

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

**FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION**

**April 15, 2019**

**TO:** Honorable James B. Frank, Chair, House Committee on Human Services

**FROM:** John McGeady, Assistant Director    Sarah Keyton, Assistant Director  
Legislative Budget Board

**IN RE:** **HB2177** by Miller (Relating to license terms and fees and registration and listing fees for certain child-care facilities.), **Committee Report 1st House, Substituted**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB2177, Committee Report 1st House, Substituted: a negative impact of (\$726,990) through the biennium ending August 31, 2021.

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>
2020	(\$726,990)
2021	\$0
2022	\$0
2023	\$0
2024	\$0

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

<b>Fiscal Year</b>	<b>Probable Savings/(Cost) from General Revenue Fund 1</b>
2020	(\$726,990)
2021	\$0
2022	\$0
2023	\$0
2024	\$0

## **Fiscal Analysis**

The bill would amend the Human Resources Code to remove the current child care licensing requirement for license renewals. Under the bill's provisions, licenses would no longer expire.

The bill would establish application and license fees in statute for child care operations. The bill would repeal the Health and Human Services Commission's (HHSC) current authority to set these fees by rule. The fees established under the bill would be equal to the fees currently by HHSC in rule.

The bill would take effect September 1, 2019.

## **Methodology**

Under the provisions of the bill, HHSC would no longer be required to renew licenses for child care operations. HHSC indicates that implementing this change would require modifications to CLASS, CLASSMate, Public and Provider applications auxiliary technology services, at a cost of \$726,990 to General Revenue in fiscal year 2020.

The Comptroller of Public Accounts indicates that fees outlined in the bill align with HHSC's current fee structure. Therefore, the bill would have no revenue implications.

## **Technology**

HHSC indicates that implementing the provisions of the bill would require modifications to CLASS, CLASSMate, Public and Provider applications auxiliary technology services, at a cost of \$726,990 to General Revenue in fiscal year 2020.

## **Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 529 Health and Human Services Commission, 304 Comptroller of Public Accounts, 530 Family and Protective Services, Department of

**LBB Staff:** WP, AKi, JQ, MNa