

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

March 19, 2007

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

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

IN RE: HB1281 by Bailey (Relating to the licensing and regulation of certain journeyman and apprentice sheet metal workers.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1281, 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 Revenue Gain/ (Loss) from <i>GENERAL REVENUE FUND 1</i>	Probable (Cost) from <i>GENERAL REVENUE FUND 1</i>	Change in Number of State Employees from FY 2007
2008	\$910,100	(\$910,100)	14.5
2009	\$813,480	(\$813,480)	14.5
2010	\$815,639	(\$815,639)	14.5
2011	\$816,167	(\$816,167)	14.5
2012	\$815,972	(\$815,972)	14.5

Fiscal Analysis

The bill would amend the Occupations Code to provide the Department of Licensing and Regulation (TDLR) the authority to provide journeyman and apprentice licenses to sheet metal workers. The bill would allow TDLR to impose an administrative penalty for certain violations.

The provisions of the bill require an application fee for a new and renewal journeyman license and apprentice license.

The bill would take effect immediately upon enactment, assuming that it received the requisite two-thirds majority votes in both houses of the Legislature. Otherwise, it would take effect September 1,

2007.

Methodology

Based on information provided by the Department of Licensing and Regulation (TDLR), this analysis assumes a licensing population of 7,500 journeyman sheet metal workers and 7,500 apprentice sheet metal workers.

It is estimated that TDLR would have a cost associated with licensing the journeyman and apprentice sheet metal workers. Based on the analysis of TDLR, it is assumed that licensing these sheet metal workers would necessitate additional resources at a cost of \$1,723,580 through 2009.

TDLR also estimates costs for staff of \$517,884 for 14.5 FTEs in FY08 through FY12. Other operating expenses, travel, equipment, rent - building, and consumable supplies are estimated at \$245,707 in FY08, \$149,087 in FY09, \$151,246 in FY10, \$151,774 in FY11, and \$151,579 in FY12. Estimated costs also include \$146,509 in FY08 through FY12 for associated benefits.

This analysis assumes that any increased costs resulting from this bill would be offset by an increase in fee generated revenue.

Technology

There would be a technology cost to the Department of Licensing and Regulation of \$39,447 in fiscal year 2008, \$3,152 in fiscal year 2009, \$4,061 in fiscal year 2010, \$4,589 in fiscal year 2011, and \$4,394 in fiscal year 2012.

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, AH