

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

May 22, 2025

TO: Honorable Phil King, Chair, Senate Committee on Economic Development

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB346 by Harris Davila (relating to the fee amounts prescribed by the secretary of state for expedited commercial and business record searches or filings and the exemption from the franchise tax and certain filing fees for veteran-owned businesses.), **Committee Report 2nd House, Substituted**

The fiscal implications of the bill cannot be determined because increased revenue from fees for expedited business filings as authorized by the bill would vary in a manner to be determined by the Secretary of State.

The bill would amend the Government Code to remove certain defined fees the Secretary of State (SOS) is authorized to charge for expedited business filing services. In place of these defined fees, SOS would be authorized to prescribe varying fees for these services based on the type of organization at rates to be determined by the agency. Revenue gained would be determined on the fees set by the agency and the number of businesses choosing expedited filing; neither of these factors can be determined at this time. As a result, revenue generated by the bill cannot be determined.

Local Government Impact

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

Source Agencies: 304 Comptroller of Public Accounts, 307 Secretary of State

LBB Staff: JMc, RStu, LCO, GP, NV