

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

April 25, 2025

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB5302 by Schatzline (Relating to the establishment of the Texas Post-adoption Assistance Program.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB5302, Committee Report 1st House, Substituted: a negative impact of (\$2,052,000) through the biennium ending August 31, 2027.

There would be an additional indeterminate cost to the state dependent on legislative appropriations for the purpose of providing state matching funds.

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>	<i>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</i>
2026	(\$1,350,000)
2027	(\$702,000)
2028	(\$702,000)
2029	(\$702,000)
2030	(\$702,000)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	<i>Probable Savings/(Cost) from General Revenue Fund 1</i>	<i>Change in Number of State Employees from FY 2025</i>
2026	(\$1,350,000)	8.0
2027	(\$702,000)	8.0
2028	(\$702,000)	8.0
2029	(\$702,000)	8.0
2030	(\$702,000)	8.0

Fiscal Analysis

The bill would require the Comptroller to establish and administer the Texas Post-adoption Assistance Program to encourage adoption of children in the foster system by providing assistance with post-adoption related expenses. The Comptroller would be required to select and certify participant organizations that would solicit and accept donations and grants to be distributed in the form of post-adoption assistance grants. The bill lists eligibility requirements for organizations and parents, and requires the Comptroller to revoke certifications for

certain instances of non compliance.

The maximum amount of annual credit to a post adoption assistance account is \$2,000 if the parents adopt one child, or \$1,500 per child if the parents adopt more than one child. Certified organizations would award grants based on available program money in each fiscal year to be used for certain post adoption related expenses. Certified organizations would be entitled to additional state matching funds for the accounts unless the Comptroller determines that their appropriation for this purpose is insufficient to match all accounts.

The Comptroller would adopt rules as necessary to implement the bill.

Methodology

The Comptroller assumes that eight additional full-time equivalent positions (8.0 FTEs) would be necessary to implement the bill. The additional FTEs include: 2.0 Contract Specialists III and 6.0 Program Specialists IV to create a program application, ensure compliance, adopt rules and procedures to implement, create guidelines for an audit on the certified organizations, and administer and enforce the requirements of the bill. The Comptroller estimates that this program could review up to 1,000 applications annually for eligible parents. Total personnel costs for the 8.0 FTEs would be \$702,000 per fiscal year.

There would be an additional indeterminate cost to the state dependent on legislative appropriations for the purpose of matching funds in the accounts. The number and amounts of post adoption assistance grants awarded by a certified organization, and the corresponding state matching funds are unknown, therefore, the cost cannot be determined.

Technology

The Comptroller assumes a one-time IT cost of \$648,000 in fiscal year 2026 for 4,320 programming hours to create the grant program using contractor resources. The web application developed would handle incoming grant applications, disbursement of the grant funds, and reports to ensure compliance of the program.

Local Government Impact

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

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JMc, NPe, LCO, CSmi, NV