

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

April 6, 2021

TO: Honorable Philip Cortez, Chair, House Committee on Urban Affairs

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB1226 by Campos (Relating to the establishment by the Texas Department of Housing and Community Affairs of a pilot program to solicit donations made by text message for the benefit of local programs that provide services to homeless individuals and families in certain municipalities.),
As Introduced

Estimated Two-year Net Impact to General Revenue Related Funds for HB1226, As Introduced : a negative impact of (\$282,724) through the biennium ending August 31, 2023.

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:

<i>Fiscal Year</i>	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2022	(\$282,724)
2023	\$0
2024	\$0
2025	\$0
2026	\$0

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable Savings/(Cost) from General Revenue Fund 1	Probable Savings/(Cost) from Appropriated Receipts 666	Probable Revenue Gain/(Loss) from Appropriated Receipts 666	Change in Number of State Employees from FY 2021
2022	(\$282,724)	\$0	\$1,021,352	1.0
2023	\$0	(\$1,361,802)	\$1,361,802	1.0
2024	\$0	(\$1,361,802)	\$1,361,802	1.3
2025	\$0	(\$1,361,802)	\$1,361,802	1.3
2026	\$0	(\$1,361,802)	\$1,361,802	1.3

Fiscal Analysis

The bill would amend the Government Code relating to the establishment by the Texas Department of Housing and Community Affairs (DHCA) of a pilot program to solicit donations made by text message for the benefit of local programs that provide services to homeless individuals and families in certain municipalities. The bill would allow DHCA to adopt rules to govern the implementation and administration of the pilot program, including establishing a separate fund at the department to receive and disburse funds.

Methodology

Based on information provided by DHCA, this analysis assumes that the duties and responsibilities associated with implementing the provisions of the bill would require 1.0 FTE (Program Specialist) in fiscal years 2022-2026, and 0.3 FTE (Auditor) in fiscal years 2024-2026, including personnel costs, agency payroll contribution, and equipment. Further, implementation of Text to Donate services and Marketing and Outreach would cost \$0.2 million in fiscal year 2022, and \$0.1 million in fiscal year 2023 and subsequent fiscal years.

This analysis assumes that costs in fiscal year 2022 (\$0.3 million) will be funded through General Revenue in order to develop the program, procure vendors, market the program, and begin accrual of funds for disbursement. All costs thereafter will be funded through Appropriated Receipts collected through donations to the program.

Based on information provided by DHCA, the agency anticipates collecting \$1.4 million in donations per fiscal year, and expending \$1.2 million in grants to municipalities, \$0.1 million in administration and professional services, and \$0.1 million in marketing and outreach, per fiscal year in Appropriated Receipts.

Technology

The bill would result in anticipated technology impacts of \$2,500 in General Revenue in fiscal year 2022, and \$2,500 in Appropriated Receipts in fiscal year 2023, for hardware and software for new FTEs.

Local Government Impact

According to the Texas Municipal League, no fiscal impact to municipalities is anticipated. The fiscal impact to other units of local government is not anticipated to be significant.

Source Agencies: 304 Comptroller of Public Accounts, 332 Dept Housing-Comm Affairs

LBB Staff: JMc, AF, MB, MPUK