

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

March 30, 2007

TO: Honorable John T. Smithee, Chair, House Committee on Insurance

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

IN RE: HB2118 by Pickett (Relating to licensing and regulation of residential fire alarm technicians and regulation of fire detection and alarm devices.), **As Introduced**

<p>No significant fiscal implication to the State is anticipated.</p>
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The bill would amend the Insurance Code to require licensed technicians on-site during the installation of fire alarms.

Based on the analysis of the State Fire Marshal's Office at the Texas Department of Insurance (TDI), the bill would result in an increase in the number of new and renewing licensees. It is assumed that there would be a revenue gain in the General Revenue - Dedicated Account Fund 36 of \$22,000 in fiscal year 2008, \$53,500 in fiscal year 2009, \$30,000 in fiscal year 2010, \$52,500 in fiscal year 2011, and \$30,000 in fiscal year 2012. Since General Revenue - Dedicated Account Fund 36 is a self-leveling account, this analysis assumes all revenue generated would go toward fund balances or the maintenance tax would be set to recover a lower level of revenue the following year.

Based on the analysis of TDI, duties and responsibilities associated with any necessary rule-making and any other duties required to implement the provisions of the bill could be accomplished within existing resources.

Local Government Impact

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

Source Agencies: 454 Department of Insurance

LBB Staff: JOB, JRO, MW, SK, KJG