

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 9, 2017

TO: Honorable John Kuempel, Chair, House Committee on Licensing & Administrative Procedures

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB1120 by Springer (Relating to the authority of a political subdivision to issue a building construction permit or final certificate of occupancy for a building or facility required to meet certain accessibility standards; providing an administrative penalty.), **As Introduced**

The fiscal implications of the bill cannot be determined at this time but are likely not significant. It is unknown how many, which, and how often subdivisions might violate the requirements of the legislation and therefore pay a penalty for noncompliance; this revenue gain would be offset by any cost to the Office of the Governor.

This bill would amend the Government Code, relating to the authority of a political subdivision to issue a building construction permit or final certificate of occupancy for a building or facility required to meet certain accessibility standards.

The bill would require the Texas Commission of Licensing and Regulation to impose an administrative penalty on a political subdivision that issues a building permit or a final certificate of occupancy for certain types of buildings if the plans and specifications for construction or modification have not been submitted to and approved by the Texas Department of Licensing and Regulation or if an inspection has not been performed within one year of the first anniversary of the date of construction or modification. The bill would require a permit applicant or owner of a building or facility to verify their compliance with these provisions prior to being issued a building permit or final certificate of occupancy. The administrative penalty would be determined by multiplying the population of the political subdivision by one cent, and any collections would be appropriated to trustee programs within the Office of the Governor for the purpose of educating the public of disability issues.

The fiscal impact of the bill cannot be determined at this time because it is unknown how many, which, and how often subdivisions might violate the requirements and pay a penalty for non-compliance. Any penalties collected would be a revenue gain to General Revenue, but would be offset by a cost if appropriated to the Office of the Governor for the specified purpose.

This legislation would do one or more of the following: create or recreate a dedicated account in the General Revenue Fund, create or recreate a special or trust fund either with or outside of the Treasury, or create a dedicated revenue source. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

Local Government Impact

According to the Texas Municipal League, it is unknown how many times a municipality may be penalized; however, the fiscal impact to municipalities is not anticipated to be significant statewide.

Source Agencies: 300 Trusted Programs Within the Office of the Governor, 304 Comptroller of Public Accounts, 452 Department of Licensing and Regulation

LBB Staff: UP, CL, EH, JQ, JGA