

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

April 6, 2003

TO: Honorable David Swinford, Chair, House Committee on Government Reform

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB1769 by Driver (Relating to occupations regulated by the Texas Commission on Private Security.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1769, As Introduced: a positive impact of \$72,800 through the biennium ending August 31, 2005.

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
2004	\$36,400
2005	\$36,400
2006	\$36,400
2007	\$36,400
2008	\$36,400

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain from GENERAL REVENUE FUND 1
2004	\$36,400
2005	\$36,400
2006	\$36,400
2007	\$36,400
2008	\$36,400

Fiscal Analysis

The bill would amend the Occupations Code as it relates to occupations regulated by the Texas Commission on Private Security (TCPS) by changing definitions relating to alarm companies, letters of authority, private investigators, and private investigation firms. Additionally, the bill would remove the specific schedule of fees and associated maximum amounts that TCPS could charge and provide TCPS the authority to set fees.

Methodology

The bill would remove the limits on the amounts of fees that the Commission on Private Security (TCPS) could charge. Whether TCPS would change the fees is unknown, and potential changes in revenue resulting from changes in fees are not included in this fiscal estimate. The agency reports that

several provisions of the bill would expand the businesses and individuals subject to TCPS oversight. TCPS estimates that the following additional businesses and individuals would become licensed under these provisions: 35 alarm companies, 25 companies requiring letters of authority, 50 private investigation firms, 70 alarm installers, 100 additional officers operating under letters of authority, and 100 private investigators.

Under TCPS current rules, the companies are licensed every year, and the individuals are licensed every two years. Using TCPS's current fee structure, the companies that would be added would generate approximately \$30,500 in revenue each year the fees were collected. Individuals would generate \$5,900 each year the fees were collected for a total of \$36,400 each year that both sets of fees were collected. This estimate assumes that the companies would pay their first fees in fiscal 2004.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 467 Texas Commission on Private Security
LBB Staff: JK, GO, VDS, AR, KG