

- SUBJECT:** Appropriating fees generated through regulation of electricians
- COMMITTEE:** Appropriations — committee substitute recommended
- VOTE:** 22 ayes — Heflin, Luna, Berman, B. Brown, F. Brown, Crownover, J. Davis, Deshotel, Eiland, Ellis, Gutierrez, Hamric, Hope, Hupp, Isett, E. Jones, McClendon, Pickett, Pitts, Raymond, Truitt, Wohlgemuth
- 0 nays
- 7 absent — Branch, Dukes, Kolkhorst, Menendez, Solis, Stick, Turner
- WITNESSES:** For — None
- Against — None
- On — Brian Francis, Texas Department of Licensing and Regulation
- BACKGROUND:** The 78th Legislature during its regular session enacted HB 1487 by Driver, the Texas Electrical Safety and Licensing Act, creating a state license for six classes of electricians and two classes of contractors and adopting national standards for electrical work in Texas. It gives oversight and enforcement responsibility to the Texas Department of Licensing and Regulation (TDLR).
- Generally, when pending legislation would generate fee revenue, lawmakers adopt a contingency rider in the general appropriations act giving direction to appropriate the funds if the bill becomes law and the fees are generated. HB 1 by Heflin, the general appropriations act for fiscal 2004-05, contains no contingency rider for HB 1487.
- DIGEST:** CSHB 9 would appropriate the fees collected from registration of electricians to TDLR for purposes of administering the Texas Electrical Safety and Licensing Act. Any future increases in the cost of state employee benefits connected with administration of HB 1487 would have to be paid by the fee-generated funds.

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The bill would take effect September 1, 2003, if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect November 1, 2003.

**SUPPORTERS
SAY:**

The changes in CSHB 9 would clarify that TDLR has the authority to use the funds it will collect from registration of electricians. The omission of such direction during the 78th Legislature's regular session was an oversight and should be corrected to ensure that the agency can implement HB 1487 in a timely manner. The provision relating to relating to future increases in the cost of state employee benefits associated with administration of the regulations also would correct an oversight. It is a standard provision that typically is applied to self-funding programs.

TDLR should have the resources it needs to implement HB 1487, because registration of electricians will protect Texans' lives, health, and property by setting statewide, enforceable standards for electrical work. In many areas of the state have no standards or regulations and no mechanisms for dealing with poor electrical work.

There is no need for this bill to provide for additional employees. If TDLR discovers during the interim that it cannot staff the regulatory program with existing employees, it can work with the Legislative Budget Board to adjust the agency's staffing levels.

**OPPONENTS
SAY:**

CSHB 9 would fail to correct another oversight — the lack of authority for new employees to implement the legislation. The fiscal note attached to HB 1487 identified the need for an additional 32 employees to process the anticipated 58,000 licensees.

NOTES:

The fiscal note for CSHB 9 estimates a general revenue cost of \$3.9 million in fiscal 2004-05.

The committee substitute added the provision relating to increases in the cost of state employee benefits related to administration of the regulations.

CSHB 9 is substantially similar to two other bills on today's calendar: CSHB 11 by Heflin, concerning fees generated by the regulation of dry cleaners, and

CSHB 12 by Heflin, concerning fees generated by the regulation of poultry sellers, distributors, and transporters.