

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION**

**April 15, 2021**

**TO:** Honorable Rafael Anchia, Chair, House Committee on Pensions, Investments & Financial Services

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: HB4471** by Goldman (Relating to examination fees for the review and approval of public securities and related proceedings and funding for victims assistance and sexual assault prevention services.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB4471, As Introduced : a positive impact of \$29,462,000 through the biennium ending August 31, 2023.

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:**

<i>Fiscal Year</i>	<i>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</i>
2022	\$14,788,000
2023	\$14,674,000
2024	\$15,525,000
2025	\$14,788,000
2026	\$14,729,000

**All Funds, Five-Year Impact:**

<i>Fiscal Year</i>	<i>Probable Revenue Gain/(Loss) from General Revenue Fund 1</i>
2022	\$14,788,000
2023	\$14,674,000
2024	\$15,525,000
2025	\$14,788,000
2026	\$14,729,000

The bill would amend the Texas Government Code relating to the public securities examination fee for securities submitted to the Office of the Attorney General for approval. The bill would change the cap for the examination fee from \$9,500 to \$50,000.

The bill provides that fees collected in excess of appropriated amounts could be reallocated by the Office of the Attorney General for victim-related services and sexual assault program.

**Fiscal Analysis**

It is anticipated by the Comptroller's Office that the bill would have a positive fiscal impact of \$29,462,000 over the 2022-23 biennium and \$74,504,000 over the five year period of 2022-26.

### **Methodology**

Agency examination collections were \$12,768,616 in FY 2020.

The Office of the Attorney General estimates the bill would generate an additional \$18,200,000 in General Revenue based on examinations in FY 2020 that would meet the higher cap. That estimate is projected forward using growth rate in revenue from this fee in the 2022-23 Biennial Revenue Estimate.

### **Local Government Impact**

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

**Source Agencies:** 302 Office of the Attorney General, 304 Comptroller of Public Accounts

**LBB Staff:** JMc, AAL, LCO, HGR