

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

May 11, 2025

TO: Honorable Gary VanDeaver, Chair, House Committee on Public Health

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB1747 by Campos (Relating to the administration of funding for the coordination of mental health, substance use, and public health care services in this state.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1747, Committee Report 1st House, Substituted: a negative impact of (\$304,055) through the biennium ending August 31, 2027.

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>	Probable Net Positive/(Negative) Impact to <i>General Revenue Related Funds</i>
2026	(\$134,704)
2027	(\$169,351)
2028	(\$169,571)
2029	(\$169,754)
2030	(\$169,941)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1	<i>Change in Number of State Employees from FY 2025</i>
2026	(\$134,704)	1.0
2027	(\$169,351)	1.0
2028	(\$169,571)	1.0
2029	(\$169,754)	1.0
2030	(\$169,941)	1.0

Fiscal Analysis

The bill would establish the Mental Health, Substance Use, and Public Health Initiative Council to ensure that money allocated to the Mental Health, Substance Use, and Public Health Initiative Trust Fund is allocated fairly and spent to improve the coordination between mental health, substance abuse, and public health care services in the state.

The bill would require the Department of State Health Services (DSHS) to administer the Mental Health, Substance Use, and Public Health Initiative Council. DSHS would be required to provide staff and facilities to

assist the council in performing its duties.

The bill would establish the Mental Health, Substance Use, and Public Health Initiative Trust Fund outside the state treasury to be administered by DSHS. The fund would be held and invested by the Texas Treasury Safekeeping Trust Company (TTSTC). Funds would consist of initial permanent principal and additional legislative appropriations, interest or other earnings, and money from gifts, grants or donations.

The bill would establish a grant program to award grants for programs that improve the coordination between mental health, substance use, and public health care services in the state providing services to individuals with co-occurring mental health and substance abuse disorders.

The bill would require the Mental Health, Substance Use, and Public Health Initiative Council to submit an annual report to the legislature detailing expenditures made by the council in the previous year and any amount of money greater than the initial appropriation of permanent principal by the legislature held in the fund.

Note: This legislation would do one or more of the following: create or recreate a dedicated account in the General Revenue Fund, create or recreate a special or trust fund either in, with, or outside the Treasury, or create a dedicated revenue source. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

Methodology

According to DSHS, a 1.0 full time equivalent (FTE) Program Specialist VII position would be needed to support the formation of the advisory council and its operations, such as membership appointments, meeting scheduling and facilitation, agenda setting, and developing council rules and procedures; to build and manage the grant program by coordinating solicitation, application review, and contracting; to provide technical support to grantees; and to establish a process within DSHS to receive funds for the grant program through the trust fund. This analysis estimates salary, benefits, and other costs for the FTE at \$134,704 from the General Revenue Fund in fiscal year 2026 and \$169,351 from the General Revenue Fund in fiscal year 2027. The lower cost in fiscal year 2026 is attributable to a later assumed start date for the new position in the first fiscal year.

According to the Health and Human Services Commission (HHSC), the agency will provide support for rulemaking within existing resources, which may include helping DSHS create and manage rule project timelines; obtaining key internal approvals and stakeholder involvement; filing proposed rules with the Texas Register; and submitting the adoption rule packet to the Executive Commissioner of HHSC for final approval.

According to the Comptroller of Public Accounts, as the amounts and timing of any money appropriated, grants made, gifts, grants, and donations received, and investment earnings are unknown, the revenue impact on the state cannot be estimated.

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, 537 State Health Services, Department of

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