

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 15, 2009

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

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

IN RE: HB2238 by Hamilton (Relating to the regulation of manufactured housing.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would amend the Occupations Code relating to the regulation of manufactured housing. The bill states that retailers are not required to hold an installer's license to sell new manufactured homes. However, the retailer remains jointly and severally liable for performance of the installation warranty along with the licensed installer. The Texas Department of Housing and Community Affairs (TDHCA) Manufactured Housing Division (MHD) estimates that implementation of the bill will result in a decrease of \$47,250 annually in General Revenue received by the state as a result of decreased fees collected by the Division. According to the analysis by the TDHCA the bill will allow manufactured housing retailers to subcontract the installation of new manufactured homes and not be required to hold an installer's license. TDHCA estimates there are 540 licensed retailers who currently also hold an installer's license. Based on the analysis completed by the Comptroller of Public Accounts, the loss of retailer/installer license fee revenues would have a minimal fiscal impact.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 332 Department of Housing and Community Affairs

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