

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 15, 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.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB38, As Introduced: 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>STATE HIGHWAY FUND 6</i>	Change in Number of State Employees from FY 2007
2008	(\$16,522,775)	\$16,522,775	(\$319,304)	289.5
2009	(\$14,905,628)	\$14,905,628	(\$319,304)	297.0
2010	(\$14,840,784)	\$14,840,784	(\$360,923)	298.0
2011	(\$11,314,807)	\$11,314,807	(\$360,923)	222.0
2012	(\$11,313,410)	\$11,313,410	(\$360,923)	222.0

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 presenting one or two documents specific 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 Real Estate Commission, 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 Board of Plumbing Examiners, 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 Funeral Services Commission, the Optometry Board, the Executive Council of Physical Therapy and Occupational Therapy Examiners, the Board of Pharmacy, the Board of Examiners of Psychologists, the Board of Veterinary Medical Examiners, and the Texas Department of Transportation, 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. It is assumed that these additional technology costs would be \$941,334 in fiscal year 2008, \$82,937 in fiscal year 2009, \$93,180 in fiscal year 2010, \$80,757 in fiscal year 2011, and \$83,860 in fiscal year 2012.

It is assumed that the Department of Licensing and Regulation and the Real Estate Commission would open additional field offices to verify the required documents of their applicants.

It is assumed that costs for staff would include \$10,231,040 for 289.5 FTEs in fiscal year 2008, \$10,407,715 for 297.0 FTEs in fiscal year 2009, \$10,382,735 for 298.0 FTEs in fiscal year 2010, \$7,779,497 for 222.0 FTEs in both fiscal years 2011 and 2012. Other operating expenses are estimated at \$3,584,576 in fiscal year 2008, \$1,836,872 in fiscal year 2009, \$1,804,075 in fiscal year 2010, \$1,659,412 in fiscal year 2011, and \$1,662,515 in fiscal year 2012. Estimated costs also include \$2,894,361 in fiscal year 2008, \$2,944,342 in fiscal year 2009, \$2,937,275 in fiscal year 2010, and \$2,200,819 in fiscal years 2011 and 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 \$941,334 in fiscal year 2008, \$82,937 in fiscal year 2009, \$93,180 in fiscal year 2010, \$80,757 in fiscal year 2011, and \$83,860 in fiscal year 2012.

Local Government Impact

It is assumed that the local political subdivisions of the state which issue licenses, certificates, registrations, permits, or other authorizations which a person must obtain to engage in a particular business, occupation, or profession might incur costs to implement the provisions of this bill in a similar manner as the state agencies listed above.

Source Agencies: 312 Securities Board, 329 Real Estate Commission, 370 Residential Construction Commission, 450 Department of Savings and Mortgage Lending, 451 Department of Banking, 452 Department of Licensing and Regulation, 454 Department of Insurance, 456 Board of Plumbing Examiners, 466 Office of Consumer Credit Commissioner, 469 Credit Union Department, 472 Structural Pest Control Board, 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, 513 Funeral Service Commission, 514 Optometry Board, 515 Board of Pharmacy, 520 Board of Examiners of Psychologists, 533 Executive Council of Physical Therapy & Occupational Therapy Examiners, 578 Board of Veterinary Medical Examiners, 601 Department of Transportation

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