

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

March 19, 2023

TO: Honorable Oscar Longoria, Chair, House Committee on Business & Industry

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: **HB790** by Patterson (Relating to certain claims for benefits, compensation, or assistance by certain public safety employees and survivors of certain public safety employees.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB790, As Introduced : an impact of \$0 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>	Probable Net Positive/(Negative) Impact to <i>General Revenue Related Funds</i>
2024	\$0
2025	\$0
2026	\$0
2027	\$0
2028	\$0

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable Revenue Gain from <i>Dept Ins Operating Acct</i> 36	Probable (Cost) from <i>Dept Ins Operating Acct</i> 36
2024	\$823,473	(\$823,473)
2025	\$13,473	(\$13,473)
2026	\$13,473	(\$13,473)
2027	\$13,473	(\$13,473)
2028	\$13,473	(\$13,473)

Fiscal Analysis

This bill would amend the Labor Code relating to certain claims for benefits, compensation, or assistance by public safety employees and survivors of certain public safety employees covered by this bill. Additionally, this bill would amend the Labor Code, providing for a party or witness to attend a contested case hearing (CCH) by telephone or videoconference should an Administrative Law Judge (ALJ) determine good cause exists. An attorney in a CCH could appear by telephone or videoconference without needing a good cause determination. The bill would take effect immediately if it receives a vote of two-thirds of all members from both chambers; otherwise, the bill would take effect on September 1, 2023.

Methodology

The Department of Insurance and Division of Workers' Compensation (DWC) would need to procure and install video and sound equipment to convert a minimum of 27 standard hearing rooms of the agency's 37 standard hearing rooms located around the state into hybrid hearing rooms to implement the provisions of the bill. The agency estimates upgrade costs of \$30,000 per standard hearing room (\$810,000 in total for 27 hearing rooms) would be needed in fiscal year 2024 for all necessary hardware, software, and equipment purchases and installation to convert the standard hearing rooms into hybrid hearing rooms with out-year costs of \$499 each fiscal year per hybrid hearing room (\$13,473 in total for 27 hearing rooms) for annual software licensing costs.

The General Revenue-dedicated Texas Department of Insurance Operating Fund Account No. 036 is self-leveling, collecting only the revenue needed for appropriations and other indirect costs, and therefore has a net-zero impact to General Revenue related funds.

The State Office of Risk Management indicates the bill would continue the requirement for designated doctor's examinations which the agency requests. The agency anticipates an increase in designated doctor's examinations; however, this analysis assumes that any costs associated with the bill could be absorbed using existing resources.

Based on the analysis of the Office of Court Administration, Comptroller of Public Accounts, Texas Department of Public Safety, Texas Alcoholic Beverage Commission, Texas Juvenile Justice Department, Department of Criminal Justice, and the Texas Parks and Wildlife Department, duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

Technology

As referenced above, this analysis includes total one-time technology costs of \$810,000 in fiscal year 2024 for hardware, software, and equipment required to implement the provisions of the bill. Additionally, annual software licensing costs are \$13,473 each fiscal year.

Local Government Impact

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

Source Agencies: 212 Office of Court Administration, Texas Judicial Council, 304 Comptroller of Public Accounts, 405 Department of Public Safety, 454 Department of Insurance, 458 Alcoholic Beverage Commission, 479 State Office of Risk Management, 644 Juvenile Justice Department, 696 Department of Criminal Justice, 802 Parks and Wildlife Department

LBB Staff: JMc, SZ, GDZ, LBI