

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

April 7, 2025

TO: Honorable Lois W. Kolkhorst, Chair, Senate Committee on Health & Human Services

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: SB500 by Sparks (Relating to access to certain information in the adoption process.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB500, As Introduced: a negative impact of (\$6,955,560) 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	(\$3,551,400)
2027	(\$3,404,160)
2028	(\$3,404,160)
2029	(\$3,404,160)
2030	(\$3,404,160)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1	Probable Savings/(Cost) from <i>GR Match For Medicaid</i> 758	Probable Savings/(Cost) from <i>Federal Funds</i> 555
2026	(\$3,550,088)	(\$1,312)	(\$19,000)
2027	(\$3,404,160)	\$0	\$0
2028	(\$3,404,160)	\$0	\$0
2029	(\$3,404,160)	\$0	\$0
2030	(\$3,404,160)	\$0	\$0

Fiscal Analysis

The bill would require the Department of Family and Protective Services (DFPS) to ensure that licensed child-placing agencies, single source continuum contractors (SSCCs), or other person placing a child for adoption, receives a copy of the health, social, educational, and genetic history (HSEGH) report of the child, no later than the 30th day after the date the child's permanency plan is changed to include adoption. The bill would also require the redaction of certain information.

Methodology

According to DFPS, the agency currently provides the HSEGH report 45 days after the termination of parental rights. The bill would increase the number of children for which reports are required as well as shorten the timeline from 45 days to 30 days.

DFPS contracts with a third-party vendor to produce the HSEGH reports and SSCCs either use a third-party vendor or produce the report utilizing internal resources.

DFPS reports that currently 3,641 reports are completed annually and assume an additional 3,940 reports would need to be completed since the number of children who have a permanency plan that includes adoption as a goal is significantly more than the number of children whose parental rights have been terminated, resulting in an increased number of reports.

Each HSEGH report costs \$432 to complete, therefore, 3,940 additional reports would result in a cost of \$1,702,080 in General Revenue in each fiscal year for children in the legacy system. DFPS assumes since SSCCs have approximately 50 percent of conservatorship Full-Time Equivalents (FTEs), the SSCC would have similar caseloads also resulting in 3,940 additional reports in each fiscal year. The estimated costs for the Community-based Care system are also expected to be \$1,702,080 in General Revenue in each fiscal year.

This analysis also assumes the need to modify the Information Management Protecting Adults and Children in Texas (IMPACT) system to track permanency plans which are not currently data points in the system. The modifications would also include new internal reporting to ensure compliance. It is assumed that 1.0 System Analyst V Contracted FTE would be needed in fiscal year 2026 to complete the modifications.

Technology

Technology costs to modify the IMPACT system are estimated to be \$140,105 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