

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

May 18, 2023

TO: Honorable Charles Perry, Chair, Senate Committee on Water, Agriculture & Rural Affairs

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB3744 by Goldman (Relating to the regulation of water well drillers and water well pump installers.), **As Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3744, As Engrossed : a positive impact of \$158,000 through the biennium ending August 31, 2025.

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>	<i>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</i>
2024	\$314,000
2025	(\$156,000)
2026	\$157,000
2027	(\$156,000)
2028	\$157,000

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	<i>Probable Revenue Gain/(Loss) from General Revenue Fund</i> 1
2024	\$314,000
2025	(\$156,000)
2026	\$157,000
2027	(\$156,000)
2028	\$157,000

Fiscal Analysis

The bill would amend the Occupations Code relating to water well drillers and water well pump installers. The bill would change the duration of these licenses from a one-year term to a two-year term. Additionally the bill would authorize the Texas Department of Licensing and Regulation to prepare and administer the licensing exam of the relevant licensing exams. The bill would take effect September 1, 2023.

Methodology

Based on the analysis of the Comptroller of Public Accounts, this estimate assumes the change in the license terms from one year to two years will result in \$314,000 in additional revenue in fiscal year 2024 because 67% of these license holders would pay fees associated with a two-year license instead of a one-year license, and \$156,000 in less revenue in fiscal year 2025, because that same 67% would not renew that year. The revenue amount will then on would be \$157,000 in additional revenue in subsequent even fiscal years and \$156,000 less revenue in odd fiscal years.

Based on the analysis of the Texas Department of Licensing and Regulation, duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

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

LBB Staff: JMc, SZ, KDw, GDZ, BFa