

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

March 19, 2005

TO: Honorable Helen Giddings, Chair, House Committee on Business & Industry

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

IN RE: HB2229 by Reyna (Relating to the automatic renewal of contracts for security services.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would add Chapter 49 to protect consumers from automatic renewal of security service contracts that they do not wish to continue. This chapter would allow a consumer to prevent the automatic renewal of a contract and requires that notice be sent to consumers not earlier than the 30th day and not later than the 15th day before the date a consumer must notify the service provider of the consumer's intention to terminate the contract at the expiration of the term. The Act 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, however, it is projected that this increase can be absorbed by current resources

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 302 Office of the Attorney General

LBB Staff: JOB, JRO, MS