

ITEM REDUCTIONS BY METHOD OF FINANCING
 81st Regular Session, 2010-11 Item Reductions
 Automated Budget and Evaluation System of Texas (ABEST)

Date: 2/16/2010
 Time: 2:58:04PM
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Agency code: 452

Agency name: **Department of Licensing and Regulation**

Item Priority and Name/ Method of Financing	2010	2011	Biennial Total	Target
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1 Central Administration

Item Comment: IMPACT

The proposed reduction will curtail reimbursements for Advisory Board members traveling to meetings. The agency does not believe that this will adversely impact its most critical mission of providing licenses to Texas workers and businesses. However, the agency's new program implementation and rule making processes will be negatively impacted.

JUSTIFICATION

In response to the request for a proposed five percent budget reduction, the Texas Department of Licensing and Regulation (TDLR) preserves its most critical function – providing licenses to Texans whose jobs require that they hold them. The agency's proposed reduction will not interrupt the work of existing licensees and businesses and will not hinder the opening of new businesses that rely on licenses issued by TDLR. By using this as our guiding principle for proposed reductions, employment in the state should not be adversely impacted.

GENERAL REVENUE FUNDS

1 General Revenue Fund	\$50,000	\$50,000
General Revenue Funds Total	\$50,000	\$50,000
Item Total	\$50,000	\$50,000

2 Customer Service

Item Comment: IMPACT

The proposed reduction will freeze current vacant contact center positions. The agency does not believe that this will adversely impact its most critical mission of providing licenses to Texas workers and businesses. These proposed reductions will result in increased wait times in responding to questions from licensees and the public via the phone and email.

JUSTIFICATION

In response to the request for a proposed five percent budget reduction, the Texas Department of Licensing and Regulation (TDLR) preserves its most critical function – providing licenses to Texans whose jobs require that they hold them. The agency's proposed reduction will not interrupt the work of existing licensees and businesses and will not hinder the opening of new businesses that rely on licenses issued by TDLR. By using this as our guiding principle for proposed reductions, employment in the state should not be adversely impacted.

GENERAL REVENUE FUNDS

1 General Revenue Fund	\$95,214	\$95,214
General Revenue Funds Total	\$95,214	\$95,214

* - Indicates amount does not meet target requirements.

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Item Total	\$95,214	\$95,214		

3 Information Technology

Item Comment: IMPACT

The proposed reduction will freeze current vacant Information Technology positions. The agency does not believe that this will adversely impact its most critical mission of providing licenses to Texas workers and businesses. These proposed reductions will adversely impact the development of new software for the transition of programs, the implementation of new programs and efficiencies from new automated and online services.

JUSTIFICATION

In response to the request for a proposed five percent budget reduction, the Texas Department of Licensing and Regulation (TDLR) preserves its most critical function – providing licenses to Texans whose jobs require that they hold them. The agency’s proposed reduction may delay licensing processing times but will not interrupt the work of existing licensees and businesses and will not hinder the opening of new businesses that rely on licenses issued by TDLR. By using this as our guiding principle for proposed reductions, employment in the state should not be adversely impacted.

GENERAL REVENUE FUNDS

1 General Revenue Fund	\$60,591	\$99,057		
General Revenue Funds Total	\$60,591	\$99,057		
Item Total	\$60,591	\$99,057		

4 Resolve Complaints

Item Comment: IMPACT

Consumers may be impacted by this proposed reduction, which will include freezing current vacant enforcement positions. The proposed reduction in inspections will result in fewer consumer complaints being investigated, resulting in a reduced number of enforcement actions pursued by TDLR. The average time for consumer complaint resolution will increase.

JUSTIFICATION

In response to the request for a proposed five percent budget reduction, the Texas Department of Licensing and Regulation (TDLR) preserves its most critical function – providing licenses to Texans whose jobs require that they hold them. The agency’s proposed reduction will not interrupt the work of existing licensees and businesses and will not hinder the opening of new businesses that rely on licenses issued by TDLR. By using this as our guiding principle for proposed reductions, employment in the state should not be adversely impacted.

GENERAL REVENUE FUNDS

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Item Priority and Name/ Method of Financing	2010	2011	Biennial Total	Target
1 General Revenue Fund	\$28,140	\$28,140		
General Revenue Funds Total	\$28,140	\$28,140		
Item Total	\$28,140	\$28,140		

5 Investigation

Item Comment: IMPACT

As a result of reduced inspections, the number of investigations will decline because many violations identified are found during routine inspections.

JUSTIFICATION

In response to the request for a proposed five percent budget reduction, the Texas Department of Licensing and Regulation (TDLR) preserves its most critical function – providing licenses to Texans whose jobs require that they hold them. The agency’s proposed reduction will not interrupt the work of existing licensees and businesses and will not hinder the opening of new businesses that rely on licenses issued by TDLR. By using this as our guiding principle for proposed reductions, employment in the state should not be adversely impacted.

GENERAL REVENUE FUNDS

1 General Revenue Fund	\$760,829	\$710,990		
General Revenue Funds Total	\$760,829	\$710,990		
Item Total	\$760,829	\$710,990		

6 Conduct Inspections

Item Comment: IMPACT

The agency’s inspection functions will suffer the most by this proposed reduction, which will include freezing current vacant inspector positions. Consumers may be impacted because routine inspections of places like barber shops and hair salons, tow truck companies, vehicle storage facilities and used auto parts recycling facilities will fall below current levels. Consumers will be at an increased risk because of the reduced inspector presence. Reducing the number of routine inspections of businesses will also result in a reduced number of enforcement actions pursued by TDLR.

JUSTIFICATION

In response to the request for a proposed five percent budget reduction, the Texas Department of Licensing and Regulation (TDLR) preserves its most critical function – providing licenses to Texans whose jobs require that they hold them. The agency’s proposed reduction will not interrupt the work of existing licensees and businesses and will not hinder the opening of new businesses that rely on licenses issued by TDLR. By using this as our guiding principle for proposed reductions, employment in the state should not be adversely impacted.

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GENERAL REVENUE FUNDS				
1 General Revenue Fund	\$203,527	\$204,971		
General Revenue Funds Total	\$203,527	\$204,971		
Item Total	\$203,527	\$204,971		
Agency General Revenue Total	\$1,198,301	\$1,188,372		
Agency GR Dedicated Total				
Agency Grand Total	\$1,198,301	\$1,188,372	\$2,386,673	\$2,386,673

* - Indicates amount does not meet target requirements.