

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

May 4, 2019

TO: Honorable Kelly Hancock, Chair, Senate Committee on Business & Commerce

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
 Legislative Budget Board

IN RE: HB2847 by Goldman (Relating to the licensing and regulation of certain occupations, activities, and agreements; providing a civil penalty; authorizing fees; requiring an occupational registration and an occupational license.), **As Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2847, As Engrossed: a negative impact of (\$152,800) through the biennium ending August 31, 2021.

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
2020	(\$76,400)
2021	(\$76,400)
2022	(\$76,400)
2023	(\$76,400)
2024	(\$76,400)

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from <i>General Revenue Fund</i> 1	Probable Revenue Gain/(Loss) from <i>General Revenue Fund</i> 1
2020	(\$65,000)	(\$11,400)
2021	\$0	(\$76,400)
2022	\$0	(\$76,400)
2023	\$0	(\$76,400)
2024	\$0	(\$76,400)

Fiscal Analysis

The bill would amend the Business & Commerce Code relating to excess wear and use waivers in connection with the lease of motor vehicles; providing a civil penalty. The bill would amend the

Education Code related to driver education, instructor licenses and certifications, and alternative methods of driver education instruction. The bill would amend the Health and Safety Code related to continuing education for laser hair removal certification, relating to the licensing and regulation of pharmacists and pharmacies, and related to certificates of operation for boilers. The bill would amend the Occupations Code relating to confidentiality of complaint and disciplinary information for certain occupations; relating to podiatry and delegation of certain acts by podiatrists; relating to midwives; relating to audiologists; repealing the regulation of licensed dyslexia practitioners and maintaining licensed dyslexia therapists; repealing the regulation of orthotic and prosthetic technicians; relating to dietitians; relating to interior designers; relating to the regulation and inspections of barbers and cosmetologists; and, repealing the regulation of used automotive parts employee licenses and amending the periodic inspections of used automotive parts recyclers.

The bill would take effect on September 1, 2019.

Methodology

Driver Education

Based on information provided by TDLR, this analysis assumes the bill would result in a loss of fee revenue of approximately \$15,000 per fiscal year, beginning in fiscal year 2020, due to the removal of the requirement of approval by TDLR for alternative methods of instruction for driver education courses. This analysis assumes the bill's requirement for one driver instructor license and three certifications will take the place of the current instructor licenses with no fiscal impact to the state. The bill would not have an effect on TDLR's workload in this program and no change in full-time-equivalent (FTE) positions is necessary to implement the provisions of the bill related to the driver education program.

Pharmacists

The Prescription Monitoring Program (PMP) does not currently have the capacity to allow practitioners access to the prescribing activity of an individual to whom they have delegated prescriptive authority. According to information provided by the State Board of Pharmacy, the vendor estimates that modifying the database to allow this access would have a one-time cost of approximately \$65,000 in fiscal year 2020.

Seven regulatory agencies whose licensees have prescriptive authority (Texas Medical Board, Optometry Board, Texas State Board of Dental Examiners, Texas Board of Nursing, Board of Veterinary Medical Examiners, Texas Department of Licensing and Regulation (TDLR), and Texas State Board of Pharmacy) share PMP costs. This analysis assumes the participating agencies will increase fees or use available revenue to fund the cost of implementing the provisions of the bill.

Repeal Orthotic and Prosthetic Technicians

TDLR issues very few orthotic and prosthetic technician licenses. The deregulation of this program would result in a revenue loss of approximately \$400 per fiscal year to General Revenue beginning in fiscal year 2020.

Repeal Used Automotive Parts Regulation

Based on information provided by TDLR, this analysis assumes the repeal of the used automotive parts employee license would result in a revenue loss of approximately \$61,000 per fiscal year to the General Revenue Fund beginning in fiscal year 2020. The program currently uses minimal TDLR employee time so no related savings are anticipated from removing this program.

Based on information provided by the Office of the Attorney General, Office of Court

Administration, Department of Motor Vehicles, TDLR and the Board of Architectural Examiners, this analysis assumes all other provisions of the bill can be implemented with no significant fiscal impact to the state. This analysis assumes that any increased cost to TDLR, which is statutorily required to generate sufficient revenue to cover its costs of operation, would be offset by an increase in fee-generated revenue.

Technology

Technology costs are estimated to be \$65,000 in the first year for modifying the PMP database and no cost in subsequent fiscal years.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 212 Office of Court Administration, Texas Judicial Council, 302 Office of the Attorney General, 304 Comptroller of Public Accounts, 452 Department of Licensing and Regulation, 459 Board of Architectural Examiners, 515 Board of Pharmacy, 608 Department of Motor Vehicles

LBB Staff: WP, CLo, SGr, DFR