LEGISLATIVE BUDGET BOARD Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

February 23, 2007

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

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

IN RE: HB1236 by Elkins (Relating to the imposition of a surcharge for use of a credit card for certain purchases.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Finance Code to authorize a seller of goods or services to impose a surcharge on a buyer who uses a credit card for certain purchases if before the sale the seller has disclosed the surcharge to the buyer, the amount of the sale, before including the surcharge, does not exceed \$10, or the surcharge does not exceed \$1. The bill would also authorize a surcharge for an inperson transaction by posting a notice of surcharge in a conspicuous location.

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

The bill would take effect immediately upon receiving a vote of two-thirds of all members elected to each house or otherwise on September 1, 2007.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 302 Office of the Attorney General, 466 Office of Consumer Credit Commissioner

LBB Staff: JOB, JRO, MW, TGl