

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

February 26, 2007

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

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

IN RE: HB248 by Alonzo (Relating to use of a credit score by a business or lender.), **As Introduced**

<p>No significant fiscal implication to the State is anticipated.</p>
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The bill would amend the Business and Commerce Code to define credit score, to prohibit a business from discriminating against a customer in price or rate charged, including a utility service, based on that customer's credit score, and to prohibit a person who extends credit to a borrower from discriminating in the rate or amount of interest charged, based on the borrower's credit score. The bill would also provide that a violation of either of these prohibitions constitutes a deceptive trade practice.

Based on the analysis of the Office of the Attorney General, it is assumed that duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

This bill would take effect September 1, 2007.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 302 Office of the Attorney General, 450 Department of Savings and Mortgage Lending, 451 Department of Banking, 466 Office of Consumer Credit Commissioner, 469 Credit Union Department

LBB Staff: JOB, JRO, MW, TGI