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## FISCAL IMPACT REPORT

SPONSOR Borrego LAST UPDATED \_\_\_\_\_  
ORIGINAL DATE 02/13/2025  
BILL  
SHORT TITLE Licensing Time Frames Transparency Act NUMBER House Bill 335  
ANALYST Montano

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT\* (dollars in thousands)

Agency/Program	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
RLD	No fiscal impact	\$40.0	No fiscal impact	\$40.0	Nonrecurring	General Fund
RLD	No fiscal impact	\$60.0 to \$75.0	\$60.0 to \$75.0	\$120.0 to \$150.0	Recurring	General Fund
Total	No fiscal impact	\$100.0 to \$115.0	\$60.0 to \$75.0	\$160.0 to \$190.0		General Fund

Parentheses ( ) indicate expenditure decreases.

\*Amounts reflect most recent analysis of this legislation.

### Sources of Information

LFC Files

Agency Analysis was Solicited but Not Received From Regulation and Licensing Department (RLD)

## SUMMARY

### Synopsis of House Bill 335

House Bill 335 (HB335) establishes the Licensing Time Frames Transparency Act, requiring state and local agencies to report and publish licensing and permitting time frames. The bill applies to the Construction Industries Division of the Regulation and Licensing Department (RLD) and local governments with delegated permitting authority.

Agencies must submit quarterly reports detailing the number of permits and licenses issued or denied, along with the average, median, and maximum processing times for applications. Additionally, agencies must disclose the total number of pending applications and how long they have been awaiting final action. RLD will publish these reports online, making the information available to businesses, contractors, and the public.

The bill does not apply to government authorizations related to educational, charitable, or penal institutions.

The effective date of this bill is January 1st, 2026.

## FISCAL IMPLICATIONS

HB335 requires the Construction Industries Division of RLD and local agencies to periodically publish a list of licensing and permitting time frames. This would necessitate additional administrative work, potentially leading to increased staffing needs, training costs, or system upgrades to track and report licensing data efficiently. This analysis assumes RLD would need one additional FTE at an annual recurring cost of \$60 to \$75 thousand annually to oversee the reports online. RLD would most likely also need to upgrade existing systems or develop new tracking and reporting tools. RLD has cited a standard systems update cost of \$40 thousand in analysis for other legislation.

## **SIGNIFICANT ISSUES**

Requiring quarterly data may impose administrative challenges to RLD. These workload costs could slow the agencies' performance due to the need to satisfy the requirements of HB335; RLD would face the largest workload increase. HB335 would place similar burdens on local governments, which would be responsible for collecting and reporting on licensing and permitting data. However, this requirement may incentivize local governments to improve processing times and streamline regulatory approvals.

## **ADMINISTRATIVE IMPLICATIONS**

The bill requires state and local agencies to develop systems for tracking, compiling, and publishing licensing and permitting data, which will increase workload. Agencies will also need to ensure data accuracy and maintain compliance with reporting deadlines. Additional training may be necessary for agency personnel handling data collection and publication. Also, additional employees may be needed for management of the license database.