

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

April 9, 2003

TO: Honorable Troy Fraser, Chair, Senate Committee on Business & Commerce

FROM: John Keel, Director, Legislative Budget Board

IN RE: SB1667 by Averitt (relating to authorization of Federal Bureau of Investigation background checks and access to criminal history record information for mortgage broker and loan officer license applicants.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for SB1667, Committee Report 1st House, Substituted: an impact of \$0 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	\$0
2005	\$0
2006	\$0
2007	\$0
2008	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/(Loss) from <i>GENERAL REVENUE FUND</i> 1	Probable Savings/(Cost) from <i>GENERAL REVENUE FUND</i> 1
2004	\$387,600	(\$387,600)
2005	\$330,600	(\$330,600)
2006	\$273,600	(\$273,600)
2007	\$228,000	(\$228,000)
2008	\$182,400	(\$182,400)

Fiscal Analysis

The bill would require the Savings and Loan Department to obtain and submit fingerprints to the Federal Bureau of Investigation (FBI) and Department of Public Safety (DPS) for the purpose of obtaining criminal history records on each new mortgage broker or loan officer license applicant.

Methodology

The Savings and Loan Department would be required to obtain a Federal Bureau of Investigation (FBI) background check and a Department of Public Safety (DPS) fingerprint check for each new mortgage broker or loan officer license applicant at a cost of \$38 per applicant.

The agency assumes it will receive 850 applications each month in fiscal year 2004, 725 applications each month in fiscal year 2005, 600 applications each month in fiscal year 2006, 500 applications each month in fiscal year 2007, and 400 applications each month in fiscal year 2008.

It is anticipated that any costs to the Department of Public Safety could be absorbed within current resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 450 Savings and Loan Department, 451 Department of Banking, 469 Credit Union Department

LBB Staff: JK, JRO, RT, RB