

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 8, 2013

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2693 by Sheets (Relating to the registration of roofing contractors; authorizing a fee and providing penalties.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Insurance Code relating to the registration of roofing contractors to authorize a fee and provide penalties. The bill would require roofing contractor businesses to register annually with the Texas Department of Insurance (TDI) and describe the registration process, to include the payment of an application fee in an amount to be set by the Commissioner of Insurance (Commissioner). TDI would be required to investigate complaints alleging violations of this chapter and allow the Commissioner to impose an administrative penalty on any person who violates the terms of the bill. The bill would also require TDI to adopt rules and forms necessary to implement the bill before February 1, 2014. Roofing contractor businesses would need to register and TDI would begin to enforce the bill by September 1, 2014.

Absent any language in the bill directing the deposit of the new application fees collected, this analysis assumes the fees would be deposited to the credit of General Revenue. Based on information provided by TDI, this analysis assumes a \$40 application fee and approximately 918 roofing contractor applications each year, which would result in an estimated insignificant revenue gain of \$36,720 each fiscal year.

Based on information provided by TDI, it is assumed that responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

Local Government Impact

Costs associated with enforcement and prosecution could likely be absorbed within existing resources. Revenue from fines imposed and collected is not anticipated to have a significant fiscal impact.

Source Agencies: 304 Comptroller of Public Accounts, 454 Department of Insurance

LBB Staff: UP, RB, MW, ER, LXH, KKR