

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

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

**April 5, 2019**

**TO:** Honorable Lois W. Kolkhorst, Chair, Senate Committee on Health & Human Services

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

**IN RE:** SB781 by Kolkhorst (Relating to the regulation of child-care facilities.), **Committee Report 1st House, Substituted**

**No significant fiscal implication to the State is anticipated.**

**The Department of Family and Protective Services and the Health and Human Services Commission are required to implement the provisions of the bill only if the legislature appropriates money specifically for that purpose. If the legislature does not appropriate money specifically for that purpose, the agencies may, but is not required to, implement a provision of this Act using other appropriations available for that purpose.**

The bill would amend chapter 40 of the Human Resources Code to require the Department of Family and Protective Services (DFPS) to establish a strategy to develop trauma-informed protocols to reduce the number of children who run away from residential treatment centers (RTCs) and comply with federal and state requirements related to normalcy.

The bill would require DFPS to monitor and coordinate with general residential operations (GROs) to provide treatment services and maintain and improve quality residential child-care services purchased by DFPS.

The bill would require DFPS to develop and submit a strategic plan regarding child placements in settings eligible for federal funding under the Federal Family First Prevention Services Act.

The bill would amend the Human Resources Code to not allow applicants for GROs to be waived of notice and hearing requirements for human trafficking services. The bill would allow the Health and Human Services Commission (HHSC) to revoke or not issue a license for a GRO that has not complied with set standards. The bill would also require GROs to submit an operations plan and an educational plan to HHSC. The bill would allow HHSC to establish rules to hold public hearings and receive public input for the renewal of every GRO license.

The bill would take effect September 1, 2019

HHSC estimates there would be a minimal cost associated with implementing the provisions of the bill.

DFPS and the Texas Education Agency indicated they could absorb the costs associated with implementing the bill within their current resources.

## **Local Government Impact**

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

**Source Agencies:** 529 Health and Human Services Commission, 530 Family and Protective Services, Department of, 701 Texas Education Agency

**LBB Staff:** WP, AKi, EP, AN