

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

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

**May 21, 2007**

**TO:** Honorable Tom Craddick, Speaker of the House, House of Representatives

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

**IN RE: HB1316** by Goolsby (Relating to a fee exemption under the Public Accountancy Act for accountants in this state who are employed by certain governmental entities.), **As Passed 2nd House**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB1316, As Passed 2nd House: a negative impact of (\$407,600) through the biennium ending August 31, 2009.

**General Revenue-Related Funds, Five-Year Impact:**

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2008	(\$203,800)
2009	(\$203,800)
2010	(\$203,800)
2011	(\$203,800)
2012	(\$203,800)

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

Fiscal Year	Probable Revenue Gain/(Loss) from <i>GENERAL REVENUE FUND</i> 1
2008	(\$203,800)
2009	(\$203,800)
2010	(\$203,800)
2011	(\$203,800)
2012	(\$203,800)

**Fiscal Analysis**

The bill would amend the Occupations Code to exempt certain accountants in this state who are employed by the government of another state or a municipal or county government of this state, and who are restricted by virtue of their employment from engaging in the practice of public accountancy outside the scope of their employment from paying a \$200 professional fee.

The bill would take effect immediately upon receiving a two-thirds majority vote in each house; otherwise, the bill would take effect September 1, 2007.

**Methodology**

A revenue loss to the General Revenue Fund would be realized for each licensee that would be exempt from the \$200 professional fee.

Based on the analysis of the Board of Public Accountancy, it is assumed that approximately 283 Texas licensees who live outside the state and who are employed by the government of another state would be restricted by virtue of their employment from engaging in the practice of public accountancy outside the scope of their employment. The agency also estimates that approximately 736 Texas licensees are employed by either a municipal or county government of this state. Although the agency is not able to identify how many are restricted by virtue of their employment from engaging in the practice of public accountancy outside the scope of their employment, for the purposes of this analysis it is assumed that 1,019 licensees would be exempt from paying the \$200 professional fee in accordance with the provisions of the bill. Accordingly, this analysis assumes that a revenue loss of \$203,800 to the General Revenue Fund would be realized each year from these licensees.

### **Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 457 Board of Public Accountancy, 304 Comptroller of Public Accounts

**LBB Staff:** JOB, SD, JRO, MW