

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

May 2, 2013

TO: Honorable John Carona, Chair, Senate Committee on Business & Commerce

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB1717** by Price (Relating to the continuation and functions of the Texas Board of Architectural Examiners; changing certain fees.), **As Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1717, As Engrossed: a positive impact of \$112,000 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	\$56,000
2015	\$56,000
2016	\$56,000
2017	\$56,000
2018	\$56,000

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/(Loss) from General Revenue Fund 1	Probable Revenue Gain/(Loss) from Foundation School Fund 193
2014	\$42,000	\$14,000
2015	\$42,000	\$14,000
2016	\$42,000	\$14,000
2017	\$42,000	\$14,000
2018	\$42,000	\$14,000

Fiscal Analysis

The bill would amend the Occupations Code relating to the continuation and functions of the Texas Board of Architectural Engineers (BAE). The bill would change the BAE's sunset date to September 1, 2025, continuing the agency for another 12 years. The bill would require grandfathered registered interior designers to pass the Board's required exam within the three years of the bills effective date to be able to renew their registrations. The bill would direct the BAE to collect the \$200 professional fee at the initial registration for all architects. The bill would require the BAE to adopt certain policies, conduct fingerprint criminal record information checks through the Department of Public Safety (DPS), and to review complete federal and state criminal histories on all applicants and current licensees.

The bill would take effect September 1, 2013.

Methodology

Applicant data gathered by Sunset Advisory Commission staff was considered for the purposes of this analysis.

The \$200 professional fee that is collected includes \$150 that is deposited to General Revenue and \$50 that is deposited to the Foundation School Fund. In accordance with the provisions of the bill, the Sunset Advisory Commission estimates that the \$200 professional fee would be collected from an estimated 278 applicants that based on the average number of new architects obtaining certificates of registration over the past five years, would result in an annual gain of approximately \$42,000 to General Revenue and \$14,000 to the Foundation School Fund. These amounts are reflected in the table above.

Under the provisions of the bill, DPS would be authorized to collect fees associated with criminal record information checks from license applicants and licensees applying for a license. According to DPS, the current cost for a criminal record information check is \$31.50. Of this amount, \$14.50 is sent to the Federal Bureau of Investigation for its processing fee and DPS retains \$17 to cover its processing costs. The revenues retained by DPS are not considered in the table above because they are appropriated upon receipt to DPS for the purposes of covering the cost of providing the criminal record information checks. These revenues are considered as Appropriated Receipts (or Other Funds) in the General Appropriations Act.

Based on information provided by DPS, this analysis assumes that duties and responsibilities associated with implementing the provisions of the bill could be covered within existing resources. Fiscal impacts of costs and revenues that may be generated in association with implementing the provisions of the bill for the BAE are not considered in this analysis because any fiscal impacts for this agency would be realized outside of the Treasury due to the agency being Self-Directed and Semi-Independent.

This analysis does not consider fiscal impacts from grandfathered interior designers who would not renew their registrations by September 1, 2016. The provisions of the bill would require those who hold a license under Section 1053.154 to retake an examination in order to maintain their license. The inability to accurately estimate the potential loss of registered interior designers who do not want to retake an examination and the natural attrition among the grandfathered interior designers cannot be determined.

Local Government Impact

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

Source Agencies: 116 Sunset Advisory Commission, 304 Comptroller of Public Accounts,
405 Department of Public Safety, 459 Board of Architectural Examiners

LBB Staff: UP, RB, MW, CWS