

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 14, 2007

TO: Honorable Troy Fraser, Chair, Senate Committee on Business & Commerce

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.),
Committee Report 2nd House, Substituted

Estimated Two-year Net Impact to General Revenue Related Funds for HB1316, Committee Report 2nd House, Substituted: 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 GENERAL REVENUE FUND 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, JRO, MW