

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 1, 2013

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB1666 by Carona (Relating to the regulation of amusement rides.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB1666, As Introduced: an impact of \$0 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	\$0
2015	\$0
2016	\$0
2017	\$0
2018	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/(Loss) from <i>Dept Ins Operating</i> <i>Acct</i> 36	Probable Savings/(Cost) from <i>Dept Ins Operating</i> <i>Acct</i> 36	Probable Revenue Gain/(Loss) from <i>General Revenue Fund</i> 1	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1
2014	(\$141,558)	\$141,558	\$141,558	(\$141,558)
2015	(\$141,558)	\$141,558	\$141,558	(\$141,558)
2016	(\$141,558)	\$141,558	\$141,558	(\$141,558)
2017	(\$141,558)	\$141,558	\$141,558	(\$141,558)
2018	(\$141,558)	\$141,558	\$141,558	(\$141,558)

Fiscal Analysis

The bill would amend the Occupations Code relating to the regulation of amusement rides. The bill would transfer the administration and regulation of the Amusement Ride Safety Inspection Act from the Texas Department of Insurance (TDI) to the Department of Licensing and Regulation (TDLR). The bill would also remove the provision limiting the fee assessed on amusement ride operators to a maximum of \$40 per year for each amusement ride inspected and repeal provisions that provide for criminal penalties.

The bill would take effect immediately upon receiving a two-thirds majority vote in both houses; otherwise, it would take effect on September 1, 2013.

Methodology

Based on information provided by TDLR and TDI, it is assumed that \$141,558 in fiscal years 2014-18 and 3.0 Full-time Equivalents (FTE) would be necessary to license, regulate and enforce the provisions of the bill. These amounts include salary and benefit costs, and other operating expenses for the administration and regulation of the Amusement Ride Safety Inspection Act.

The licensing and enforcement fees that would be transferred from TDI to TDLR under the provisions of the bill would be collected by TDLR and deposited to the credit of the General Revenue Fund instead of being collected by TDI and deposited to the credit of the General Revenue-Dedicated Texas Department of Insurance Fund 36. Since TDLR is statutorily required to cover the cost of its operations with fee generated revenue, it is assumed that the agency would adjust fees as necessary to cover all costs associated with implementing the provisions of the bill. Since General Revenue-Dedicated Texas Department of Insurance Fund 36 is a self-leveling account, this analysis also assumes that any revenue losses resulting from the implementation of the bill would be offset by an equal adjustment to the maintenance tax or other fees accordingly in the following year.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 302 Office of the Attorney General, 304 Comptroller of Public Accounts, 452 Department of Licensing and Regulation, 454 Department of Insurance

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