

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 4, 2013

TO: Honorable Wayne Smith, Chair, House Committee on Licensing & Administrative Procedures

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB1685 by Price (Relating to the continuation of the self-directed and semi-independent status of the Texas State Board of Public Accountancy, the Texas Board of Professional Engineers, and the Texas Board of Architectural Examiners.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1685, Committee Report 1st House, Substituted: a positive impact of \$461,270 through the biennium ending August 31, 2015.

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
2014	\$230,635
2015	\$230,635
2016	\$230,635
2017	\$230,635
2018	\$230,635

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/(Loss) from General Revenue Fund 1	Probable Revenue Gain/(Loss) from Appropriated Receipts 666	Probable Savings/(Cost) from Appropriated Receipts 666
2014	\$230,635	\$104,486	(\$104,486)
2015	\$230,635	\$11,498	(\$11,498)
2016	\$230,635	\$0	\$0
2017	\$230,635	\$0	\$0
2018	\$230,635	\$0	\$0

Fiscal Analysis

The bill would amend the Government Code relating to the Self-Directed Semi-Independent (SDSI) Agency Project Act (Article 8930, Revised Statutes) and transfer to Subtitle E, Title 4, Government Code relating to the continuation of the self-directed and semi-independent status of the Texas State Board of Public Accountancy, the Texas Board of Professional Engineers, and the Texas Board of Architectural Examiners.

The bill would remove the act's project status and separate Sunset date, but would make its provisions subject to review as part of each agency's future Sunset review. The bill would require agencies subject to the SDSI act to remit all administrative penalties to the General Revenue Fund that are collected upon or after the effective date of the bill. The bill expands the data in the current reports required by agencies subject to the SDSI Act. The bill would require the SDSI agencies to adopt certain policies and require that they use the Comptroller of Public Account's (CPA) Uniform Statewide Accounting System to make all payments upon the effective date of the bill as well.

The bill would delete the requirement in the SDSI Act that scholarship fees for the Board of Public Accountancy's 5th year scholarship fund be remitted to the State to conform with changes made last session which moved the scholarship fund outside the State Treasury.

The bill would require each SDSI agency to pay for the cost incurred by the Sunset Advisory Commission in performing a review of the agency. The bill also requires the SDSI agencies to promptly pay upon receipt of a detailed cost statement from the Sunset Advisory Commission.

The bill would require each agency to transfer any funds held in an account not under the control of the CPA to an account that is under the control of the CPA as redesignated and amended by this bill by October 1, 2013.

This bill would take effect September 1, 2013.

Methodology

Information provided by the Board of Public Accountancy, Board of Architectural Examiners, Board of Professional Engineers, and the Sunset Advisory Commission was used to estimate the potential impact of this legislation.

Based on the average administrative penalty amounts of the three SDSI agencies from fiscal years 2008 to 2012, this analysis assumes the State would experience an increase in revenue in the following amounts each fiscal year: \$108,899 for the Accountancy Board, \$72,408 for the Architectural Board, and \$49,328 for the Engineers Board for a total annual gain to General Revenue of \$230,635.

The Sunset Advisory Commission estimates that the cost for an SDSI agency subject to Sunset review would be \$104,486 in the first year and \$11,498 in the second year for each SDSI agency and would be collected by the Sunset Advisory Commission as Appropriated Receipts. Under current law, the review of the Texas Board of Public Accountancy would be conducted during the 2014-2015 biennium and is the only Sunset review of an agency subject to the SDSI Act in the next five fiscal years.

This analysis does not reflect any fiscal implication for the changes made in the bill regarding the Board of Public Accountancy's 5th year scholarship fund because the fees are not remitted to the Treasury under current law.

The fiscal impacts of costs that may be generated in association with implementing the provisions of the bill for the Board of Public Accountancy, Board of Architectural Examiners, and Board of Professional Engineers are not considered in this analysis due to the agencies being Self-Directed and Semi-Independent.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 460 Board of Professional Engineers, 116 Sunset Advisory Commission, 304 Comptroller of Public Accounts, 457 Board of Public Accountancy, 459 Board of Architectural Examiners

LBB Staff: UP, RB, MW, CWS