

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

April 29, 2019

TO: Honorable Tracy O. King, Chair, House Committee on Licensing & Administrative Procedures

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

IN RE: **SB787** by Hancock (Relating to a reduced occupational licensing fee for certain former license holders.), **As Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for SB787, As Engrossed: a negative impact of (\$6,000,000) 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. Any state agency subject to this Act is required to implement a provision of this Act only if the legislature appropriates money specifically for that purpose. If the legislature does not appropriate money specifically for that purpose, the agencies may, but are not required to, implement a provision of this Act using other appropriations available for that purpose.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2020	(\$3,000,000)
2021	(\$3,000,000)
2022	(\$3,000,000)
2023	(\$3,000,000)
2024	(\$3,000,000)

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue (Loss) from General Revenue Fund
	1
2020	(\$3,000,000)
2021	(\$3,000,000)
2022	(\$3,000,000)
2023	(\$3,000,000)
2024	(\$3,000,000)

Fiscal Analysis

The bill would amend Chapter 57 of the Occupations Code to require a state agency that issues a license to charge a reduced application or renewal fee, not to exceed one-third of the usual fee, if the applicant has become a parent by natural birth or adoption within the two years preceding the application date and the applicant held an active license for which they are applying immediately before the birth or adoption.

The bill states any state agency subject to the bill would be required to implement the provisions of the bill only if the Legislature appropriates money specifically for that purpose. The bill would take effect September 1, 2019.

Methodology

According to analysis from the Comptroller's Office, based on fiscal year 2017 license renewal fee revenue and assuming a three percent two-year birth rate would apply to the existing licensed population, the provisions of the bill would result in a loss of approximately \$3,000,000 per fiscal year to the General Revenue Fund.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 452 Department of Licensing and Regulation

LBB Staff: WP, DFR, CLo, SGr