

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

March 22, 2023

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB637 by Bailes (Relating to the payment of permanency care assistance after a child's 18th birthday.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB637, Committee Report 1st House, Substituted : a negative impact of (\$4,097,357) through the biennium ending August 31, 2025.

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>
2024	(\$1,872,692)
2025	(\$2,224,665)
2026	(\$2,750,009)
2027	(\$2,757,355)
2028	(\$2,757,665)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	<i>Probable (Cost) from General Revenue Fund 1</i>	<i>Probable (Cost) from GR Match For Medicaid 758</i>	<i>Probable (Cost) from Federal Funds 555</i>	<i>Change in Number of State Employees from FY 2023</i>
2024	(\$1,871,140)	(\$1,552)	(\$855,273)	2.0
2025	(\$2,223,795)	(\$870)	(\$1,086,487)	2.0
2026	(\$2,749,251)	(\$758)	(\$1,359,954)	2.0
2027	(\$2,756,594)	(\$761)	(\$1,352,989)	2.0
2028	(\$2,756,900)	(\$765)	(\$1,353,016)	2.0

Fiscal Analysis

The bill would provide Permanency Care Assistance (PCA) payments until the last day of the month of the child's 18th birthday. The Department of Family and Protective Services may continue to provide PCA payments after a child reaches the age of 18 as long as the child is regularly attending high school or enrolled in a program leading toward a high school diploma or high school equivalency certificate.

Methodology

This analysis estimates that 859.0 individuals enter into PCA each year and approximately 90.0 percent of those individuals are under the age of 16. Thus, 774.0 individuals are potentially impacted by this bill. According to data from the National Youth Transition Database, approximately 41.0 percent of foster care youth will continue to participate in educational program and achieve their high school diploma or equivalent by age 19. An additional 22.0 percent will achieve their high school diploma or equivalent by age 21. This equates to an additional year of eligibility for 317.0 individuals and an additional 3.0 years of eligibility for 170.0 individuals.

This analysis assumes the need of 1.0 Accountant I Full Time Equivalent (FTE) to process additional invoices and 1.0 Accountant II FTE to manage payee information.

This analysis also assumes 1.0 contractor IT FTE in fiscal year 2024 for 830.0 hours of work. This includes updates to the Medicare in the Texas Integrated Eligibility Redesign System (TIERS) to account for youth up to age 21 as well as the Information Management Protecting Adults and Children in Texas (IMPACT) to identify the proper payment for the new population.

Technology

Included in estimated costs are \$174,810 in General Revenue in fiscal year 2024, \$18,601 in fiscal year 2025, and \$1,100 in fiscal year 2026 and beyond for additional IT costs.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 530 Family and Protective Services, Department of

LBB Staff: JMc, NPe, ER, AN, NV