

SUBJECT: Appropriation to the Texas Department of Licensing and Regulation

COMMITTEE: Appropriations — favorable, without amendment

VOTE: 25 ayes — Pitts, Luna, Berman, Branch, B. Brown, F. Brown, Chisum, Crownover, J. Davis, Gattis, Guillen, Haggerty, Hamric, Hegar, Hope, Hopson, T. King, Kolkhorst, Martinez, McClendon, Pena, Pickett, T. Smith, Truitt, Turner

0 nays

4 absent — Dukes, Edwards, Isett, Menendez

WITNESSES: None

BACKGROUND: The Texas Department of Licensing and Regulation (TDLR) is an umbrella agency that performs occupational regulatory functions for a diverse range of industries.

The Texas Cosmetology Commission and State Board of Barber Examiners together were responsible for the licensing a total of about 237,000 cosmetologists and barbers in Texas. Before the regular session of the 79th Legislature, both agencies underwent review by the Sunset Advisory Commission and were audited by the State Auditor's Office (SAO). In its audit report, the SAO identified several issues, including alleged gross fiscal mismanagement on the part of the Texas Cosmetology Commission. The Sunset commission recommended, and the 79th Legislature approved, in SB 411 by Whitmire, the transfer of authority over barber and cosmetologist licensing to TDLR.

DIGEST: HB 119 would appropriate an additional \$463,810 in general revenue to TDLR for costs associated with assuming the responsibilities of the Texas Cosmetology Commission and the State Board of Barber Examiners. This would include \$250,283 to pay outstanding claims for goods or services received before August 31, 2005, following the verification and approval of the comptroller and the attorney general. It also would pay for \$213,527 in moving costs.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect on the 91st day after the last day of the third called session (August 15, 2006, if the special session lasts the full 30 days).

**SUPPORTERS
SAY:**

HB 119 would appropriate to TDLR sufficient funds to settle unpaid bills left over from the legacy agencies and move offices. Since the transition of responsibilities, TDLR has discovered a significant number of unpaid bills, and the state sold the building where the Texas Cosmetology Commission held examinations, requiring TDLR to obtain temporary offices until the examination function could be outsourced.

**OPPONENTS
SAY:**

No apparent opposition.