

**LEGISLATIVE BUDGET BOARD  
Austin, Texas**

**FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION**

**March 22, 2021**

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

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: HB2532** by Noble (Relating to investigating and responding to complaints filed against the Department of Family and Protective Services.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB2532, As Introduced : a negative impact of (\$13,671,814) 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>	<i>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</i>
2022	(\$7,749,866)
2023	(\$5,921,948)
2024	(\$5,926,604)
2025	(\$5,930,573)
2026	(\$5,933,639)

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

<i>Fiscal Year</i>	<i>Probable Savings/(Cost) from General Revenue Fund 1</i>	<i>Probable Savings/(Cost) from Federal Funds 555</i>	<i>Change in Number of State Employees from FY 2021</i>
2022	(\$7,749,866)	(\$3,585)	16.4
2023	(\$5,921,948)	\$0	16.4
2024	(\$5,926,604)	\$0	16.4
2025	(\$5,930,573)	\$0	16.4
2026	(\$5,933,639)	\$0	16.4

**Fiscal Analysis**

The bill would require complaints against the Department of Family and Protective Services (DFPS) by members of the public, consumers, department employees, and service recipients in connection with any investigation or action taken by DFPS, to be received and investigated by the Health and Human Services Commission's Office of Inspector General (OIG).

The bill would require any of the functions previously handled by DFPS's Office of Consumer Relations or other entities within DFPS and all funds and resources to be fully transferred to OIG within three months of the effective date of this Act. The commissioner of DFPS, in consultation with the executive commissioner of the

Health and Human Services Commission (HHSC) and OIG, shall adopt any rules necessary for achieving this purpose.

The bill would give OIG the authority to make recommendations for corrective and remedial actions to be taken by DFPS and enforce compliance with those recommendations, audit DFPS in connection with a complaint investigation, obtain any and all DFPS data necessary for completing an investigation, and open any investigation it deems necessary for ensuring DFPS compliance with law, procedure, or policy.

DFPS would be required to fully cooperate with any investigation and provide data or other information requested by OIG in connection with an investigation within 14 business days of receipt of the request.

The executive commissioner of HHSC, in consultation with OIG and the commissioner of DFPS, would be required to develop a consistent, statewide process for addressing an appeal by a person dissatisfied with the resolution of a complaint at the regional level and to adopt any rules necessary for this purpose.

The bill would require OIG to periodically prepare and deliver reports to the executive commissioner of HHSC, the commissioner of DFPS, the Office of the Governor, and the Chairs of the House Human Services Committee and Senate Health and Human Services Committee.

### **Methodology**

DFPS assumes that the costs associated with the services currently provided by the agency would transfer to the OIG and would be a net zero cost to the state. It is assumed that this would include 13.0 full-time equivalents (FTEs), the related funding, and the 800 number currently housed at DFPS's Office of Consumer Relations, estimated at a total of \$1.2 million in All Funds each fiscal year.

In addition to these services, OIG estimates that approximately five percent of the average 5,000 complaints per year would require a greater level of investigation than currently provided by DFPS. OIG assumes that the additional investigations would require 15.0 Investigator VII FTEs, 1.0 Attorney II FTE and 0.4 Program Specialist VI FTEs on top of the 13.0 FTEs transferred from DFPS.

It is assumed any cost related to rulemaking and preparing reports periodically would be minimal and can be absorbed within available resources.

### **Technology**

HHSC indicates there would be costs related to training and supplies for IT state staff, seat management services, basic data storage, and system updates to the Health and Human Services Enterprise Administrative Report and Tracking (HEART) system. HHSC also estimates system support funding would be needed by DFPS to pay their share of the new system benefit that would be provided by HHSC. The total estimated cost would total \$5,450,415 in fiscal year 2022 and \$3,835,514 in each fiscal year 2023 through 2026.

DFPS indicates there would be a cost to update the Information Management Protecting Adults and Children in Texas (IMPACT) system at \$53,723 in All Funds in fiscal year 2022.

### **Local Government Impact**

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

**Source Agencies:** 529 Hlth & Human Svcs Comm, 530 Family & Protective Services

**LBB Staff:** JMc, AKI, JLI