

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

February 13, 2005

TO: Honorable Burt R. Solomons, Chair, House Committee on Financial Institutions

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: HB635 by Solomons (Relating to property in the custody of a pawnbroker; providing criminal penalties.), **As Introduced**

No fiscal implication to the State is anticipated.

Local Government Impact

No significant fiscal implication to local law enforcement agencies is anticipated to implement Section 1 of the bill.

If a local law enforcement agency decided to create its own database of pawnbroker transaction data, the costs to implement the provisions of Section 2 of the bill would include the purchase of equipment and software to maintain information submitted by pawnbrokers. This equipment must have a minimum of 128-bit encryption for all electronic transmissions. (This includes only those law enforcement agencies that do not already own such equipment.) If an outside provider is chosen to create the database, local law enforcement agencies would have to pay a "reasonable" fee to the outside provider to access the information.

Source Agencies: 451 Department of Banking, 466 Office of Consumer Credit Commissioner

LBB Staff: JOB, JRO, MW, KJG, RB