

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

April 2, 2003

TO: Honorable Allan Ritter, Chair, House Committee on Pensions & Investments

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB1840 by Solomons (Relating to a fee established and set by the State Securities Board.),
Committee Report 1st House, Substituted

Estimated Two-year Net Impact to General Revenue Related Funds for HB1840, Committee Report 1st House, Substituted: a positive impact of \$8,084,152 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	\$4,042,076
2005	\$4,042,076
2006	\$4,042,076
2007	\$4,042,076
2008	\$4,042,076

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/(Loss) from GENERAL REVENUE FUND 1
2004	\$4,042,076
2005	\$4,042,076
2006	\$4,042,076
2007	\$4,042,076
2008	\$4,042,076

Fiscal Analysis

The bill would authorize the State Securities Board to establish and set certain fees in amounts that are reasonable and necessary. The fees would be set at a level sufficient to cover the cost of administering and enforcing the Securities Act in excess of the amount generated by the fees, as they existed on September 1, 2002.

The act takes effect immediately if it receives a vote of two thirds of each house of the Legislature, otherwise the bill would take effect September 1, 2003.

Methodology

The agency would be required to increase its fees by an amount that would cover its current costs

for administering and enforcing the Securities Act. The agency's anticipated General Revenue expenditure level for fiscal year 2003 is \$4,042,076, so the agency would be required to increase fees by this amount each year.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 312 Securities Board

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