

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION**

**May 21, 2009**

**TO:** Honorable David Dewhurst, Lieutenant Governor, Senate

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

**IN RE: SB1410** by Jackson, Mike (Relating to the licensing and regulation of plumbers. ), **As Passed 2nd House**

**Estimated Two-year Net Impact to General Revenue Related Funds** for SB1410, As Passed 2nd House: 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 Revenue Gain from <i>General Revenue Fund</i> 1	Probable (Cost) from <i>General Revenue Fund</i> 1
2010	\$3,250	(\$3,250)
2011	\$1,750	(\$1,750)
2012	\$1,750	(\$1,750)
2013	\$1,750	(\$1,750)
2014	\$1,750	(\$1,750)

**Fiscal Analysis**

The bill would amend the Occupations Code to require certain plumbing licensees to operate under the supervision of a master plumber and to authorize the regulation of multipurpose residential fire protection sprinkler specialists by the Texas State Board of Plumbing Examiners (TSBPE). The bill would require the multipurpose residential fire protection sprinkler specialists to be endorsed through TSBPE by passing an examination and paying a fee to TSBPE. The bill would require the licensee to seek renewal of the license every three years and pay a renewal fee to TSBPE. The bill would require TSBPE to adopt rules to implement the provisions of this bill.

The bill would take effect on September 1, 2009.

## **Methodology**

Based on analysis provided by TSBPE, it is anticipated that creating the new license and examination will have a one-time cost of \$1,500 in FY2010 to create the new examination and change the agency's existing database. It is anticipated that the revenue from the new examination fee and new license fees will offset these one-time costs. The cost to administer the examination is anticipated to be \$1,750 in each fiscal year.

The new licensing program is estimated to generate revenue of \$5,625 in fiscal year 2010 and \$11,250 in fiscal year 2011. Since TBPE is required to cover its cost of operation, this analysis assumes that any increase in revenue resulting from the implementation of the provisions of this bill would be offset by the agency decreasing the amount of fee-generated general revenue it collects.

## **Technology**

No technology impact is anticipated.

## **Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 456 Board of Plumbing Examiners

**LBB Staff:** JOB, CH, JRO, MW