

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

April 28, 2023

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB4138 by Schatzline (relating to the establishment of the Texas Adoption Assistance Program.),
Committee Report 1st House, Substituted

Estimated Two-year Net Impact to General Revenue Related Funds for HB4138, Committee Report 1st House, Substituted : a negative impact of (\$1,066,952) 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	(\$543,448)
2025	(\$523,504)
2026	(\$523,860)
2027	(\$524,220)
2028	(\$524,584)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	<i>Probable Savings/(Cost) from General Revenue Fund 1</i>	<i>Change in Number of State Employees from FY 2023</i>
2024	(\$543,448)	4.0
2025	(\$523,504)	4.0
2026	(\$523,860)	4.0
2027	(\$524,220)	4.0
2028	(\$524,584)	4.0

Fiscal Analysis

The bill would require the Health and Human Services Commission (HHSC) to establish and administer the Texas Adoption Assistance Program which would provide adoptive parents with private sector and public assistance with adoption-related expenses.

The bill would require HHSC to select and certify organizations to participate in the program, as well as solicit applications and select and approve new certified organizations that meet certain eligibility requirements. The bill would require HHSC to revoke a certification if an organization was not in compliance or in violation of requirements.

The bill lists eligibility requirements of adoptive parents to receive an adoption assistance grant, and provides maximum grant amounts based on gross household income. Certified organizations would award a number of onetime adoption assistance grants, as determined by the organization based on available funds, to eligible parents who apply to HHSC.

Certified organizations that provide money for adoption assistance grants would be entitled to state matching funds to be used as additional money for the grant award. If HHSC determined that appropriations for this purpose were insufficient to match all awarded grants, state matching would not be provided.

The bill would take effect September 1, 2023.

Methodology

This analysis assumes HHSC would require 4.0 additional full-time-equivalents (FTEs) to implement the Texas Adoption Assistance Program as described in the bill. This would include 1.0 Manager IV to oversee the program; 1.0 Program Specialist VI to assist with program development; 1.0 Contract Specialist V to support contracts, renewals, and amendments; and 1.0 Contract Specialist IV to assist with day-to-day contract functions and procurement. Costs for FTEs, including salary, benefits, and travel, would total \$543,448 in General Revenue in fiscal year 2024 and \$523,504 in General Revenue in fiscal year 2025.

The cost estimate includes only the cost to administer the program and does not include funding required to provide grants to adoptive parents. HHSC would require appropriations beyond administrative costs to actually provide grant funding, but the costs for the grants would depend on a variety of factors including the number of eligible applicants per year, income of applicants, and availability of state matching funds for this purpose.

Technology

The total technology cost is estimated to be \$12,856 in General Revenue in fiscal year 2024 and \$2,096 in General Revenue in fiscal year 2025. Costs are personnel-related.

Local Government Impact

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

Source Agencies: 304 Comptroller of Public Accounts, 529 Health and Human Services Commission

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