

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

May 14, 2025

TO: Honorable Kelly Hancock, Chair, Senate Committee on Veteran Affairs

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB114 by Cortez (Relating to the transition of certain veterans' mental health initiatives from the Texas Health and Human Services Commission to the Texas Veterans Commission.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would transfer the Mental Health Program for Veterans and the Texas Veterans Family Alliance Grant Program administered by the Health and Human Services Commission (HHSC) to the Texas Veterans Commission (TVC). It is assumed the transfer of funding and resources from HHSC to TVC would have no net cost to General Revenue.

This analysis assumes that \$27,912,000 in General Revenue appropriated for HHSC for the affected programs in House Bill 1, as introduced, would transfer to the TVC. It is assumed the transfer from HHSC to TVC would take place beginning in fiscal year 2026, and include \$3,956,000 in General Revenue for the Mental Health Program for Veterans and \$10,000,000 in General Revenue for the Grant Program for Mental Health Services for Veterans and their Families in each fiscal year of the 2026-27 biennium.

This analysis assumes HHSC can implement all other functions of the bill with existing resources.

This analysis assumes costs associated with system changes to Clinical Management for Behavioral Health Services (CMBHS) to track veterans in transferring programs will be absorbed within existing resources.

The ongoing costs to TVC for this program would be \$13,956,000 per fiscal year.

Local Government Impact

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

Source Agencies: 403 Veterans Commission, 529 Health and Human Services Commission

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