

LEGISLATIVE BUDGET BOARD  
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 27, 2007

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

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

**IN RE: HB3069** by Goolsby (Relating to the licensing and regulation of residential appliance installers and residential appliance installation contractors. ), **Committee Report 1st House, Substituted**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB3069, Committee Report 1st House, Substituted: 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 Savings/(Cost) from GENERAL REVENUE FUND 1	Probable Revenue Gain/(Loss) from GENERAL REVENUE FUND 1
2008	(\$254,995)	\$254,995
2009	(\$172,270)	\$172,270
2010	(\$172,270)	\$172,270
2011	(\$172,270)	\$172,270
2012	(\$172,270)	\$172,270

Fiscal Year	Change in Number of State Employees from FY 2007
2008	3.5
2009	3.5
2010	3.5
2011	3.5
2012	3.5

## **Fiscal Analysis**

The bill would amend the Occupations Code to provide for the licensing and regulation of residential appliance installers and residential appliance installation contractors.

The provision of the bill prohibiting a person or business from performing or offering to perform residential appliance installation unless the person holds an appropriate license would take effect March 1, 2008. The remaining provisions of the bill 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 5,500 appliance installers and 1,500 appliance installation contractors.

It is estimated that TDLR would have a cost associated with licensing the appliance installers and appliance installation contractors. Based on the analysis of TDLR, it is assumed that licensing these appliance installers and appliance installation contractors would necessitate additional resources at a cost of \$427,265 through 2009.

TDLR also estimates costs for staff of \$111,930 for 3.5 FTEs in each fiscal year from 2008 through fiscal year 2012. Other operating expenses and equipment are estimated at \$111,400 in fiscal year 2008 and \$28,675 in each fiscal year from 2009 through 2012. Estimated costs also include \$31,665 in each fiscal year from 2008 through fiscal year 2012 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 \$8,050 in fiscal year 2008.

## **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, SD, MW, AH