

1 AN ACT

2 relating to a fee exemption under the Public Accountancy Act for
3 accountants in this state who are employed by certain governmental
4 entities.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Section 901.410, Occupations Code, is amended to
7 read as follows:

8 Sec. 901.410. FEE EXEMPTION FOR CERTAIN LICENSE
9 HOLDERS. The fee increase imposed under Section 901.406 and the
10 additional fee imposed under Section 901.407 do not apply to a
11 license holder who is:

12 (1) an employee of the federal government, the
13 government of another state, or a municipal or county government of
14 this state and who is restricted by virtue of that employment from
15 engaging in the practice of public accountancy outside the scope of
16 employment; or

17 (2) an employee of a state agency that has authorized
18 the payment of the fee increase and additional fee for the license
19 holder.

20 SECTION 2. The change in law made by this Act applies to a
21 fee under Section 901.406 or 901.407, Occupations Code, that
22 becomes due on or after the effective date of this Act. A fee under
23 those sections that becomes due before the effective date of this
24 Act is governed by the law in effect on the date the fee becomes due,

1 and the former law is continued in effect for that purpose.

2 SECTION 3. This Act takes effect immediately if it receives
3 a vote of two-thirds of all the members elected to each house, as
4 provided by Section 39, Article III, Texas Constitution. If this
5 Act does not receive the vote necessary for immediate effect, this
6 Act takes effect September 1, 2007.

David Sisk

President of the Senate

Tom Craddick

Speaker of the House

I certify that H.B. No. 1316 was passed by the House on April 13, 2007, by the following vote: Yeas 143, Nays 0, 2 present, not voting; and that the House concurred in Senate amendments to H.B. No. 1316 on May 23, 2007, by the following vote: Yeas 147, Nays 0, 1 present, not voting.

Robert Haney
Chief Clerk of the House

I certify that H.B. No. 1316 was passed by the Senate, with amendments, on May 21, 2007, by the following vote: Yeas 30, Nays 1.

Larry Swain
Secretary of the Senate

APPROVED: 15 JUN 07

Date

RICK PERRY
Governor

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
7 PM O'CLOCK

Roger Williams
Secretary of State
JUN 15 2007

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 14, 2007

TO: Honorable Troy Fraser, Chair, Senate Committee on Business & Commerce

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB1316 by Goolsby (Relating to a fee exemption under the Public Accountancy Act for accountants in this state who are employed by certain governmental entities.),
Committee Report 2nd House, Substituted

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| Estimated Two-year Net Impact to General Revenue Related Funds for HB1316, Committee Report 2nd House, Substituted: a negative impact of (\$407,600) through the biennium ending August 31, 2009. |
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General Revenue-Related Funds, Five-Year Impact:

| Fiscal Year | Probable Net Positive/(Negative) Impact to General Revenue Related Funds |
|-------------|--|
| 2008 | (\$203,800) |
| 2009 | (\$203,800) |
| 2010 | (\$203,800) |
| 2011 | (\$203,800) |
| 2012 | (\$203,800) |

All Funds, Five-Year Impact:

| Fiscal Year | Probable Revenue Gain/(Loss) from <i>GENERAL REVENUE FUND</i> 1 |
|-------------|---|
| 2008 | (\$203,800) |
| 2009 | (\$203,800) |
| 2010 | (\$203,800) |
| 2011 | (\$203,800) |
| 2012 | (\$203,800) |

Fiscal Analysis

The bill would amend the Occupations Code to exempt certain accountants in this state who are employed by the government of another state or a municipal or county government of this state, and who are restricted by virtue of their employment from engaging in the practice of public accountancy outside the scope of their employment from paying a \$200 professional fee.

The bill would take effect immediately upon receiving a two-thirds majority vote in each house; otherwise, the bill would take effect September 1, 2007.

Methodology

A revenue loss to the General Revenue Fund would be realized for each licensee that would be exempt from the \$200 professional fee.

Based on the analysis of the Board of Public Accountancy, it is assumed that approximately 283 Texas licensees who live outside the state and who are employed by the government of another state would be restricted by virtue of their employment from engaging in the practice of public accountancy outside the scope of their employment. The agency also estimates that approximately 736 Texas licensees are employed by either a municipal or county government of this state. Although the agency is not able to identify how many are restricted by virtue of their employment from engaging in the practice of public accountancy outside the scope of their employment, for the purposes of this analysis it is assumed that 1,019 licensees would be exempt from paying the \$200 professional fee in accordance with the provisions of the bill. Accordingly, this analysis assumes that a revenue loss of \$203,800 to the General Revenue Fund would be realized each year from these licensees.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 457 Board of Public Accountancy, 304 Comptroller of Public Accounts

LBB Staff: JOB, JRO, MW

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 19, 2007

TO: Honorable Troy Fraser, Chair, Senate Committee on Business & Commerce

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB1316 by Goolsby (Relating to a fee exemption under the Public Accountancy Act for certain accountants in this state who are employed by the government of another state.), **As Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1316, As Engrossed: a negative impact of (\$498,400) through the biennium ending August 31, 2009.

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:

| Fiscal Year | Probable Net Positive/(Negative) Impact to General Revenue Related Funds |
|-------------|--|
| 2008 | (\$249,200) |
| 2009 | (\$249,200) |
| 2010 | (\$249,200) |
| 2011 | (\$249,200) |
| 2012 | (\$249,200) |

All Funds, Five-Year Impact:

| Fiscal Year | Probable Revenue Gain/(Loss) from GENERAL REVENUE FUND 1 |
|-------------|---|
| 2008 | (\$249,200) |
| 2009 | (\$249,200) |
| 2010 | (\$249,200) |
| 2011 | (\$249,200) |
| 2012 | (\$249,200) |

Fiscal Analysis

The bill would amend the Occupations Code to exempt certain accountants in this state who are employed by the government of another state or a municipal or county government and who are restricted by virtue of their employment from engaging in the practice of public accountancy outside the scope of their employment from paying a \$200 professional fee.

The bill would take effect immediately upon receiving a two-thirds majority vote in each house; otherwise, the bill would take effect September 1, 2007.

Methodology

A revenue loss to the General Revenue Fund would be realized for each licensee that would be exempt from the \$200 professional fee.

Based on the analysis of the Board of Public Accountancy, it is assumed that approximately 283 Texas licensees who live outside the state and who are employed by the government of another state would be restricted by virtue of their employment from engaging in the practice of public accountancy outside the scope of their employment. The agency also estimates that approximately 963 Texas licensees are employed by either a municipal or county government. Although the agency is not able to identify how many are restricted by virtue of their employment from engaging in the practice of public accountancy outside the scope of their employment, for the purposes of this analysis it is assumed that 1,246 licensees would be exempt from paying the \$200 professional fee in accordance with the provisions of the bill. Accordingly, this analysis assumes that a revenue loss of \$249,200 to the General Revenue Fund would be realized each year from these licensees.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 457 Board of Public Accountancy

LBB Staff: JOB, CL, JRO, MW