

**LEGISLATIVE BUDGET BOARD  
Austin, Texas**

**FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION**

**April 4, 2023**

**TO:** Honorable Todd Hunter, Chair, House Committee on State Affairs

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

**IN RE: HB3924** by Oliverson (Relating to state agency employment openings and aptitude assessments.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB3924, As Introduced : a negative impact of (\$15,380,173) 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	(\$8,436,696)
2025	(\$6,943,477)
2026	(\$6,943,477)
2027	(\$6,943,477)
2028	(\$6,943,477)

**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>
2024	(\$8,249,010)	(\$187,686)	(\$191,952)
2025	(\$6,741,842)	(\$201,635)	(\$206,219)
2026	(\$6,741,842)	(\$201,635)	(\$206,219)
2027	(\$6,741,842)	(\$201,635)	(\$206,219)
2028	(\$6,741,842)	(\$201,635)	(\$206,219)

**Fiscal Analysis**

This bill would amend the Government Code to allow applicants applying for classified state positions to complete a single state application and a standardized aptitude assessment online.

**Methodology**

The Texas Workforce Commission (TWC) administers and operates the WorkInTexas (WIT) application, which will be the sole impacted application regarding the provisions of this bill. WIT is a mission-critical application that provides core business functionality and is the state's current online Labor Exchange system.

This analysis assumes that implementation of the bill's provisions by TWC requires the development of a standardized aptitude test and the buildout of the current IT system WIT. A total one-time technology cost of \$2,000,000 in fiscal year 2024 would be required for the buildout of WIT to incorporate the standardized aptitude test for state employment and the various notifications as required by this bill. Fiscal year 2025 and beyond includes \$400,000 in ongoing annual costs for WIT and the development and maintenance of the aptitude test at the cost of \$5,000,000 per fiscal year. This analysis assumes TWC will use subcontractors to develop one assessment and one revamp each fiscal year after that.

This analysis assumes that the Health and Human Services Commission (HHSC) would need one-time funding to ensure system interfaces can access the aptitude assessment from WIT and ongoing funding for the current human resources and payroll services vendor to perform the annual review of classified positions at the agency. Total costs to HHSC are estimated to be \$3,378,344 in All Funds for the 2024-25 biennium.

Based on the analysis of the State Commission on Judicial Conduct, Comptroller of Public Accounts, Bond Review Board, Department of Licensing and Regulation, Texas Medical Board, Texas Commission on Environmental Quality, Department of Transportation, Texas A&M University System Administrative & General Offices, University of Texas System Administration, and the Texas Higher Education Coordinating Board, any duties and responsibilities associated with implementing the provisions of the bill could be accomplished by the agencies utilizing existing resources.

### **Technology**

As mentioned above, the Texas Workforce System (TWC) would require one-time costs of \$2,000,000 in fiscal year 2024 for the buildout of WIT to incorporate the standardized aptitude test for state employment and \$400,000 each fiscal year after that for ongoing annual costs.

### **Local Government Impact**

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

**Source Agencies:** 242 State Commission on Judicial Conduct, 304 Comptroller of Public Accounts, 320 Texas Workforce Commission, 352 Bond Review Board, 452 Department of Licensing and Regulation, 503 Texas Medical Board, 529 Health and Human Services Commission, 582 Commission on Environmental Quality, 601 Department of Transportation, 710 Texas A&M University System Administrative and General Offices, 720 The University of Texas System Administration, 781 Higher Education Coordinating Board

**LBB Staff:** JMc, SMAT, GDZ, LBl, JCo