

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

April 6, 2011

TO: Honorable Bill Callegari, Chair, House Committee on Government Efficiency & Reform

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

IN RE: HB3167 by Callegari (Relating to the repeal of occupational licensing requirements.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3167, As Introduced: a negative impact of (\$1,820,000) through the biennium ending August 31, 2013.

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
2012	(\$910,000)
2013	(\$910,000)
2014	(\$910,000)
2015	(\$910,000)
2016	(\$910,000)

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue (Loss) from General Revenue Fund 1
2012	(\$910,000)
2013	(\$910,000)
2014	(\$910,000)
2015	(\$910,000)
2016	(\$910,000)

Fiscal Analysis

The bill would amend the Occupations Code, Civil Practice and Remedies Code, and Government Code relating to the repeal of occupational licensing requirements.

Article One of the bill would repeal Chapter 301 and Chapter 302 of the Agriculture Code and deregulate weather modification activities. This would remove functions relating to licensing and enforcement from the Department of Licensing and Regulation.

Article Two of the bill would repeal Section 469.002(7) of the Government Code; Section 1051.001 (3) and (4), Section 1051.604, and Chapter 1053 of the Occupations Code and deregulate interior designers. This would remove functions relating to licensing and enforcement of interior designers from the Texas Board of Architectural Examiners (TBAE), a Self-Directed and Semi-Independent

(SDSI) agency. The bill would amend the Occupations Code to remove the ability of the TBAE to collect fees, including a \$200 professional fee, on interior designers and to register interior design firms.

Article Three of the bill would repeal Chapter 2105 of the Occupations Code and deregulate Talent Agents. This would remove functions relating to licensing and enforcement from the Department of Licensing and Regulation.

Article Four of the bill would repeal Section 2501.001(2), (3-a), and (4-a); Section 2501.201(c); Section 2501.253; Subchapters B and D, Chapter 2501 and deregulate regulation of personnel services. This would remove functions relating to licensing and enforcement from the Department of Licensing and Regulation.

This bill would take effect on September 1, 2011.

Methodology

For the purpose of this analysis, the Comptroller of Public Accounts' 2012-13 Biennial Revenue Estimate and Comptroller records were used to estimate the revenue impacts of the bill.

Under current law, revenues collected by Texas Board of Architectural Engineers (TBAE), as a Self-Directed and Semi-Independent (SDSI) agency, are deposited in the Texas Treasury Safekeeping Trust Company (TTSTC) which is operated outside of the treasury, with the exception of a \$200 professional fee, which is currently deposited to the General Revenue Fund. Based on the analysis of the Comptroller of Public Accounts, it is assumed that the \$200 professional fee for interior designers currently deposited to General Revenue would no longer be collected due to the deregulation of this licensee population. Also based on the analysis of the Comptroller of Public Accounts, it is estimated that revenues from the deregulation of the affected licensee populations in the amount of \$910,000 would no longer be deposited to the General Revenue Fund each fiscal year in 2012-2016, with similar fiscal implications continuing after 2016.

Based on the analysis of the TBAE, it is assumed that the TBAE would also collect less revenue to deposit to the TTSTC; however, fiscal impacts of costs and revenues that may be generated in association with implementing the provisions of the bill for the TBAE are not considered in this analysis because fiscal impacts for this agency would be realized outside of the Treasury due to the agency being SDSI. Accordingly, any costs or revenue impacts to the TBAE are not reflected in the table above.

Based on the information provided by the University System Administration, Stephen F. Austin State, Texas State University System, Texas Tech University System Administration, and the University of North Texas System Administration, it is assumed that there would be no significant fiscal impact to the universities from the provisions of this bill.

Based on the analysis of the Department of Licensing and Regulation, it is assumed that duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

Local Government Impact

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

Source Agencies: 304 Comptroller of Public Accounts, 452 Department of Licensing and Regulation, 459 Board of Architectural Examiners, 720 The University of Texas System Administration, 755 Stephen F. Austin State University, 758 Texas State University System, 768 Texas Tech University System Administration, 769 University of North Texas System Administration

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