

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

May 20, 2005

TO: Honorable Tom Craddick, Speaker of the House, House of Representatives

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

IN RE: HB1833 by Chisum (Relating to disclosures required for the creation of certain consumer contracts solicited by mail; providing a civil penalty.), **As Passed 2nd House**

No significant fiscal implication to the State is anticipated.

The bill would require a person that solicits business by mailing an individual a check or draft payable to the individual must: (1) include specific disclosures on the face of the check; and (2) send notice 2 weeks before debiting any account. This section would not apply to a financial institution or other authorized lender if they send a check to an existing or prospective account holder authorizing the account holder to access an extension of credit. The bill would take effect on September 1, 2005.

The proposed legislation may result in new complaints, investigations or cases by the Office of the Attorney General's Consumer Protection & Public Health Division, however, it is projected that this increase can be absorbed by current resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 302 Office of the Attorney General

LBB Staff: JOB, SD, JRO, MS