

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

March 15, 2023

TO: Honorable Lois W. Kolkhorst, Chair, Senate Committee on Health & Human Services

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: SB1163 by Birdwell (Relating to the procedures and notice required before an individual's name is added to the central child abuse or neglect registry.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB1163, As Introduced : a negative impact of (\$267,216,079) 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	(\$134,852,709)
2025	(\$132,363,370)
2026	(\$132,523,744)
2027	(\$132,751,982)
2028	(\$132,987,222)

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	(\$134,066,474)	(\$786,235)	(\$6,338,313)	761.0
2025	(\$131,598,269)	(\$765,101)	(\$6,125,725)	761.0
2026	(\$131,756,230)	(\$767,514)	(\$6,140,108)	761.0
2027	(\$131,981,988)	(\$769,994)	(\$6,159,955)	761.0
2028	(\$132,214,671)	(\$772,551)	(\$6,180,411)	761.0

Fiscal Analysis

The bill would prohibit the Department of Family and Protective Services (DFPS) from adding a name to the central registry unless a court in any civil, criminal, administrative, or juvenile proceeding issues a final order finding that the individual abused or neglected a child.

The bill would require DFPS not later than the 10th business day before the date the department adds an individual's name and information to the central registry, to provide written notice to the individual of the prospective addition to the registry.

Methodology

It is assumed that the State Office of Administrative Hearings (SOAH) would need to provide hearings to all designated perpetrators prior to their inclusion in the central registry. Based on estimated historical number of designated perpetrators, this would result in a need of 52,000 SOAH hearings each year.

It is assumed that preparation for each hearing would take 8.0 hours for a total of 416,000 additional hours of work each year therefore 275.0 Child Care Investigator (CPI) II Fulltime Equivalents (FTEs) would be needed. To support the CPI investigators, it is assumed that an additional 98.0 FTEs would be needed to read reports, conducting staffing with attorneys, travel to the hearings as well as testify. In addition, based on a time study conducted in July 2022, the following FTEs would be needed to complete data, research case records, supervise and provide quality control: 23.0 Records Analyst I FTEs; 29.0 Records Analyst II FTEs; 4.0 Records Analyst III FTEs; and 1.0 Program Supervisor IV FTEs.

Based on information from DFPS, the Health and Human Services Commission's (HHSC) legal department represents DFPS at SOAH hearings. The SOAHs mandated under this bill would not fall within the scope of services currently provided by HHSC and therefore it is assumed DFPS would need to provide their own legal representation. It is assumed that DFPS would need 250.0 Attorney II FTEs who would each handle 208.0 SOAHs annually as well as 25.0 Legal Assistant I FTEs and 10.0 Administrative I FTEs.

Since DFPS is not listed in SOAH, Rider 7, Billing Rate for Workload, the agency would need enter into an interagency contract to pay SOAH for costs. It is assumed that SOAH's current hourly rate is \$150 per hour, including fringe of \$37.50 per hour. This analysis assumes the methodology for annual projected increase in IAC costs would be 6.35 SOAH hours total per hearing x 52,000 hearings x 187.50 per hour totaling \$61,912,500 annually.

Lastly, this analysis assumes 3.0 contracted System Analyst V FTEs for 5,868 hours of work to modify the Information Management Protecting Adults and Children in Texas (IMPACT) system for changes such as new legal status code and hearing documentation.

Technology

Included in estimated costs are \$606,560 in General Revenue Funds in fiscal year 2024 and \$61,565 in General Revenue in fiscal year 2025 for technology modifications.

Local Government Impact

The fiscal implications of the bill cannot be determined at this time.

Source Agencies: 530 Family and Protective Services, Department of

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