

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

May 4, 2025

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB4377 by Villalobos (Relating to the retention of certain genetic material and genetic information by the Department of Family and Protective Services.), Committee Report 1st House, Substituted

Estimated Two-year Net Impact to General Revenue Related Funds for HB4377, Committee Report 1st House, Substituted: a negative impact of (\$5,694,581) through the biennium ending August 31, 2027.

General Revenue-Related Funds, Five- Year Impact:

<i>Fiscal Year</i>	Probable Net Positive/(Negative) Impact to <i>General Revenue Related Funds</i>
2026	(\$5,694,581)
2027	\$0
2028	\$0
2029	\$0
2030	\$0

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable Savings/(Cost) from <i>General Revenue Fund</i>	Probable Savings/(Cost) from <i>GR Match For Medicaid</i>	Probable Savings/(Cost) from <i>Federal Funds</i>
	1	758	555
2026	(\$5,643,652)	(\$50,929)	(\$508,440)
2027	\$0	\$0	\$0
2028	\$0	\$0	\$0
2029	\$0	\$0	\$0
2030	\$0	\$0	\$0

Fiscal Analysis

The bill would require the Department of Family and Protective Services (DFPS) and any testing laboratory used by DFPS to destroy any genetic material and delete any genetic information obtained from an individual for the purpose of a genetic test after the purpose for which the sample was obtained is accomplished. The bill would require all genetic material and information be destroyed by January 1, 2026.

Methodology

According to the agency, DNA or genetic information exists in digital (typically stored in imaged documents uploaded into DFPS systems), and physical hard-copy records. Since the bill requires the information be destroyed, DFPS assumes records would need to be digitized to properly destroy the information. DFPS stated that 5,280 boxes of records would need to be digitized. Once that occurs, an IT solution will remove the DNA

or genetic information.

The agency had already planned to digitize all records in 24 months and negotiated an estimated cost of \$700,000 in All Funds with the third party conducting the work. Due to the mandated deadline of January 1, 2026, the imaging process must be completed within four months instead of the original timeline of 24 months. Therefore, DFPS assumes to process 5,280 boxes at an accelerated processing rate, compressing the timeline by a factor of six, would result in an estimated cost of \$4,200,000 in All Funds in fiscal year 2026.

DFPS also assumes IT solution tools can support this project to identify genetic information within documents in DFPS systems, such as the Information Management Protecting Adults and Children in Texas (IMPACT) system, and validate that only genetic content is removed. This analysis assumes to implement the IT solution tool into the IMPACT system, 1.0 System Analyst V Contacted Full-Time Equivalent would be needed in fiscal year 2026 to complete 2,510 hours of work.

Technology

Technology costs to implement the IT solution are estimated to be \$1,960,210 million in All Funds in fiscal year 2026.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 530 Family and Protective Services, Department of

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