

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

April 13, 2003

TO: Honorable Kino Flores, Chair, House Committee on Licensing & Administrative Procedures

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB3509 by Flores (Relating to the sale of service contracts.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would require service contract providers to file a complete copy of each service contract with the Department of Licensing and Regulation (TDLR). The bill would allow TDLR to disapprove any service contract if the cost to the consumer is not reasonable in relation to the coverage or if the contract is misleading, deceptive, or duplicative of required insurance. The bill would require TDLR to review all complaints against service contract providers annually.

It is anticipated that TDLR could absorb any costs related to the bill within current resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 452 Department of Licensing and Regulation

LBB Staff: JK, JRO, RT, RB