

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

March 24, 2025

TO: Honorable Lacey Hull, Chair, House Committee on Human Services

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: **HB2216** by Hull (Relating to procedures and grounds related to the removal and placement of children, including for terminating the parent-child relationship, for taking possession of a child, and for certain hearings in a suit affecting the parent-child relationship involving the Department of Family and Protective Services.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2216, As Introduced: a negative impact of (\$45,154,702) through the biennium ending August 31, 2027.

The fiscal implications related to the expanded use of teleconferencing cannot be determined due to the uncertainty of the number of courts readily equipped with the technology. Additionally, the fiscal implications of the procedural and evidentiary changes cannot be determined due to the uncertainty of how it will affect the courts. Lastly, the fiscal implications cannot be determined if the requirement of active efforts will result in increased caseloads due to the time needed to address workload and/or if the bill could result in savings in foster care and reduction in caseloads if there is an increase in the number of children who remain in their home who otherwise would have entered the foster care system.

General Revenue-Related Funds, Five- Year Impact:

<i>Fiscal Year</i>	<i>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</i>
2026	(\$23,840,328)
2027	(\$21,314,374)
2028	(\$21,368,410)
2029	(\$21,413,359)
2030	(\$21,459,290)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	<i>Probable Savings/(Cost) from General Revenue Fund 1</i>	<i>Probable Savings/(Cost) from GR Match For Medicaid 758</i>	<i>Probable Savings/(Cost) from Federal Funds 555</i>	<i>Change in Number of State Employees from FY 2025</i>
2026	(\$23,617,407)	(\$222,921)	(\$1,892,523)	265.0
2027	(\$21,114,998)	(\$199,376)	(\$1,681,703)	265.0
2028	(\$21,168,529)	(\$199,881)	(\$1,685,967)	265.0
2029	(\$21,213,057)	(\$200,302)	(\$1,689,513)	265.0
2030	(\$21,258,558)	(\$200,732)	(\$1,693,137)	265.0

Fiscal Analysis

The bill would now require beyond a reasonable doubt finding prior to the termination of the parent-child relationship. The bill would require the Department of Family and Protective Services (DFPS) to make active efforts to return a child to the parent. The bill would require the court, in their written findings, to identify the active efforts made by DFPS as well as evidence of a causal relationship between the particular conditions in the home and the likelihood that continuation of the parent-child relationship will result in serious emotional or physical injury to the child. The bill would clarify that the court must order the return of the child unless the court concludes based on clear and convincing evidence that certain circumstances exist.

The bill would define active efforts as affirmative, active, thorough, and timely efforts intended primarily to maintain or reunite a child with the child's family and includes the various active efforts DFPS would engage in.

The bill would identify the preference order DFPS must consider in making a placement decision for a child.

The bill would require the court to appoint an attorney to represent a parent if they are found to be indigent and no longer requires the parent to request the appointment of an attorney before the full adversary hearing.

Lastly, the bill would require DFPS, in cooperation with district and county courts, to expand the use of teleconferencing and videoconferencing to facilitate participation by families.

Methodology

According to the Office of Court Administration (OCA) the required expanded use of teleconferencing and videoconferencing could have an impact on the state court system if courts are not readily equipped with the proper technology to accommodate this requirement. OCA has also noted it is unclear exactly how all the proposed procedural and evidentiary changes will affect the courts, and because the number of courts that are not equipped with adequate technology is unknown, the fiscal impact to the state court system cannot be determined.

According to DFPS, the agency currently utilizes 51.0 existing Family Group Decision Making (FGDM) staff, within Child Protective Investigations (CPI), to facilitate Family Team Meetings (FTM) and provide Kinship Finder Sessions during the investigation stage. DFPS assumes additional FTEs would be needed to spend additional time with families in critical case planning and the safety decision-making process to show active effort. CPI FGDM staff in Single Source Continuum Contractor (SSCC) catchment areas also assist with facilitating Initial Coordinating Meetings (ICM) between investigations and the receiving SSCC to ensure all available information on the family is provided. This analysis assumes 18.0 FGDM Specialist I FTEs would be needed each fiscal year to handle 1,691 additional hours of work. This assumes that 14,606 FTMs will be conducted in fiscal year 2026 and in each proceeding fiscal year. This is based on fiscal year 2024 FTMs and removals that would now require an FTM and that each FTM takes on average 8.0 hours to complete. To support the additional FTEs, 3.0 FGDM II FTEs are assumed would be needed each fiscal year.

To address active efforts, DFPS assumes 1.0 Human Services Technician III would be needed with each investigative unit within CPI. This results in an additional need of 238.0 Human Services Technician III FTEs in each fiscal year. These FTEs would transport parents to scheduled services including mental health and substance use; and parenting, facilitate parent/child and sibling visits, actively assisting parents with identifying and scheduling any required services, attempt to locate any absent parent as applicable, conduct searches of family members and make contact, develop a case plan among other responsibilities. To support these increased FTEs, this analysis assumes the need of 6.0 FTEs in each fiscal year to assist with administrative functions including hiring, program and data support, and human resources activities.

This analysis assumes the need for 1.0 System Analyst V Contracted FTE in fiscal year 2026 for 1,883 hours of work to modify the Information Management Protecting Adults and Children in Texas (IMPACT) system. This would include adding and modifying letter templates related to administrative review, third party review, rehabilitation review results, and updating the definition of neglect on letters and pages and modifying allegation details.

Additional information not included in the analysis is DFPS's anticipated potential costs to Child Protective

Services Conservatorship and SSCs due to the additional workload required with active efforts. This may result in increased caseloads and additional funding may need to be provided to lower the caseload per worker. While DFPS is unable to determine the exact resources needed, they assume the caseload per worker ration would need to be lowered to 12 cases per worker. This would result in an additional need of 472.0 Conservatorship Caseworkers and support staff each fiscal year which is anticipated to have a five-year net cost of \$274,521,319 in General Revenue and \$296,280,943 in All Funds. DFPS has noted that they cannot determine potential savings in foster care payments and reductions in caseloads if there is an increase in the number of children who remain in their home who otherwise would have entered the foster care system.

DFPS has also noted that they are unable to determine any fiscal impact if additional services are required to meet the new burden of proof which requires a finding of beyond reasonable doubt.

Technology

Technology costs to modify the IMPACT system are estimated to be \$210,157 in All Funds in fiscal year 2026.

Local Government Impact

This bill would eliminate the requirement that a parent be in opposition to the suit to have a right to a court-ordered attorney. This expansion of the right to counsel will have a fiscal impact on local governments as counties are currently responsible for paying for the cost of court-appointed counsel in suits filed by DFPS. The exact cost of this expansion of counsel cannot be determined. Additionally, this bill raises the burden of proof in cases where DFPS is seeking to be named a temporary managing conservator of a child and in suits seeking the termination of parental rights. This could lead to increased litigation potentially causing an increase in court-appointed attorney fees that counties must pay but those costs cannot be determined at this time.

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

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