LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

April 15, 2025

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: **SB1310** by Cook (Relating to senior independent living communities; providing a civil penalty.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB1310, As Introduced: a negative impact of ($7,185,751) 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:

Fiscal Year	**Probable Net Positive/(Negative) Impact to** ***General Revenue Related Funds***
2026	($4,164,545)
2027	($3,021,206)
2028	($3,023,774)
2029	($3,025,911)
2030	($3,028,094)

All Funds, Five-Year Impact:

Fiscal Year	**Probable Savings/(Cost) from** ***General Revenue Fund*** **1**	**Probable Savings/(Cost) from** ***GR Match For Medicaid*** **758**	**Probable Savings/(Cost) from** ***Federal Funds*** **555**	*Change in Number of State Employees from FY 2025*
2026	($3,446,975)	($717,570)	($730,329)	12.0
2027	($2,822,791)	($198,415)	($199,462)	12.0
2028	($2,825,288)	($198,486)	($199,534)	12.0
2029	($2,827,368)	($198,543)	($199,593)	12.0
2030	($2,829,491)	($198,603)	($199,654)	12.0

Fiscal Analysis

This bill amends the Health and Safety Code to require senior independent living communities (SILC) to prepare, maintain, and annually update written emergency response plans for the community. The emergency response plan must be filed with the Health and Human Services Commission (HHSC) on an annual basis. This bill would take effect September 1, 2025.

Methodology

HHSC assumes the agency would be required to accept the initial emergency response plan filed by a defined SILC and accept an annual updated version of the emergency response plan when filed with the agency. This analysis assumes a minor portion of the review process for an emergency response plan's compliance with this bill will constitute an onsite visit to an SILC; thereby, the majority of the review process of an SILC's filed emergency response plan would happen in office. This analysis assumes HHSC would require $4,164,545 from the General Revenue Fund ($4,894,874 from All Funds) and 12.0 “full-time-equivalents (FTEs)” in fiscal year 2026 and $3,021,206 from the General Revenue Fund ($3,220,668 from All Funds) and 12.0 FTEs in fiscal year 2027 to implement the provisions of the bill, which includes the review of filed emergency response plans for an SILC, modifications to the Texas Unified Licensure Information Portal (TULIP), and processing complaints from the SILC facilities, providers, and clients.

Included in the amounts above are assumed FTE costs totaling $1,461,905 from the General Revenue Fund ($1,491,972 from All Funds) and 12.0 FTEs in fiscal year 2026 and $1,415,920 from the General Revenue Fund ($1,442,920 from All Funds) and 12.0 FTEs in fiscal year 2027. This includes 1.0 Administrative Assistant, 1.0 Manager II, 1.0 Program Specialist IV, 7.0 Safety Officer II, 1.0 System Analyst IV, and 1.0 Program Specialist V (indirect administration) FTEs each fiscal year of the biennium. Included in the assumed FTE costs is $118,370 from the General Revenue Fund ($121,528 from All Funds) in fiscal year 2026 for one-time costs related to the review process for filed emergency response plans filed by an SILC.

This analysis also assumes HHSC would require $2,702,640 from the General Revenue Fund ($3,402,902 from All Funds) in fiscal year 2026 and $1,605,286 from the General Revenue Fund ($1,777,748 from All Funds) in fiscal year 2027 to implement the necessary modifications related to HHSC's TULIP system. The modifications include a new TULIP interface for SILCs, which HHSC does not currently regulate, to allow these communities to file emergency response plans with HHSC as required by this bill. The agency's intention is to contract with a Deloitte Technology Solutions Services team to complete the majority of the modifications. Other costs associated with information technology include contracting a service support desk to assist the ongoing support and maintenance of TULIP and its operations. HHSC assumes of the technology costs, $1,097,354 from the General Revenue Fund ($1,625,154 from All Funds) are one-time expenditures and would not continue beyond fiscal year 2026.

This bill establishes a civil penalty for violations of the provisions of this bill and gives the Office of the Attorney General (OAG) the authority to bring suit to collect a penalty. This analysis assumes the OAG can implement provisions of this bill within existing agency resources.

According to the Comptroller of Public Accounts, the number of violations that would result in civil penalty revenue is unknown; therefore, the related fiscal impact on the state cannot be estimated.

Technology

As mentioned above, HHSC would require $2,702,640 from the General Revenue Fund ($3,402,902 from All Funds) and 1.0 System Analyst IV FTE in fiscal year 2026 and $1,605,286 from the General Revenue Fund ($1,777,748 from All Funds) and 1.0 System Analyst IV FTE in fiscal year 2027 to implement the necessary modifications related to HHSC's TULIP system and implement the technological components of this bill. HHSC assumes of the technology costs, $1,097,354 from the General Revenue Fund ($1,625,154 from All Funds) are one-time expenditures and would not continue beyond fiscal year 2026.

Local Government Impact

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

Source Agencies: 302 Office of the Attorney General, 304 Comptroller of Public Accounts, 529 Health and Human Services Commission

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