LEGISLATIVE BUDGET BOARD Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 15, 2013

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3242 by Davis, John (Relating to roofing contractors; creating an offense.), As Introduced

No significant fiscal implication to the State is anticipated.

The bill would amend the Business & Commerce and Insurance Code relating to roofing contractors. The bill would define who is considered a roofing contractor and would prohibit certain activities by those individuals. The bill would require a roofing contractor to disclose in writing before, or at the time of entering into a contract, whether the contractor is covered by a liability insurance policy. The bill would prohibit an insurance adjuster or public insurance adjuster from engaging in a business as a roofing contractor. The bill would make any violation of this chapter a Class C misdemeanor. A Class C misdemeanor is punishable by a fine of not more than \$500.

Based on information provided by the Texas Department of Insurance, it is assumed that all duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing staff and 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: 454 Department of Insurance **LBB Staff:** UP, RB, ER, KKR