transition support services.

7           (e) The commission shall select grant recipients based on  
8 the submission of applications or proposals by nonprofit and  
9 governmental entities. The executive commissioner shall develop  
10 criteria for the evaluation of those applications or proposals and  
11 the selection of grant recipients. The selection criteria must:

12                   (1) evaluate and score:

13                           (A) fiscal controls for the project;

14                           (B) project effectiveness;

15                           (C) project cost; and

16                           (D) an applicant's previous experience with  
17 grants and contracts;

18                   (2) address whether the services proposed in the  
19 application or proposal would duplicate services already available  
20 in the applicant's service area;

21                   (3) address the possibility of and method for making  
22 multiple awards; and

23                   (4) include other factors that the executive  
24 commissioner considers relevant.

25           (f) A nonprofit or governmental entity that applies for a  
26 grant under this section must notify each local mental health  
27 authority with a local service area that is covered wholly or partly



1 by the entity's proposed community mental health program and must  
2 provide in the entity's application a letter of support from each  
3 local mental health authority with a local service area that is  
4 covered wholly or partly by the entity's proposed community mental  
5 health program. The commission shall consider a local mental  
6 health authority's written input before awarding a grant under this  
7 section and may take any recommendations made by the authority.

8 (g) The commission shall condition each grant awarded to a  
9 recipient under the program on the recipient obtaining or securing  
10 matching funds from non-state sources in amounts of money or other  
11 consideration as required by Subsection (h).

12 (h) A community that receives a grant under this section is  
13 required to leverage funds in an amount:

14 (1) equal to 50 percent of the grant amount if the  
15 community mental health program is located in a county with a  
16 population of less than 250,000;

17 (2) equal to 100 percent of the grant amount if the  
18 community mental health program is located in a county with a  
19 population of at least 250,000; and

20 (3) equal to the percentage of the grant amount  
21 otherwise required by this subsection for the largest county in  
22 which a community mental health program is located if the community  
23 mental health program is located in more than one county.

24 (i) Except as provided by Subsection (j), from money  
25 appropriated to the commission for each fiscal year to implement  
26 this section, the commission shall reserve 40 percent of that total  
27 to be awarded only as grants to a community mental health program

1 located in a county with a population not greater than 250,000.

2 (j) To the extent money appropriated to the commission to  
3 implement this section for a fiscal year remains available to the  
4 commission after the commission selects grant recipients for the  
5 fiscal year, the commission shall make grants available using the  
6 money remaining for the fiscal year through a competitive request  
7 for proposal process, without regard to the limitation provided by  
8 Subsection (i).

9 (k) Not later than December 1 of each calendar year, the  
10 executive commissioner shall submit to the governor, the lieutenant  
11 governor, and each member of the legislature a report evaluating  
12 the success of the matching grant program created by this section.

13 (l) The executive commissioner shall adopt any rules  
14 necessary to implement the matching grant program under this  
15 section.

16 SECTION 2. This Act takes effect only if a specific  
17 appropriation for the implementation of the Act is provided in a  
18 general appropriations act of the 85th Legislature.

19 SECTION 3. This Act takes effect immediately if it receives  
20 a vote of two-thirds of all the members elected to each house, as  
21 provided by Section 39, Article III, Texas Constitution. If this  
22 Act does not receive the vote necessary for immediate effect, this  
23 Act takes effect September 1, 2017.



ADOPTED

✓✓

MAY 23 2017

*Lotay Spaw*  
Secretary of the Senate

*C. Schmidt*

FLOOR AMENDMENT NO. 2

BY: \_\_\_\_\_

1 Amend C.S.H.B. No. 13 (senate committee printing) in SECTION  
2 1 of the bill, in added Section 531.0999(i), Government Code (page  
3 2, line 36), by striking "40" and substituting "50".

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION**

**May 24, 2017**

**TO:** Honorable Joe Straus, Speaker of the House, House of Representatives

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

**IN RE: HB13** by Price (Relating to the creation of a matching grant program to support community mental health programs for individuals experiencing mental illness. ), As Passed 2nd House

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB13, As Passed 2nd House: a negative impact of (\$20,000,000) 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.

Provisions of the bill would only take effect if the Eighty-fifth Legislature appropriates money specifically for the purpose of implementing the bill; otherwise, the bill would not take effect.

**General Revenue-Related Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2018	(\$10,000,000)
2019	(\$10,000,000)
2020	(\$10,000,000)
2021	(\$10,000,000)
2022	(\$10,000,000)

**All Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable Savings/(Cost) from General Revenue Fund</b>
2018	(\$10,000,000)
2019	(\$10,000,000)
2020	(\$10,000,000)
2021	(\$10,000,000)
2022	(\$10,000,000)

## **Fiscal Analysis**

The bill would require the Health and Human Services Commission (HHSC) to establish a matching grant program to support community mental health programs. The bill would require HHSC to develop criteria for evaluating applications and proposals and selecting grant recipients; approve grant requirements; and disperse grant funding. The bill would also require HHSC to submit an annual report to the governor, the lieutenant governor, and each member of the legislature evaluating the success of the program. The executive commissioner would be required to adopt rules necessary to implement provisions of the bill, and HHSC would be required to implement a process to streamline and coordinate the administration of and application process for behavioral health grant programs.

The agency would not be required to implement the legislation in the absence of an appropriation. The bill would take effect immediately upon receiving a two-thirds majority vote of both houses. Otherwise, the bill would take effect September 1, 2017.

## **Methodology**

It is assumed that the grant program would provide grants totaling \$10.0 million each fiscal year, beginning in fiscal year 2018. The grant program would be limited to funds specifically appropriated to establish it; therefore, the cost could be more or less depending on the level of appropriations provided. The bill would require HHSC to make available remaining state funds after grant recipients are selected available on a competitive basis without regard to the size of the county. It is assumed any cost related to the grant program other than the funds disbursed through the program could be absorbed within the available resources of HHSC.

The bill requires a different level of matching local funds based on county size and allocates 50 percent of available funding for grants to counties with a population less than 250,000. The matching rate for a grant to a program established in more than one county would be equal to the matching rate required by the bill for the largest county in which the program is located. This analysis assumes that local entities would be able to provide matching local funds in an amount sufficient to draw down the full grant amount.

## **Local Government Impact**

According to the Texas Municipal League, the fiscal impact to cities cannot be determined because it is unknown how much money would be available for grants.

**Source Agencies:** 529 Health and Human Services Commission

**LBB Staff:** UP, KCA, EP, MDI, JGA, LR, JBi

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION**

**May 15, 2017**

**TO:** Honorable Charles Schwertner, Chair, Senate Committee on Health & Human Services

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

**IN RE: HB13** by Price (Relating to the creation of a matching grant program to support community mental health programs for individuals experiencing mental illness.),  
**Committee Report 2nd House, Substituted**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB13, Committee Report 2nd House, Substituted: a negative impact of (\$20,000,000) 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:**

<b>Fiscal Year</b>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2018	(\$10,000,000)
2019	(\$10,000,000)
2020	(\$10,000,000)
2021	(\$10,000,000)
2022	(\$10,000,000)

**All Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable Savings/(Cost) from General Revenue Fund</b>
	<b>1</b>
2018	(\$10,000,000)
2019	(\$10,000,000)
2020	(\$10,000,000)
2021	(\$10,000,000)
2022	(\$10,000,000)

## **Fiscal Analysis**

The bill would require the Health and Human Services Commission (HHSC) to establish a matching grant program to support community mental health programs. The bill would require HHSC to develop criteria for evaluating applications and proposals and selecting grant recipients; approve grant requirements; and disperse grant funding. The bill would also require HHSC to submit an annual report to the governor, the lieutenant governor, and each member of the legislature evaluating the success of the program. The executive commissioner would be required to adopt rules necessary to implement provisions of the bill. The bill would take effect immediately upon receiving a two-thirds majority vote of both houses. Otherwise, the bill would take effect September 1, 2017.

## **Methodology**

It is assumed that the grant program would provide grants totaling \$10.0 million each fiscal year, beginning in fiscal year 2018. The grant program would be limited to funds specifically appropriated to establish it; therefore, the cost could be more or less depending on the level of appropriations provided. The bill would require HHSC to make available remaining state funds after grant recipients are selected available on a competitive basis without regard to the size of the county. It is assumed any cost related to the grant program other than the funds disbursed through the program could be absorbed within the available resources of HHSC.

The bill requires a different level of matching local funds based on county size and allocates 40 percent of available funding for grants to counties with a population less than 250,000. The matching rate for a grant to a program established in more than one county would be equal to the matching rate required by the bill for the largest county in which the program is located. This analysis assumes that local entities would be able to provide matching local funds in an amount sufficient to draw down the full grant amount.

## **Local Government Impact**

According to the Texas Municipal League, the fiscal impact to cities cannot be determined because it is unknown how much money would be available for grants.

**Source Agencies:** 529 Health and Human Services Commission

**LBB Staff:** UP, KCA, EP, MDI, JGA, LR, JBi



**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION**

**May 9, 2017**

**TO:** Honorable Charles Schwertner, Chair, Senate Committee on Health & Human Services

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

**IN RE: HB13** by Price (Relating to the creation of a matching grant program to support community mental health programs for individuals experiencing mental illness.), **As Engrossed**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB13, As Engrossed: a negative impact of (\$20,000,000) 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:**

<b>Fiscal Year</b>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2018	(\$10,000,000)
2019	(\$10,000,000)
2020	(\$10,000,000)
2021	(\$10,000,000)
2022	(\$10,000,000)

**All Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable Savings/(Cost) from General Revenue Fund</b>
	<b>1</b>
2018	(\$10,000,000)
2019	(\$10,000,000)
2020	(\$10,000,000)
2021	(\$10,000,000)
2022	(\$10,000,000)

**Fiscal Analysis**

The bill would require the Health and Human Services Commission (HHSC) to establish a matching grant program to support community mental health programs. A nonprofit or other private entity would serve as administrator of the program.

The bill would require HHSC to develop criteria for evaluating applications and proposals and selecting grant recipients; approve grant requirements; and disperse grant funding. The bill would also require HHSC to submit an annual report to the governor, the lieutenant governor, and each member of the legislature evaluating the success of the program. The executive commissioner would be required to adopt rules necessary to implement provisions of the bill. The bill would take effect immediately upon receiving a two-thirds majority vote of both houses. Otherwise, the bill would take effect September 1, 2017.

## **Methodology**

It is assumed that the grant program would provide grants totaling \$10.0 million each fiscal year, beginning in fiscal year 2018. The grant program would be limited to funds specifically appropriated to establish it; therefore, the cost could be more or less depending on the level of appropriations provided. Additionally, expenditures for the program could be limited based on the availability of local matching funds as required by the bill. It is assumed any cost related to the grant program other than the funds disbursed through the program could be absorbed within the available resources of the department.

There are 254 counties in Texas. The bill requires a different level of matching local funds based on county size and allocates specific percentages of available funding based on county size. Five percent must be made available to counties with a population of 125,000 or less; 25 percent must be made available to counties with a population of more than 125,000 and not more than 250,000; and the remaining 70 percent of funding could be distributed to any county. Based on 2015 data from the US Census Bureau, there are 20 counties with a population exceeding 250,000; 15 counties with a population exceeding 125,000 but not more than 250,000; and the remaining 219 counties have a population of 125,000 or less. It is assumed that those 219 smaller counties would have less ability to identify matching funds and that 25 of the counties would identify matching funds averaging \$20,000 to draw a total of \$500,000 in state funds through the grant program, which requires equal match for the smallest counties. The 15 mid-size counties would need to identify an average of \$191,667 in matching funds to draw a total of \$2.5 million in state funds through the grant program, which requires 115 percent match for counties of that size. The matching rate for the remaining 20 counties would be 125 percent for the eight counties with population of more than 250,000 but not more than 500,000; 150 percent for the seven counties with population of more than 500,000 but not more than one million; and 167 percent for the five counties with population of more than one million. The matching rate for a grant to a program established in more than one county would be equal to the matching rate required by the bill for the largest county in which the program is located. It is assumed the remaining \$7.0 million in state funding would be distributed amongst these 20 counties with the five largest counties able to identify an average of \$1.0 million each to draw approximately \$3.0 million in state funding and the remaining counties able to identify an average of \$300,000 to \$400,000 to draw the remaining \$4.0 million in state funding. The bill would require HHSC to make available remaining state funds after grant recipients are selected available on a competitive basis without regard to the size of the county.

## **Local Government Impact**

According to the Texas Municipal League, the fiscal impact to cities cannot be determined because it is unknown how much money would be available for grants.

**Source Agencies:** 529 Health and Human Services Commission

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

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION**

**March 20, 2017**

**TO:** Honorable Four Price, Chair, House Committee on Public Health

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

**IN RE: HB13** by Price (Relating to the creation of a matching grant program to support community mental health programs for individuals experiencing mental illness.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB13, As Introduced: a negative impact of (\$20,000,000) 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:**

<b>Fiscal Year</b>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2018	(\$10,000,000)
2019	(\$10,000,000)
2020	(\$10,000,000)
2021	(\$10,000,000)
2022	(\$10,000,000)

**All Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable Savings/(Cost) from General Revenue Fund</b>
	1
2018	(\$10,000,000)
2019	(\$10,000,000)
2020	(\$10,000,000)
2021	(\$10,000,000)
2022	(\$10,000,000)

**Fiscal Analysis**

The bill would require the Health and Human Services Commission (HHSC) to establish a matching grant program to support community mental health programs. A nonprofit or other private entity would serve as administrator of the program.

The bill would require HHSC to develop criteria for evaluating applications and proposals and selecting grant recipients; approve grant requirements; and disperse grant funding.

The bill would require HHSC to submit an annual report to the governor, the lieutenant governor, and each member of the legislature evaluating the success of the program.

The executive commissioner would be required to adopt rules necessary to implement provisions of the bill.

### **Methodology**

It is assumed that the grant program would provide grants totaling \$10.0 million each fiscal year, beginning in fiscal year 2018. The grant program would be limited to funds specifically appropriated to establish it; therefore, the cost could be more or less depending on the level of appropriations provided. Additionally, expenditures for the program could be limited based on the availability of local matching funds as required by the bill. It is assumed any cost related to the grant program other than the funds disbursed through the program could be absorbed within the available resources of the department.

There are 254 counties in Texas. The bill requires a different level of matching local funds based on county size and allocates specific percentages of available funding based on county size. Five percent must be made available to counties with a population of 125,000 or less; 25 percent must be made available to counties with a population of more than 125,000 and not more than 250,000; and the remaining 70 percent of funding could be distributed to any county. Based on 2015 data from the US Census Bureau, there are 20 counties with a population exceeding 250,000; 15 counties with a population exceeding 125,000 but not more than 250,000; and the remaining 219 counties have a population of 125,000 or less. It is assumed that those 219 smaller counties would have less ability to identify matching funds and that 25 of the counties would identify matching funds averaging \$20,000 to draw a total of \$500,000 in state funds through the grant program, which requires equal match for the smallest counties. The 15 mid-size counties would need to identify an average of \$191,667 in matching funds to draw a total of \$2.5 million in state funds through the grant program, which requires 115 percent match for counties of that size. The matching rate for the remaining 20 counties would be 125 percent for the eight counties with population of more than 250,000 but not more than 500,000; 150 percent for the seven counties with population of more than 500,000 but not more than one million; and 167 percent for the five counties with population of more than one million. It is assumed the remaining \$7.0 million in state funding would be distributed amongst these 20 counties with the five largest counties able to identify an average of \$1.0 million each to draw approximately \$3.0 million in state funding and the remaining counties able to identify an average of \$300,000 to \$400,000 to draw the remaining \$4.0 million in state funding.

### **Local Government Impact**

According to the Texas Municipal League, the fiscal impact to cities cannot be determined because it is unknown how much money would be available for grants.

**Source Agencies:** 529 Health and Human Services Commission

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