

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 4, 2007

TO: Honorable Rodney Ellis, Chair, Senate Committee on Government Organization

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

IN RE: HB2458 by Cook, Byron (Relating to the licensing and regulation of structural pest control by the Department of Agriculture and the abolition of the Texas Structural Pest Control Board.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would transfer the Texas Structural Pest Control Board's (SPCB) obligations, property, full-time equivalent positions, rights, powers, and duties to the Texas Department of Agriculture (TDA) no later than March 1, 2008.

The bill would require TDA to establish fees reasonable and necessary to cover the costs of administering the structural pest control program and activities. TDA estimates that the cost to administer this program would be \$1,778,940 in fiscal year 2008 and \$1,242,562 in fiscal year 2009. The Comptroller's 2008-09 Biennial Revenue Estimate projects revenues of \$2,166,000 each year in fees collected associated with the licensing and regulation of structural pest control. This fiscal note assumes that TDA would set the fees to generate at least this same amount of revenue and therefore the provisions of this bill would have no significant fiscal impact.

TDA's estimate to administer the program does reflect some cost-savings primarily associated with a reduction in the number of FTEs needed to administer the program. The SPCB currently has 31 FTEs delegated to regulate structural pest control, TDA anticipates only needing 23 FTEs to provide the same level of service and conduct the additional activities proposed in the legislation, representing a reduction of 8 FTEs for a total cost savings of \$218,389 a fiscal year.

This reduction would be offset in fiscal year 2008, however, with some one-time costs associated with the transfer of the function. For example, TDA anticipates one-time costs associated with the purchase of 14 new vehicles for structural pest control inspectors. SPCB inspectors currently use personal vehicles for conducting their regulatory tasks and are reimbursed at the current state rate for personal vehicle use. In order to be consistent with their other regulatory programs, TDA would provide their inspectors with vehicles for a total cost in fiscal year 2008 of \$238,000. This cost would be offset by mileage reimbursement savings. Additionally, TDA anticipates a one-time cost of \$91,400 to incorporate the additional activities associated with the licensing, inspection, testing and continuing education of structural pest control regulation into TDA's existing information management system.

Local Government Impact

The bill would establish requirements on local school districts to appoint an integrated pest management coordinator, and it would require the coordinator to successfully complete six hours of continuing education every three years. The cost of this provision to individual school districts depends on the cost of continuing education opportunities and whether travel is necessary to attend training.

Source Agencies: 116 Sunset Advisory Commission, 304 Comptroller of Public Accounts, 360 State Office of Administrative Hearings, 472 Structural Pest Control Board, 529 Health and Human Services Commission, 537 State Health Services, Department of, 551 Department of Agriculture, 582 Commission on Environmental Quality

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