

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

March 19, 2007

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

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

IN RE: SB949 by Hegar (Relating to the authority of a private business to provide security services.),
As Introduced

Estimated Two-year Net Impact to General Revenue Related Funds for SB949, As Introduced: a negative impact of (\$80,550) 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	(\$40,275)
2009	(\$40,275)
2010	(\$40,275)
2011	(\$40,275)
2012	(\$40,275)

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/(Loss) from <i>GENERAL REVENUE FUND</i> 1
2008	(\$40,275)
2009	(\$40,275)
2010	(\$40,275)
2011	(\$40,275)
2012	(\$40,275)

Fiscal Analysis

The bill would amend the Occupations Code relating to the authority of a private business to provide security services.

The bill would add Occupations Code, Section 1702.184, Provision of Security Services by Private Business, which states that private businesses may provide security services to buildings and grounds located on the private businesses' property. The bill states that private businesses providing security under this section may not be prohibited from contracting with a commissioned security officer or a security services contractor to provide the service or contracting with a peace officer to provide the security services.

The bill would take effect immediately if two-thirds of the House of Representatives and Senate members vote to enact the legislation. If it does not receive the vote necessary for immediate impact, the bill would take effect on September 1, 2007.

Methodology

The Department of Public Safety (DPS) estimates that currently there are 239 private business letters of authority. DPS' regulatory licensing service estimates that 75% of the private businesses would not renew their letter under the provisions of the bill. The renewal fee for letters of authority is \$225 per business. DPS estimates a revenue loss of \$40,275 (179 x \$225) per year.

Technology

This bill has no significant fiscal impact to technology services.

Local Government Impact

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

Source Agencies: 405 Department of Public Safety, 407 Commission on Law Enforcement Officer Standards and Education

LBB Staff: JOB, JRO, GG, LG