

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 24, 2009

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

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

IN RE: HB2310 by Kuempel (Relating to the powers and duties of the Texas Department of Licensing and Regulation, including the power to issue emergency orders and temporary and emergency licenses.), **Committee Report 2nd House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2310, Committee Report 2nd House, Substituted: 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 Savings/(Cost) from <i>General Revenue Fund</i> 1	Probable Revenue Gain/ (Loss) from <i>General Revenue Fund</i> 1	Change in Number of State Employees from FY 2009
2010	(\$101,504)	\$101,504	1.5
2011	(\$93,779)	\$93,779	1.5
2012	(\$93,779)	\$93,779	1.5
2013	(\$93,779)	\$93,779	1.5
2014	(\$93,779)	\$93,779	1.5

Fiscal Analysis

The bill would amend various provisions of Chapter 51 of the Occupations Code including (1) to establish a definition of an advisory board; (2) to establish rules for removing an advisory board member; (3) to authorize the Texas Department of Licensing and Regulation (TDLR) to take payments by credit card or electronic payment; (4) to authorize the executive director of TDLR to issue emergency orders, cease and desist orders, and emergency licenses; and (5) to authorize TDLR to issue subpoenas. The bill would also establish when a person whose license has been revoked may reapply for the license and regulations for an inactive status license.

The bill would require TDLR to issue a determination letter regarding an applicant's request for a

criminal history background check and the applicant's eligibility for a license. The bill would authorize TDLR to charge and collect a fee in an amount sufficient to cover the costs of the administration of this provision of the bill. The bill would also authorize TDLR to require a testing service to collect a fee for administering a license examination from a person taking the examination.

The bill would take effect September 1, 2009, with the exceptions of Sections 51.4011 and 51.4012 of the Occupations Code, which provide for inactive status licenses and require TDLR to issue determination letters, respectively, which would take effect May 1, 2010.

Methodology

The Texas Department of Licensing and Regulation estimates that 4,000 people could potentially request a determination letter. This calculation is based on the number of licensing programs that require pre-education or an examination before license issuance, and the estimated positive criminal history hit rate for this population. TDLR estimates a fee of \$25 for processing the letter requests and implementing the criminal history background checks would cover the costs of administering the program. TDLR anticipates needing 1.5 Legal Assistant III FTEs in order to evaluate, investigate and respond to the requests.

The analysis assumes the agency would assess and collect fees for supplying the criminal history background check eligibility letter sufficient to cover the cost of implementing the provisions of the bill.

Technology

The agency anticipates purchasing two desktop computers, costing \$1,500 each, for the 1.5 FTEs required to implement the provisions of the bill.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 452 Department of Licensing and Regulation, 302 Office of the Attorney General

LBB Staff: JOB, ES, JRO, MW