

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

**FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION**

**May 3, 2007**

**TO:** Honorable David Swinford, Chair, House Committee on State Affairs

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

**IN RE: HB38** by Solomons (Relating to the requirement that applicants for certain licenses be eligible for employment in the United States.), **Committee Report 1st House, Substituted**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB38, Committee Report 1st House, Substituted: an impact of \$0 through the biennium ending August 31, 2009.

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
2008	\$0
2009	\$0
2010	\$0
2011	\$0
2012	\$0

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

Fiscal Year	Probable Savings/ (Cost) from <i>GENERAL REVENUE FUND 1</i>	Probable Revenue Gain/(Loss) from <i>GENERAL REVENUE FUND 1</i>	Probable Savings/ (Cost) from <i>CERTIF &amp; ASSESSMENT FEES 751</i>	Probable Revenue Gain/(Loss) from <i>CERTIF &amp; ASSESSMENT FEES 751</i>
2008	(\$2,036,647)	\$2,036,647	(\$326,015)	\$326,015
2009	(\$1,799,795)	\$1,799,795	(\$301,015)	\$301,015
2010	(\$1,753,950)	\$1,753,950	(\$301,015)	\$301,015
2011	(\$1,754,068)	\$1,754,068	(\$301,015)	\$301,015
2012	(\$1,754,026)	\$1,754,026	(\$301,015)	\$301,015

Fiscal Year	Change in Number of State Employees from FY 2007
2008	32.5
2009	31.0
2010	30.0
2011	30.0
2012	30.0

## **Fiscal Analysis**

The bill would amend the Occupations Code to prohibit a licensing authority to issue an occupational license, certificate, registration, permit, or other authorization unless an applicant establishes employment eligibility. The applicant would establish employment eligibility by providing an original or a copy of one or two documents specific documents, or a document verifying that the applicant provided to their current or most recent employer a true and correct Form I-9 along with authentic supporting documents.

Each licensing agency would need to adopt the necessary rules not later than January 1, 2008 and the bill would take effect September 1, 2007.

## **Methodology**

Based on information provided by the Residential Construction Commission, the Department of Savings and Mortgage Lending, the Department of Banking, the Department of Licensing and Regulation, the Department of Insurance, the Office of Consumer Credit Commissioner, the Credit Union Department, the Structural Pest Control Board, the Racing Commission, the Board of Professional Geoscientists, the Texas Medical Board, the Board of Dental Examiners, the Board of Nurse Examiners, the Board of Chiropractic Examiners, the Executive Council of Physical Therapy and Occupational Therapy Examiners, the Board of Veterinary Medical Examiners, the Department of Transportation, the Department of Housing and Community Affairs, the Department of Public Safety, the Alcoholic Beverage Commission, the Department of Family and Protective Services, the Central Education Agency, the Commission on Environmental Quality, the Board of Podiatric Medical Examiners, and Law Enforcement Standards this analysis includes the following assumptions.

It is assumed that there would be additional technology costs, including programming costs as well as the purchase of necessary hardware and software for several agencies. It is assumed that these additional technology costs would be \$166,382 in fiscal year 2008, \$36,648 in fiscal year 2009, \$36,850 in fiscal year 2010, \$36,968 in fiscal year 2011, and \$36,926 in fiscal year 2012.

It is assumed that costs for staff would include \$1,214,276 for 32.5 FTEs in fiscal year 2008, \$1,189,430 for 31.0 FTEs in fiscal year 2009, \$1,164,450 for 30.0 FTEs in each fiscal year from 2010 through fiscal year 2012. Other operating expenses are estimated at \$804,868 in fiscal year 2008, \$574,890 in fiscal year 2009, \$561,092 in fiscal year 2010, \$561,120 in fiscal year 2011, and \$561,168 in fiscal year 2012. Estimated costs also include \$343,518 in fiscal year 2008, \$336,490 in fiscal year 2009, \$329,423 in each fiscal year from 2010 through fiscal year 2012 for associated benefits.

It is also assumed that any increased costs to agencies which are required to generate sufficient revenue to cover their costs of operation, would be offset by an increase in fee generated revenue.

## **Technology**

It is assumed that there would be technology costs of \$166,382 in fiscal year 2008, \$36,648 in fiscal year 2009, \$36,850 in fiscal year 2010, \$36,968 in fiscal year 2011, and \$36,926 in fiscal year 2012.

## **Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

## **Source Agencies:**

332 Department of Housing and Community Affairs, 370 Residential Construction Commission, 405 Department of Public Safety, 407 Commission on Law Enforcement Officer Standards and Education, 450 Department of Savings and Mortgage Lending, 451 Department of Banking, 452 Department of Licensing and Regulation, 454 Department of Insurance, 457 Board of Public Accountancy, 458 Alcoholic Beverage Commission, 459 Board of Architectural Examiners, 460 Board of Professional Engineers, 466 Office of Consumer Credit Commissioner, 469 Credit Union Department, 476 Racing Commission, 481 Board of Professional Geoscientists, 503

Texas Medical Board, 504 Texas State Board of Dental Examiners, 507 Board of Nurse Examiners, 508 Board of Chiropractic Examiners, 512 Board of Podiatric Medical Examiners, 530 Family and Protective Services, Department of, 533 Executive Council of Physical Therapy & Occupational Therapy Examiners, 582 Commission on Environmental Quality, 601 Department of Transportation, 701 Central Education Agency, 312 Securities Board, 329 Real Estate Commission, 456 Board of Plumbing Examiners, 472 Structural Pest Control Board, 513 Funeral Service Commission, 514 Optometry Board, 515 Board of Pharmacy, 520 Board of Examiners of Psychologists, 578 Board of Veterinary Medical Examiners

**LBB Staff:** JOB, KJG, MW, AH