

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

May 19, 2021

TO: Honorable Kelly Hancock, Chair, Senate Committee on Business & Commerce

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB1565 by Paddie (Relating to the continuation and transfer of the regulation of willed body programs to the Texas Funeral Service Commission and to the creation of the State Anatomical Advisory Committee; authorizing a fee.), **As Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1565, As Engrossed : a positive impact of \$358,896 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.

The bill would transfer regulation of willed body programs from the State Anatomical Board to the Texas Funeral Service Commission and create the State Anatomical Advisory Committee.

General Revenue-Related Funds, Five- Year Impact:

<i>Fiscal Year</i>	<i>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</i>
2022	\$358,896
2023	\$0
2024	\$0
2025	\$0
2026	\$0

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	<i>Probable Revenue Gain from General Revenue Fund</i>	<i>Probable (Cost) from General Revenue Fund</i>	<i>Change in Number of State Employees from FY 2021</i>
	1	1	
2022	\$582,551	(\$223,655)	4.0
2023	\$208,655	(\$208,655)	4.0
2024	\$208,655	(\$208,655)	4.0
2025	\$208,655	(\$208,655)	4.0
2026	\$208,655	(\$208,655)	4.0

Fiscal Analysis

The bill would transfer the remaining funds under the management of the secretary-treasurer of the Anatomical Board (outside the state treasury) to the general revenue fund for the purpose of the Texas Funeral Service Commission administering duties under Chapter 691, Health and Safety Code.

The bill would transfer fee collection authority from State Anatomical Board (SAB) to Texas Funeral Service Commission (TFSC). It is assumed that the TFSC will raise sufficient revenue through tag fees, cadaver transfer fees (both in and out of state), and inspection fees identified under Sec. 691.012 of the Health and Safety Code, to cover the costs.

Methodology

It is assumed that the SAB fund balance, which was \$373,896 at the end of calendar year 2020 would transfer to the general revenue fund in fiscal year 2022. SAB's existing fund balance comes from fees associated with the receipt and distribution of bodies and anatomical specimens, specifically a tag fee when a donation is first registered with the board (an identifying tag is attached to the body), and a transfer fee if a willed body program (WBP) loans a donation to an anatomical facility or other WBP. This fee collection authority would be unchanged under this bill, except to transfer it to TFSC.

TFSC anticipates costs of 4 FTEs to implement this bill; 1 FTE to issue SAB Tags to approved facilities and to track transfer of remains between facilities, 2 FTEs to be inspectors which will inspect all accredited medical schools/colleges, dental schools, Health Science Centers, hospitals, schools of mortuary science, and forensic science programs throughout Texas, and 1 FTE who will conduct audits of the facilities. These FTEs will cost \$163,655 per fiscal year in salaries, and \$45,000 per fiscal year in travel expenses.

It is assumed that from the estimates of fee collections provided by TFSC and Sunset Commission, the agency will raise sufficient revenue to cover the costs identified.

Technology

The State Anatomical Board's database will need to be incorporated into the existing TFSC database. The cost would be a one-time transition, estimated to be \$15,000 in fiscal year 2022.

Local Government Impact

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

Source Agencies: 116 Sunset Advisory Commission, 304 Comptroller of Public Accounts, 513 Funeral Service Commission, 696 Department of Criminal Justice, 710 Texas A&M Univ System Admin, 720 UT Sys Admin, 768 Texas Tech Univ Sys Admin, 769 UNT System Administration

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