

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION**

**April 18, 2017**

**TO:** Honorable Richard Peña Raymond, Chair, House Committee on Human Services

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE:** **HB1549** by Burkett (Relating to the provision of services by the Department of Family and Protective Services, including child protective services and prevention and early intervention services.), **Committee Report 1st House, Substituted**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB1549, Committee Report 1st House, Substituted: a negative impact of (\$113,150,360) through the biennium ending August 31, 2019.

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
2018	(\$42,370,710)
2019	(\$70,779,650)
2020	(\$92,047,233)
2021	(\$120,554,733)
2022	(\$149,062,233)

**All Funds, Five-Year Impact:**

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund 1	Probable Savings/(Cost) from Federal Funds 555	Probable Savings/(Cost) from GR Match For Medicaid 758	Change in Number of State Employees from FY 2017
2018	(\$42,345,211)	(\$2,006,450)	(\$25,499)	26.0
2019	(\$70,755,393)	(\$1,991,804)	(\$24,257)	26.0
2020	(\$92,039,851)	(\$73,825)	(\$7,382)	10.0
2021	(\$120,547,351)	(\$73,825)	(\$7,382)	10.0
2022	(\$149,054,851)	(\$73,825)	(\$7,382)	10.0

## **Fiscal Analysis**

The bill would require the Department of Family and Protective Services (DFPS) to designate caseworkers to conduct investigations involving child fatalities.

The bill would require DFPS to publish the aggregated child fatality investigations report no later than February 1 of each year.

The bill would require DFPS, in geographic areas with demonstrated need, to designate employees to be investigators and responders for after-hours reports of abuse and neglect.

The bill would require DFPS to use a web-based system to assist in making the best placement decision for a foster child, including certain criteria related to level of care, location, provider preferences, and history.

The bill would require DFPS to create a foster care provider recruitment plan.

The bill would require DFPS to implement an evidence-based program providing frequent in-home visits to families with a history of, or risk factors for, child abuse or neglect.

The bill would add additional members to the child fatality review team committee.

The bill would require the Department of State Health Services (DSHS) to develop and implement training for justices of the peace and medical examiners regarding inquests into child death cases, evaluate and use child fatality data to create public health strategies for the prevention of child fatalities, and include near fatality child abuse and neglect cases in the child fatality case database. DSHS would be required to track and analyze near fatality data and produce a report on the topic. DSHS would be required to provide child fatality review teams with electronic access to the preliminary death certificate for a deceased child.

The bill would require local county commissioners courts to adopt regulations relating to the timelines for conducting an inquest into the death of a child, and would require the county's medical examiner or justice of the peace to notify the appropriate county child fatality review team not later than the 120th day after the death is reported.

The bill would set a growth strategy goal to provide prevention and early intervention (PEI) services to 50 percent of the highest risk families that are eligible to receive services, defined as a family that has children five years of age or younger and whose family income is at or below 50 percent of the federal poverty limit. The bill would direct DFPS to use a geographic focus to direct PEI services to families with the greatest need.

The bill would require DFPS and the Texas Higher Education Coordinating Board (THECB) to enter into agreements with institutions of higher education to conduct efficacy reviews of certain PEI services.

The bill would require DFPS to expand the capacity of home visiting services by 20 percent in counties that meet certain criteria.

The bill would require DFPS to develop a program to provide ongoing support, including critical stress debriefing, to caseworkers who experience secondary trauma from being exposed to trauma during employment.

The bill would require the department to develop and implement a caseload management system for child protective services caseworkers and managers.

The bill would require the creation of a Prevention Advisory board to advise on the prevention of child abuse and neglect.

The bill would take effect September 1, 2017.

## **Methodology**

The bill is estimated to result in a net cost of \$44.4 million in All Funds in fiscal year 2018, \$72.8 million in All Funds in fiscal year 2019, \$92.1 million in All Funds in fiscal year 2020, \$120.6 million in All Funds in fiscal year 2021, and \$149.1 million in All Funds in fiscal year 2022.

DFPS assumes that 7.0 additional FTEs would be required for the creation of a specialized unit to investigate child fatalities, resulting in an All Funds cost of \$0.8 million in fiscal year 2018 for salary and benefits and \$0.7 million in each fiscal year thereafter.

To develop the web-based placement system, DFPS assumed the need for one-time information technology of \$3.1 million in All Funds, including \$1.6 million in General Revenue funds, in fiscal year 2018 and \$3.5 million in All Funds, including \$1.7 million in General Revenue funds, in fiscal year 2019. Additionally, DFPS estimates the need for 16.0 FTEs in fiscal years 2018 and 2019, resulting in an All Funds cost of \$1.8 million, including \$1.6 million in General Revenue, in fiscal year 2018 and an All Funds cost of \$1.7 million, including \$1.5 million in General Revenue, in fiscal year 2019 for salary and benefits.

In order to serve an additional 2,000 families in Family Preservation Services, at a cost of \$3,972 for an evidence-based model, this analysis assumes a cost of \$4.0 million in General Revenue in fiscal year 2018 and \$4.0 in General Revenue fiscal year 2019 to implement an evidence-based program providing frequent in-home visits to families with a history of, or risk factors for, child abuse or neglect.

DSHS assumes that existing resources could be used to develop and implement training for justices of the peace and medical examiners regarding inquests in child death cases. DSHS assumes that 2.0 FTEs would be required to support evaluation, training, and reporting on child near-fatality data at a General Revenue cost of \$0.2 million beginning in fiscal year 2018. DSHS reports that no technology costs would be required to support this provision, as the National Center for Fatality Review and Prevention Online Database currently maintains the ability to capture data on near fatalities. DFPS assumes that \$0.4 million in All Funds, including \$0.2 million in General Revenue, would be required in fiscal year 2018 for one-time technology costs to add additional data elements related to caseworkers to IMPACT.

Based on US Census data, there are an estimated 126,701 families in Texas with children under the age of five living at or below 50 percent of the federal poverty limit. The bill would set a growth target of 50 percent receiving PEI services. Costs would vary widely dependent on the level of services provided and dependent on whether services were able to be partially funded through federal, local, or private resources. Additionally, costs could be lower to the extent that families are already being served. This analysis assumes that half of eligible families (31,675) would complete a full program of services at an annual cost of \$3,000 per family, and half would receive partial services at an annual cost of \$1,500, for a total eventual cost of \$142.5 million in General Revenue in each fiscal year. The analysis assumes that this cost would be implemented over a five year timespan, with the cost totaling \$28.5 million in fiscal year 2018, \$57.0 million in fiscal year

2019, \$85.5 million in fiscal year 2020, \$114.0 million in fiscal year 2021, and \$142.5 million in fiscal year 2022.

THECB assumes that 1.0 FTEs will be required to conduct the PEI review, at a General Revenue cost of \$45,875 in fiscal year 2018 and \$40,875 in each fiscal year thereafter.

In order to expand the capacity of home visiting services provide by the PEI division by 20 percent in the required six counties, DFPS estimates an increase of 1,400 annual families receiving home visits will be required. With an estimated cost of \$4,000 per family, the analysis assumes a cost of \$5.6 million in General Revenue each fiscal year.

It is assumed any other provisions of the bill related to DFPS can be implemented within the available resources of the department.

Based on the analysis of Texas A&M University and the University of Texas, any work resulting from provisions of the bill related to evaluation of PEI programs could reasonably be absorbed within current resources.

### **Technology**

Technology costs are estimated to be \$7.0 million in the 2018-19 biennium for one-time implementation costs. This includes \$0.4 million for upgrades to IMPACT, \$6.6 million for the new web-based placement system, and \$1,600 per additional FTE for computer and laptop accessories.

### **Local Government Impact**

According to the Texas Association of Counties, the fiscal impact to counties cannot be determined.

**Source Agencies:** 530 Family and Protective Services, Department of, 503 Texas Medical Board, 529 Health and Human Services Commission, 537 State Health Services, Department of, 696 Department of Criminal Justice, 710 Texas A&M University System Administrative and General Offices, 720 The University of Texas System Administration, 781 Higher Education Coordinating Board

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