

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION**

**April 18, 2021**

**TO:** Honorable Senfronia Thompson, Chair, House Committee on Licensing & Administrative Procedures

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: HB1485** by Turner, Chris (relating to the regulation of elevator mechanics, elevator apprentices, and contractors; requiring an occupational registration.), **Committee Report 1st House, Substituted**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB1485, Committee Report 1st House, Substituted : a positive impact of \$10,652 through the biennium ending August 31, 2023.

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:**

<i>Fiscal Year</i>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2022	\$8,157
2023	\$2,495
2024	\$2,495
2025	\$2,495
2026	\$2,495

**All Funds, Five-Year Impact:**

<i>Fiscal Year</i>	<b>Probable (Cost) from General Revenue Fund 1</b>	<b>Probable Revenue Gain from General Revenue Fund 1</b>	<b>Change in Number of State Employees from FY 2021</b>
2022	(\$78,843)	\$87,000	2.0
2023	(\$142,505)	\$145,000	2.0
2024	(\$142,505)	\$145,000	2.0
2025	(\$142,505)	\$145,000	2.0
2026	(\$142,505)	\$145,000	2.0

**Fiscal Analysis**

The bill would amend the statute for Elevators, Escalators, and Related Equipment in the Health and Safety Code to amend requirements for a contractor and to require registration as an elevator mechanic or elevator apprentice. The bill would require that an individual is registered with TDLR as an elevator mechanic or elevator apprentice beginning November 1, 2022.

## Methodology

Based on information provided by TDLR, this analysis assumes the agency would need a License and Permit Specialist III (1.0 full-time equivalent (FTE) position) to evaluate applications for elevator mechanics and elevator apprentices to ensure applicants meet the qualifications required for an initial license and to review renewal applications to confirm all requirements, including continuing education requirements, are met at renewal to implement the provisions of the bill. As the bill requires elevator mechanics to become licensed beginning November 1, 2022, the needed staff would start in March 2022 to begin training before the agency begins accepting applications in May or June 2022. The License and Permit Specialist III would cost \$32,343 in General Revenue Funds for salary, benefits, and a one-time expense for a computer and related equipment in fiscal year 2022 (partial year) and \$57,945 in salary, benefits, and operating expenses in subsequent fiscal years.

Based on information provided by TDLR, this analysis assumes the agency would need a Program Specialist IV (1.0 FTE) to assist the Chief Elevator Inspector in providing the new license holders with outreach and answers about compliance and assist with checking the mechanics to ensure they follow elevator laws and rules, as well as building and safety code requirements. The program specialist would also assist with TDLR's acceptance of additional mechanic training and apprenticeship programs, and the review and approval of continuing education courses. The Program Specialist IV would start working in March 2022 and would cost \$46,500 in General Revenue for salary, benefits, and a one-time expense for a computer and related equipment in fiscal year 2022 (partial year) and \$84,560 in salary and benefits in subsequent fiscal years.

The agency indicates the new license type could be incorporated into the licensing system for the Elevators program within existing resources.

According to TDLR, the fee for an initial and renewal elevator mechanic license would be \$30 and the fee for an initial and renewal elevator apprentice license would be \$20. According to TDLR, this would result in a revenue gain of \$87,000 to the General Revenue Fund in fiscal year 2022 and approximately \$145,000 each fiscal year thereafter.

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.

## Local Government Impact

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 452 Dept of License & Reg

**LBB Staff:** JMc, SZ, MB, DFR