

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 6, 2009

TO: Honorable Lois W. Kolkhorst, Chair, House Committee on Public Health

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

IN RE: HB449 by Jackson, Jim (Relating to the regulation of laser hair removal facilities.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB449, As Introduced: an impact of \$0 through the biennium ending August 31, 2011.

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
2010	\$0
2011	\$0
2012	\$0
2013	\$0
2014	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from <i>General Revenue Fund</i> 1	Probable Revenue Gain from <i>General Revenue Fund</i> 1	Change in Number of State Employees from FY 2009
2010	(\$1,254,254)	\$1,254,254	15.2
2011	(\$1,404,205)	\$1,404,205	17.2
2012	(\$1,489,421)	\$1,489,421	17.2
2013	(\$1,441,839)	\$1,441,839	17.2
2014	(\$1,569,540)	\$1,569,540	17.2

Fiscal Analysis

The bill would amend Chapter 401, Health and Safety Code, by adding a subchapter for the regulation of laser hair removal operations. The Department of State Health Services (DSHS) would be required to issue certifications to laser hair removal personnel, issue licenses to laser hair removal facilities, and administer continuing education programs for certificate holders. The bill would require that existing laser hair removal facilities and personnel obtain licenses or certificates by September 1, 2010. The bill would take effect September 1, 2009.

Methodology

DSHS estimates that 2,000 existing facilities and 4,000 personnel would be issued licenses or certificates by September 1, 2010; these would be split between one-year and two-year licenses/certifications to balance out the renewals per fiscal year. It is assumed that there would be a 10 percent increase per fiscal year in the number of new licenses and a slightly higher increase in new certificates.

Costs listed below for DSHS are assumed to be offset by fees (deposited to the General Revenue Fund) set in an amount to cover expenses associated with issuing and renewing licenses/certificates and inspecting license/certificate holders, as allowed by statute. Additional funding and FTEs would, however, need to be appropriated to DSHS.

Costs for DSHS are estimated to be \$1,254,254 in All Funds for fiscal year 2010, \$1,404,205 for fiscal year 2011, \$1,489,421 for fiscal year 2012, \$1,441,839 in fiscal year 2013, and \$1,569,540 for fiscal year 2014. Full-time-equivalent (FTE) needs are estimated at 15.2 in 2010 and 17.2 in each fiscal year thereafter. The fiscal impact includes 0.2 FTEs and approximately \$143,000 per year for enterprise support services. The cost would be to DSHS, but the FTEs would be at the Health and Human Services Commission.

Technology

There would be an estimated technology impact of \$413,281 in fiscal years 2010-2014, including \$40,000 in 2010 for configuration of the LicenseEase software. The remaining impact would relate to modifications to allow online applications and renewals, and development of programs to generate/print licenses and reports.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 537 State Health Services, Department of

LBB Staff: JOB, CL, VJC, MB