

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

April 26, 2005

TO: Honorable Kino Flores, Chair, House Committee on Licensing & Administrative Procedures

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: HB3190 by Bailey (Relating to the licensing and regulation of journeyman and apprentice sheet metal workers.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3190, As Introduced: an impact of \$0 through the biennium ending August 31, 2007.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2006	\$0
2007	\$0
2008	\$0
2009	\$0
2010	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/ (Loss) from GENERAL REVENUE FUND 1	Probable (Cost) from GENERAL REVENUE FUND 1	Change in Number of State Employees from FY 2005
2006	\$1,067,050	(\$1,067,050)	15.5
2007	\$728,350	(\$728,350)	15.5
2008	\$728,350	(\$728,350)	15.5
2009	\$728,350	(\$728,350)	15.5
2010	\$728,350	(\$728,350)	15.5

Fiscal Analysis

The provisions of the bill require the Texas Department of Licensing and Regulation (TDLR) to register and renew annually, licenses for sheet metal journeyman and sheet metal apprentices that work on commercial sheet metal air ducts. The bill would exempt sheet metal workers that work on air ducts in residential single-family dwellings and town homes with three stories or less.

The provisions of the bill require an application fee for a new and renewal sheet metal journeyman and sheet metal apprentice certificate of registration. The bill also requires TDLR to certify continuing education programs for sheet metal journeyman and apprentice license holders.

The bill would take effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If the bill does not receive the vote necessary for immediate effect, the bill would take effect September 1, 2005.

Methodology

It is assumed that TDLR would set fees as necessary to offset the costs of implementing the provisions of the bill. TDLR indicates that enforcement for this new registration population would be applicable.

According to TDLR, it would need an additional 15.5 full-time equivalents (FTE) each year and \$1,067,050 in fiscal year 2006 and \$728,350 in fiscal year 2007 for registration, enforcement, and to provide continuing education of sheet metal journeyman and sheet metal apprentices. (\$615,100 salaries and benefits, \$10,000 for travel, \$23,250 for other operating costs each fiscal year and one-time costs of \$95,200 for equipment in fiscal year 2006)

TDLR estimates it would need one Accountant II, Administrative Assistant II, Administrative Assistant IV, Systems Analyst III, Attorney IV, Legal Assistant III, Investigator IV, Program Specialist IV; 5 Administrative Assistant III; 2 Legal Assistant II; and 0.5 Network Specialist III.

TDLR estimates additional cost for TexasOnline fees of \$5 for each new and renewal license application through the internet; exam development and license exam fees would be \$323,500 in fiscal year 2006 and \$80,000 in fiscal years 2007 through 2010.

TDLR estimates the following changes to its performance measures:

The Number of New Licenses Issued to Individuals will increase 9,000 in fiscal year 2006 and 1,000 in subsequent years.

The Number of Licenses Renewed (individuals) will increase by 8,000 in fiscal year 2007 and subsequent years.

The Number of Administrative Hearings will increase by 50 in fiscal year 2006 and 40 in subsequent years.

Technology

TDLR estimates needing \$39,400 for the purchase of computers and related equipment in fiscal year 2006.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 452 Department of Licensing and Regulation

LBB Staff: JOB, JRO, MW, RR