

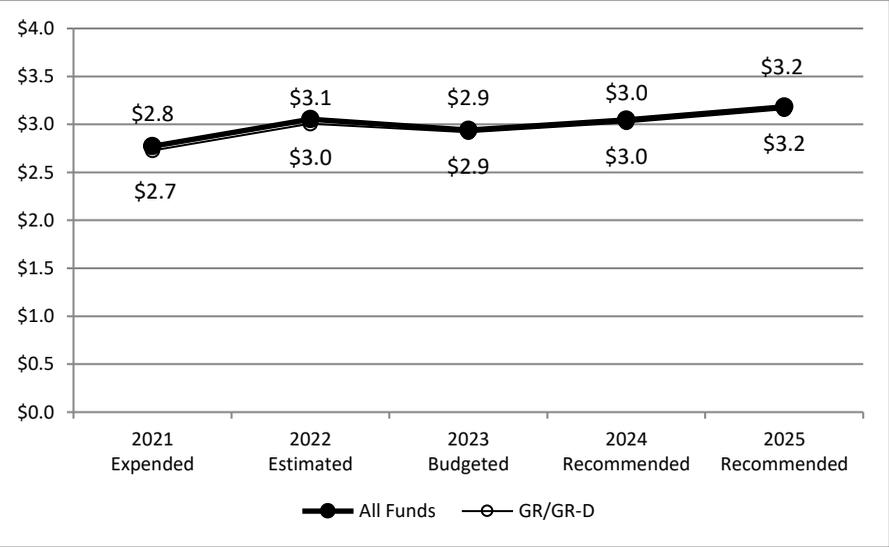
**Board of Plumbing Examiners
Summary of Budget Recommendations - House**

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Chief Executive Officer, Lisa Hill
Blake Fall, LBB Analyst

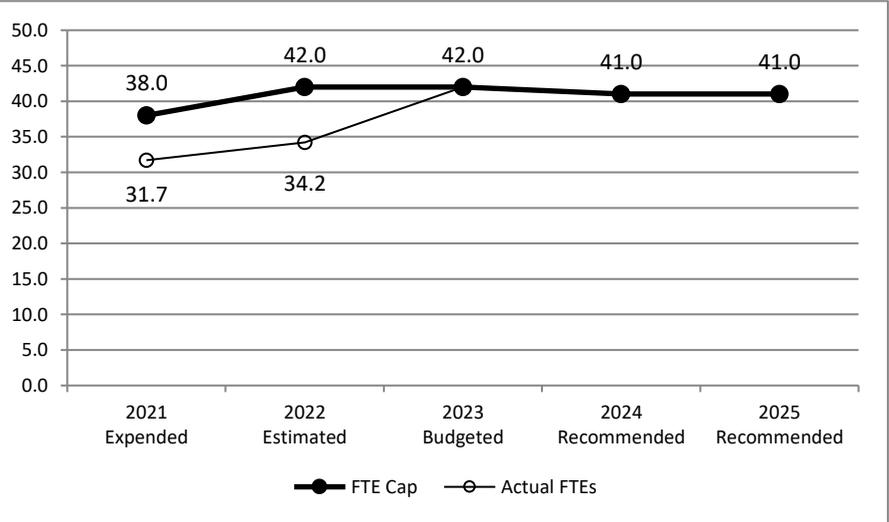
Method of Financing	2022-23 Base	2024-25 Recommended	Biennial Change (\$)	Biennial Change (%)
General Revenue Funds	\$5,923,768	\$6,180,231	\$256,463	4.3%
GR Dedicated Funds	\$0	\$0	\$0	0.0%
<i>Total GR-Related Funds</i>	<i>\$5,923,768</i>	<i>\$6,180,231</i>	<i>\$256,463</i>	<i>4.3%</i>
Federal Funds	\$0	\$0	\$0	0.0%
Other	\$73,700	\$51,200	(\$22,500)	(30.5%)
All Funds	\$5,997,468	\$6,231,431	\$233,963	3.9%

	FY 2023 Budgeted	FY 2025 Recommended	Biennial Change	Percent Change
FTEs	42.0	41.0	(1.0)	(2.4%)

Historical Funding Levels (Millions)



Historical Full-Time-Equivalent Employees (FTEs)



The bill pattern for this agency (2024-25 Recommended) represents an estimated 100.0% of the agency's estimated total available funds for the 2024-25 biennium.

Board of Plumbing Examiners
Summary of Funding Changes and Recommendations - House

Funding Changes and Recommendations for the 2024-25 Biennium compared to the 2022-23 Base Spending Level	General Revenue	GR-Dedicated	Federal Funds	Other Funds	All Funds	Strategy in Appendix A	
<i>SIGNIFICANT Funding Changes and Recommendations (each issue is explained in Section 3 and additional details are provided in Appendix A):</i>							
1)	Decrease in funding and 1.0 FTE for one-time startup and salary costs for a position for the processing of fingerprint and criminal history background checks associated with enactment of House Bill 636, Eight-seventh Legislature, 2021.	(\$81,514)	\$0	\$0	\$0	(\$81,514)	A.1.1
2)	Increase funding to upgrade the VERSA regulatory database for licensing and continuing education tracking.	\$50,000	\$0	\$0	\$0	\$50,000	A.1.4
<i>OTHER Funding Changes and Recommendations (these issues are not addressed in Section 3 but details are provided in Appendix A):</i>							
A)	Removal of one-time funding for information technology enhancements (\$23,700), vehicle purchases (\$56,300), and the agency's share of a Health Professions Council database upgrade (\$27,461).	(\$107,461)	\$0	\$0	\$0	(\$107,461)	A.1.1, A.1.3, A.1.4
B)	Decrease in Appropriated Receipts due to one-time costs for a Continuing Education conference during the 2022-23 biennium that are not continued.	\$0	\$0	\$0	(\$22,500)	(\$22,500)	A.1.1, A.1.3
C)	Increase for the general state employee salary increase with amounts not subject to revenue collection requirements.	\$395,438	\$0	\$0	\$0	\$395,438	A.1.1, A.1.3, A.1.4, B.1.1, C.1.1
TOTAL SIGNIFICANT & OTHER Funding Changes and Recommendations (in millions)		\$256,463	\$0	\$0	(\$22,500)	\$233,963	As Listed
<i>SIGNIFICANT & OTHER Funding Increases</i>		\$445,438	\$0	\$0	\$0	\$445,438	As Listed
<i>SIGNIFICANT & OTHER Funding Decreases</i>		(\$188,975)	\$0	\$0	(\$22,500)	(\$211,475)	As Listed

NOTE: Totals may not sum due to rounding.

**Board of Plumbing Examiners
Selected Fiscal and Policy Issues - House**

1. **Sunset Review.** Enactment of House Bill 636, Eighty-seventh Legislature, Regular Session, 2021, continued the functions of the agency through September 1, 2027. Additional changes include the following:
 1. Authorized the agency to administer computer-based testing for written exams.
 2. Waived apprenticeship registration and tradesman license fees for certain individuals.
 3. Created a career and technology education program for a tradesman plumber limited license.
 4. Required the agency to review criminal history records based on name, date of birth and other identifiers for all existing license holders by September 1, 2023.
 5. Required the agency to conduct fingerprint background checks for all licensees and applicants by September 1, 2025.
 6. Authorized the agency to issue a temporary license to an applicant that meets prescribed requirements, including payment of a fee.

The agency was appropriated \$110,572 each fiscal year in General Revenue with an additional \$7,800 in one-time startup costs in fiscal year 2022 with authority for an additional 3.0 FTEs through an associated contingency rider to implement the legislation's provisions requiring the agency to process fingerprint and criminal history results during the 2022–23 biennium. Appropriated amounts included were based on the fiscal impact identified in House Bill 636's fiscal note and assume a cost of \$36,857 each year per FTE. Beyond the 2022–23 biennium, House Bill 636's fiscal note included an agency estimated decrease in workload associated with fingerprint background checks beginning in fiscal year 2024 with the agency only requiring 2.0 additional FTEs for this purpose.

Recommendations for the 2024–25 biennium provide \$147,430 in General Revenue with authority for 2.0 FTEs to continue agency fingerprint and criminal history background check obligations. This is a decrease of \$81,514 in General Revenue and 1.0 FTE from the 2022–23 appropriated level that includes one-time startup and salary funding for this position that are not continued. As the agency is statutorily required to generate sufficient revenue to cover its costs of operation, any costs incurred by the agency for implementing the provisions of this legislation would be offset by an increase in fee-generated revenue.

2. **VERSA Upgrade.** Recommendations include an additional \$50,000 in one-time General Revenue appropriations for regulatory database modifications that will be used for renewal of licenses and tracking of required continuing education programs. The modifications will be developed over a two-year period via contract with Tyler Technologies and the Health Professions Council will maintain it. The changes in the agency's education and training program are in response to the enactment of House Bill 636, Eighty-Seventh Legislature, Regular Session, 2021, which was the agency's Sunset bill, and Sunset Commission recommendations that the agency update the VERSA program.

**Board of Plumbing Examiners
Items Not Included in Recommendations - House**

	2024-25 Biennial Total			Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2026-27
	GR & GR-D	All Funds	FTEs			

Agency Exceptional Items Not Included (in agency priority order)

1)	General Revenue funding for the following additional FTE positions with associated benefits: a) Legal Assistant III at \$55,602 each year. b) Systems Support Specialist V at \$55,602 each year. c) Human Resources Specialist III at \$51,985 each year. d) Investigator IV at \$ 51,985 each year. e) Customer Service Representative I at \$33,844 each year. f) Program Specialist II at \$51,985 each year.	\$715,344	\$715,344	6.0	No	No	\$649,844
2)	General Revenue funding and authority for the following FTE positions with associated benefits: a) Attorney III at \$83,298 each year to provide representation at the State Office of Administrative Hearings (SOAH) as administrative hearing support for the agency is no longer being provided by the Office of the Attorney General. b) Criminal Background Analyst at \$43,000 each year to provide background checks for increasing licensing population.	\$277,183	\$277,183	2.0	Yes	No	\$274,430
3)	One-Time General Revenue funding for a replacement vehicle to be used for staff travel and to pull demonstration display units.	\$48,000	\$48,000	0.0	No	No	\$0
4)	General Revenue funding for the following: a) \$15,000 for a mobile testing unit to conduct the practical portion of licensing exams. b) \$130,479 for improvement and operation of exam facilities in Waco and Harlingen c) \$317,616 for 2.0 Maintenance Specialists (\$46,423 each year) and 1.0 Program Specialist (\$63,616 each year) position to administer practical exams.	\$463,095	\$463,095	3.0	No	No	\$436,596

**Board of Plumbing Examiners
Items Not Included in Recommendations - House**

		2024-25 Biennial Total			Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2026-27
		GR & GR-D	All Funds	FTEs			
5)	Authority to raise the Executive Director position's authorized exempt salary amount from \$124,982 in FY2024 and \$129,377 in FY2025 to \$140,000 for both fiscal years within Group 3.	\$0	\$0	0.0	No	No	\$0

TOTAL Items Not Included in Recommendations		\$1,503,622	\$1,503,622	11.0			\$1,360,870
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**Board of Plumbing Examiners
Appendices - House**

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* Appendix is not included - no significant information to report

**Board of Plumbing Examiners
Funding Changes and Recommendations by Strategy - House -- ALL FUNDS**

Strategy/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
EXAMINE AND LICENSE PLUMBERS A.1.1	\$2,603,993	\$2,479,572	(\$124,421)	(4.8%)	Recommendations include the following General Revenue changes: a) a decrease of \$23,700 for removal of one-time funds for an IT enhancement of the VERSA system. b) a decrease of \$27,461 for the removal of one-time funds for the agency's share of a Health Professions Council upgrade. c) a decrease of \$81,514 for the removal of FTE-related funds for a position that is no longer continued. See also, Selected Fiscal and Policy Issues #1. d) an increase of \$2,936 for the increase of the exempt position salary.
TEXAS.GOV A.1.2	\$310,000	\$310,000	\$0	0.0%	
INSPECTIONS AND ENFORCEMENT A.1.3	\$2,239,783	\$2,158,277	(\$81,506)	(3.6%)	Recommendations include the following changes: a) a decrease of \$56,300 in General Revenue for the removal of one-time funding for purchasing vehicles. b) a decrease of \$22,500 in Appropriated Receipts for the removal of one-time funding relating to a Continuing Education Conference that will not continue. c) an increase of \$2,338 for the increase of the exempt position salary.
CONSUMER EDUCATION/PUBLIC AWARENESS A.1.4	\$244,392	\$295,258	\$50,866	20.8%	Recommendations include an increase of \$50,000 in General Revenue for upgrading the VERSA regulatory database. See also, Selected Fiscal and Policy Issues, #1. Recommendations also include an increase of \$1,140 in General Revenue for the increase of the exempt position salary.
Total, Goal A, ENSURE PUBLIC SAFETY/PLUMBING	\$5,398,168	\$5,243,107	(\$155,061)	(2.9%)	
INDIRECT ADMIN - EXAM/LICENSE B.1.1	\$225,500	\$228,976	\$3,476	1.5%	Recommendations include an increase of \$3,476 in General Revenue for the increase of the exempt position salary.
INDIRECT ADMIN - INSPECT/ENFORCE B.1.2	\$373,800	\$377,097	\$3,297	0.9%	Recommendations include an increase of \$3,297 in General Revenue for the increase of the exempt position salary.
Total, Goal B, INDIRECT ADMINISTRATION	\$599,300	\$606,073	\$6,773	1.1%	
SALARY ADJUSTMENTS C.1.1	\$0	\$382,251	\$382,251	100.0%	General Revenue funding for the general state employee salary increase.
Total, Goal C, SALARY ADJUSTMENTS	\$0	\$382,251	\$382,251	100.0%	
Grand Total, All Strategies	\$5,997,468	\$6,231,431	\$233,963	3.9%	

**Board of Plumbing Examiners
FTE Highlights - House**

Full-Time-Equivalent Positions	Expended 2021	Estimated 2022	Budgeted 2023	Recommended 2024	Recommended 2025
Cap	38.0	42.0	42.0	41.0	41.0
Actual/Budgeted	31.7	34.2	42.0	NA	NA

Schedule of Exempt Positions					
Executive Director, Group 3	\$120,586	\$120,586	\$120,586	\$124,982	\$129,377

Notes:

a) The State Auditor's Office Report, *Executive Compensation at State Agencies* (Report 22-706, August 2022), indicates a market average salary of \$129,377 for the Executive Director position at the Board of Plumbing Examiners. The agency is requesting to increase the authorized annual salary amount for the Executive Director position to \$140,000 within Group 3 and funding for this increase. See also, Items Not Included in Recommendations #5.

b) The State Auditor's Office is the source for the FY 2021 and FY 2022 annual average (actual) FTE levels.