

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 27, 2007

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

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

IN RE: HB1783 by Howard, Donna (Relating to the marketing of credit cards to students at a postsecondary institution and to certain young persons; providing a civil penalty.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill amends the Business and Commerce Code and prohibits credit card issuers from mailing solicitations to persons between the ages of 18 and 23 that include: a sample credit card, the term "pre-approved", a blank check or an offer of a gift or other incentive in exchange for completing the application.

Credit card issuers are also prohibited from conducting activities on campuses of post secondary educational institutions designed to encourage students to apply for credit and that provide to students any materials that contain the aforementioned prohibited terms or provisions. The Attorney General is authorized to sue a person who violates this subchapter, and collect a civil penalty not to exceed \$1000 for each violation.

It is assumed that any additional costs associated with implementation of the provisions of the bill could be absorbed within existing state resources. It is assumed that any additional revenue generated as a result of provisions of the bill would not be significant.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 302 Office of the Attorney General

LBB Staff: JOB, JRO, JM