

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

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

**May 17, 2023**

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

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

**IN RE: SB1853** by Kolkhorst (Relating to certain procedures in a suit affecting the parent-child relationship for a child placed in the conservatorship of the Department of Family and Protective Services and the provision of family preservation services and community-based foster care.), **Committee Report 2nd House, Substituted**

**Implementing the provisions of the bill utilizing existing resources would likely result in an equal reduction of appropriations in other functions at the agency. The anticipated fiscal impact to the agency is estimated to be \$1,486,957 in General Revenue for the 2024-25 biennium.**

**Estimated Two-year Net Impact to General Revenue Related Funds for SB1853, Committee Report 2nd House, Substituted :** a negative impact of (\$1,463,088) 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>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2024	(\$1,236,004)
2025	(\$227,084)
2026	(\$28,818,281)
2027	(\$54,245,045)
2028	(\$65,468,526)

**All Funds, Five-Year Impact:**

<i>Fiscal Year</i>	<b>Probable (Cost) from General Revenue Fund 1</b>	<b>Probable (Cost) from GR Match For Medicaid 758</b>	<b>Probable (Cost) from Federal Funds 555</b>	<b>Change in Number of State Employees from FY 2023</b>
2024	(\$1,234,719)	(\$1,285)	(\$100,916)	1.0
2025	(\$225,837)	(\$1,247)	(\$20,294)	1.0
2026	(\$28,723,527)	(\$94,754)	(\$902,032)	(659.0)
2027	(\$53,913,524)	(\$331,521)	(\$3,163,010)	(910.5)
2028	(\$65,010,856)	(\$457,670)	(\$4,371,129)	(1,224.0)

**Fiscal Analysis**

The bill would require the Department of Family and Protective Services (DFPS) to reimburse a service provider selected by a the parent who is not under contract with the department in an amount equal to the

average cost for the specific service.

The bill would also transfer family preservation services to the Single Source Continuum Contractor (SSCC) providing foster care services in that area.

## **Methodology**

This analysis acknowledges that implementing the provisions of the bill within existing resources would reduce appropriations for existing functions at the agency in an equal amount.

This analysis assumes the transfer of preservation services and direct case management, including the reduction of FTEs, would occur six months after Stage II is implemented, or for regions currently in Stage II, six months after the implementation of the bill. This analysis assumes costs will increase as Community-based Care (CBC) rollout continues, with full implementation occurring by fiscal year 2028. This analysis assumes the transition will be in fiscal year 2026 to ensure the implementation of family preservation services in CBC regions. In addition, 1.0 Project Manager III FTE is assumed to develop the CBC Family Preservation Model and assist the transition of responsibility to SSCCs.

This analysis assumes the funding for fringe and benefits to the Department of Family and Protective Services (DFPS) for family based safety service (FBSS) caseworkers that would be transferred to the SSCCs. This analysis assumes one-time start up funding for readiness activities such as protocol development, workforce training and software purchases. This analysis also assumes additional resource transfer for the transfer of FBSS case management to the SSCCs. These assumptions align with current funding and methodologies for CBC.

This analysis assumes additional work would be needed to provide services under the Family First Prevention Services Act (FFPSA). According to DFPS, the agency would need to develop and submit a Title IV-E Prevention Plan to the Administration for Children and Families for federal approval. In addition, the agency would need to modify data systems to track all federally required data. Following the approval of the Prevention Plan and system modifications, the agency could then draw down Title IV-E Federal Funds.

To provide services under FFPSA, this analysis assumes the average cost per family would be \$4,000. This is based on other evidence-based programs the agency provides. This analysis assumes to qualify for services, a candidate for foster care is a child who is at high or very high risk of abuse and neglect and is referred to FBSS. In fiscal year 2022, 5,308.0 investigations were referred and met this criteria. This analysis assumes costs for services would be \$4,770,300 in General Revenue in fiscal year 2026 and would increase as the rollout of CBC continues.

FFPSA requires evaluation of any models not currently rated as well-supported. According to the agency, they have 4.0 models that need additional evaluation work. This analysis assumes \$500,000 in fiscal years 2026 and 2027 to contract with a third-party evaluator in order to meet requirements under FFPSA.

This analysis assumes continued funding for 2.0 Program Specialist VI Fulltime Equivalent (FTEs) beginning in fiscal year 2026 to support the continued implementation of FFPSA and model evaluation as well as 2.0 additional Program Specialist VI FTEs to support statewide implementation of the Prevention Plan.

According to DFPS, the SSCCs are unable to remove children on behalf of the state. FBSS FTEs completed 14.0 percent, or 1,355 removals, in fiscal year 2022, therefore Child Protective Investigators (CPI) and support staff are needed to address those removals. This analysis assumes the need of 10.0 CPI and support FTEs in fiscal year 2026, 28.5 CPI and support FTEs in fiscal year 2027, and 32.0 CPI and support FTEs in fiscal year 2028.

## **Technology**

This analysis assumes 10,826 hours and 5.5 Contracted IT FTEs in fiscal year 2024 and 1,083 hours and 0.5 Contracted IT FTEs in fiscal year 2025 for system modifications. These changes include, updates to the Information Management Protecting Adults and Children in Texas (IMPACT) system for the transfer of FBSS to SSCCs, development of new referral process, updates to batch jobs for payment request processing, and updates to assessment forms.

## **Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 212 Office of Court Administration, Texas Judicial Council, 530 Family and Protective Services,  
Department of

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