

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

May 14, 2013

TO: Honorable John Carona, Chair, Senate Committee on Business & Commerce

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB3038** by Anderson (Relating to licensing and regulation of auctioneers; authorizing a fee.), **As Engrossed**

<p>No significant fiscal implication to the State is anticipated.</p>
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The bill would amend the Occupations Code relating to licensing and regulation of auctioneers.

The bill would require an initial application for an auctioneer's license to be accompanied by a fee of the greater of either \$50 or a pro rata share of the amount necessary to maintain a minimum balance in the Auctioneer Education and Recovery Trust Fund 0898. The bill would increase the required minimum balance of the fund from \$300,000 to \$350,000, where each license holder would be required to pay a fee that is equal to the greater of \$50 or a pro rata share necessary to obtain a balance of \$350,000. The Department of Licensing and Regulation (TDLR) would be allowed to use amounts in excess of \$300,000 for the purposes described in Chapter 1802 of the Occupations Code.

The bill would increase the payments allowed to be made to aggrieved parties arising from auctions to \$15,000 for a single party and \$30,000 for more than one aggrieved party. The total payment of claims against a single auctioneer would be set at \$30,000.

Based on information provided by TDLR and the Comptroller of Public Accounts, the fee revenue from new applicants for an auctioneer's license is expected to cover the increase in the threshold from \$300,000 to \$350,000 for Fund 0898 and is not expected to have an impact. The amount that would be paid out for potential grievances cannot be determined. It is also assumed that 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: 452 Department of Licensing and Regulation, 304 Comptroller of Public Accounts

LBB Staff: UP, RB, CWS